

FY 2025 Mid-Year Report



**Fitting
Together the
Pieces of the
Gallup -
McKinley
County
TradePort**





GREATER GALLUP EDC
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Working closely with the City of Gallup, owner of the long-vacant former Kachina Packing Facility on Industry Drive in Gallup, a new company is onshoring its overseas operations with plans to build a factory on the site. See story on p. 5.

Mid-Year Report FY 2024-2025

July 1, 2024 - December 31, 2024

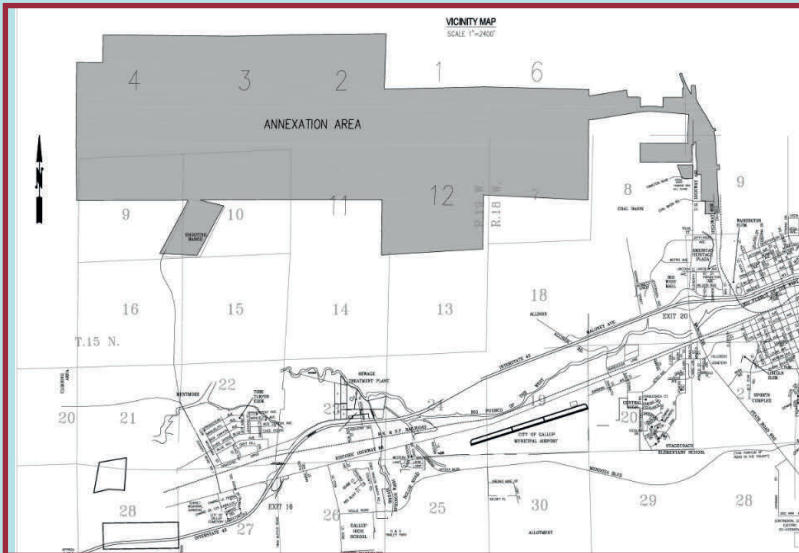
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Highlights, Achievements & Awards

City of Gallup Approves Carbon Coal Road Corridor Annexation



In December, the Gallup City Council approved the annexation of the Carbon Coal Road Corridor (gray portion above) adding 4,800 acres to the city's boundaries and facilitating the future delivery of critical utility and other city services to the Gallup Energy Logistics Park, the McKinley County Industrial Park, and future businesses, facilities and residences in the corridor. The action increases the attraction of Gallup to businesses considering locating here.

Gallup Receives Statewide Award for Coal Avenue Commons



Patty Lundstrom, GGEDC Executive Director, receives NM IDEA's Placemaking Award on behalf of the City of Gallup at the New Mexico Governor's Economic Development Conference in Albuquerque in September. From left to right are: Cassie Arias, President, NM IDEA, Drew Kramer, Economic Development Officer, Tri-State Generation & Transmission Assoc., Patty Lundstrom, Eileen Yarborough, Executive Director, McKinley County Electric Generating Facility Economic District & Marty O'Malley, General Mgr, Gallup Energy Logistics Park.

IMTS Tradeshow a Towering Success!



From Left: **Tim Gibbs**, CEO, Four Corners Economic Dev., **Mark Roper**, Division Director, NM Economic Development Department, **Linda Trujillo**, Board President, Cibola Communities Economic Development Foundation, **Melinda Allen**, CEO, NM Partnership, **Amar Vakil**, STUP (Site Selector), and **Patty Lundstrom**, GGEDC Executive Director.

GGEDC staff joined a 13-member delegation of northwest NM EDO leaders, public officials, and the NM Partnership, at the 2024 IMTS Trade Show in Chicago. There, at the largest manufacturing technology trade show in North America, the delegation conducted 600+ meetings with manufacturers and site selectors to help recruit businesses to Gallup & McKinley County. The team generated some very solid leads!

National Award to Industrial Workforce Program



Tom Macik, Director of the Industrial Workforce Program (IWP) and **Liam McCarthy**, Instructor, received a Construction Industry Workforce Development Award and \$5,000 check from the Construction Users Roundtable. The IWP was begun by the GGEDC in 2019.

GGEDC Trade Shows Focused on Foreign Direct Investment (FDI), Manufacturing, Warehousing & Logistics, and Outdoor Recreation Industries

During the late summer and fall of 2024, GGEDC staff attended the 2024 IMTS 20 trade show in Chicago, an international business conference in Atlanta, the 2024 Breakbulk Americas trade show in Houston and the Outdoor Economics Conference in Las Cruces, NM.

GGEDC's primary objectives were to showcase Gallup and McKinley County, NM to international and national companies and investors, learn about state-of-art logistics and warehousing processes, explore manufacturing opportunities in the outdoor recreation industries, and to explore new Foreign Direct Investment (FDI) opportunities.



Matthias Beier, President & CEO of the TransAtlantic Business & Investment Council (TBIC) and **Patty Lundstrom**, GGEDC Executive Director, at the TBIC Annual Meeting in Atlanta, GA in August.

2024 Transatlantic Business & Investment Annual Conference

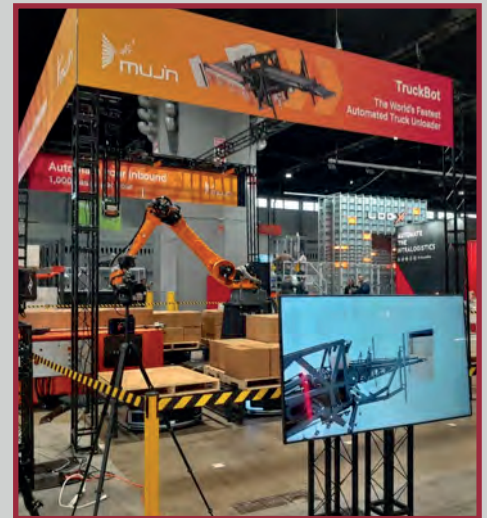
Organized by the Transatlantic Business & Investment Council (TBIC), TBIC is the primary platform in Europe for companies interested in expanding operations and investment into the U.S. According to TBIC, Europe is the largest source of foreign direct investment for the United States.

The theme for this year's annual conference was: **"Structures for Success: Building the Pathway for European Investment."** The conference addressed the critical importance of infrastructure in place at sites and workforce development opportunities as the most critical components for engaging with European businesses. The conference provided an abundance of workshops and opportunities to network with European companies and investors.

Presentations and Workshops included:

- Perspectives and Trends in FDI, Transatlantic Relations, and the Global Economy,
- Key Challenges and Assets of FDI-Ready Infrastructure, and
- Exposure & Presentation: How to Attract International Companies.

In 2019, GGEDC undertook a complex TBIC assessment and certification process for the Gallup Energy Logistics Park (GELP) and the Gallup community to become a certified FDI-Qualified Community.



Tradeshows like IMTS and Breakbulk feature state of the art technologies and provide access to companies that design, produce, and distribute them.

In 2021 and 2024, Gallup and GELP were recertified and recognized by TBIC as a suitable location for the expansion European company expansions.

GGEDC was the founding member of TBIC in New Mexico, and one of four TBIC member communities in the Southwestern United States.

Executive Director Lundstrom said that the meeting provided "incredible information on FDI-related opportunities and challenges in the near future with Europe."

2024 New Mexico Outdoor Economics Conference

GGEDC staff joined a delegation from the City of Gallup in Las Cruces for the annual New Mexico Outdoor Economics Conference, the largest conference focused on developing the outdoor recreation economy.

In September 2025, the City of Gallup will host the Outdoor Economics conference.

Redevelopment of Former Kachina Packing Site for Aluminum Manufacturing Operation Facilitated by the City of Gallup and GGEDC

For over a year, GGEDC has been working with Helio Industries, an aluminum fabricator and producer, to help the California-based company site its new factory in Gallup. The City of Gallup has agreed to enter into a partnership with the company and to make the site of the former Kachina Packing Plant on Industry Drive, which the city owns, available and ready for the new development.

In the 1960s, the Kachina Packing Plant was a slaughterhouse and meat packing operation. After a long vacant status and a fire in March 2023, the city received an insurance settlement to remediate and rehabilitate the property.

Demolition of the former building is nearly complete and a second phase environmental remediation and process to remove asbestos and toxins from the site is underway.

The company anticipates it will break ground on the new facility this spring and enter into a 10-year lease of the property with the city. Helio Industries states its plant will emit zero air pollution, will consume a low volume of water, and will provide numerous construction jobs at the outset followed by quality long-term and career building jobs.

Josue Rojo Lopez, CEO of Helio Industries, said the company feels very welcome in Gallup and looks forward to making a big impact in the area.

Before ...



... and After ?



Top: Josue Rojo Lopez, CEO of Helio Industries, visiting the former Kachina Packing Facility with David Eason, City of Gallup Attorney. **Bottom:** Rendering of Helio Industries' anticipated factory.

GGEDC Prepares to Take Its Marketing Game to a New Level

In January, GGEDC renewed its consulting contract with **Jennifer Lazarz** to update the GGEDC's Strategic Marketing Plan, a requirement in GGEDC's Professional Services Agreement (PSA) with McKinley County. In addition to providing guidance for how GGEDC conducts and manages its outreach to site selectors and prospective companies that we hope to attract to Gallup-McKinley County, the Marketing Plan helps GGEDC set and monitor performance measures that can gauge the

effectiveness of our core Business Attraction & Recruitment (BAR) program.

Jennifer's work plan also includes updating GGEDC's marketing "collateral" now that the City of Gallup has approved annexation of the Carbon Coal Road Corridor. Jennifer is tasked with assuring that GGEDC's marketing materials and website address the key interests and questions of the businesses we are targeting to recruit.

Northwest New Mexico Delegation Nets Solid Recruitment Prospects at IMTS Trade Show



Gallup Land Partners treated the IMTS Delegation to dinner at a first class Czech restaurant. **Jake Bracken**, CEO of Gallup Land Partners, is pictured front right.

The Greater Gallup Economic Development Corporation (GGEDC) Executive Director, Patty Lundstrom and the organization's Economic Development Manager Bruce Armstrong recently traveled to Chicago as part of a 13-member delegation from northwest New Mexico to attend the 2024 International Manufacturing Technology Show, which took place Sept. 9-14. Other participants from Gallup included Martin O'Malley, General Manager of Gallup Land Partners, Gallup City Councilor Linda Garcia, Dist. 1, Matt Robinson, City of Gallup Marketing & Tourism Manager, and Jeff Kiely of Kiely Consulting.

"IMTS is one of the most important manufacturing trade shows in the country," Patty Lundstrom said. "The GGEDC staff have attended four times and it has always been beneficial. Since the show, five prospective companies have followed up with the New Mexico Partnership and GGEDC expressing interest in potentially locating or expanding their businesses into northwest New Mexico."

Held every two years in Chicago, the IMTS conference "brings together creators, builders, sellers and drivers of manufacturing technology to connect," according to the IMTS website. This year's show featured 1,737 exhibitors and over 89,000 attendees.

The conference highlighted state of the art technologies across multiple industrial sectors including fabrication, additive manufacturing (3-D printing), automation and robotics, lasers, and metal cutting and removal tech.

Organized by the New Mexico Partnership, the contracted economic development marketing arm of New Mexico, the delegation held over 600 meetings with companies and site selectors potentially interested in locating their businesses in Northwest New Mexico. As a result of contacts made at the trade show, two companies operating in the hydrogen sector initiated conversations with GGEDC about locating operations in Gallup and one company visited Gallup and Prewitt, NM.

2024 Breakbulk Americas Trade Show

In October, Bruce Armstrong, Economic Development Manager, attended the 2024 Breakbulk Americas trade show. As the region's largest and longest-running trade event for the industry, Breakbulk provides excellent opportunities to connect with representatives from the entire supply chain, representing the key players in Canada, the U.S., Mexico and throughout Latin America. Bruce met with multiple companies in a position to help develop the Greater Gallup TradePort.



Bruce Armstrong, GGEDC Economic Development Mgr., at the 2024 Breakbulk Americas Trade Show in Houston, TX.

Moving the Gallup/McKinley County TradePort Project Forward

The Greater Gallup Economic Development Corporation (GGEDC) hosted its **Fall 2024 Economic Roundtable** on Tuesday, October 29, 2024 in the McKinley County Courthouse Annex conference room. Titled “*Moving Forward on the TradePort Project in Gallup/McKinley County*”, this was the first of two roundtables GGEDC has planned for Fiscal Year 2025 and the third roundtable to focus on designing and developing a regional TradePort in Gallup, NM.

The 41 roundtable attendees included City of Gallup Council and staff members, representatives from McKinley County government, the New Mexico Department of Transportation, the NM Environment Dept., GGEDC staff, and expert consultants contracted by McKinley County to research and design the regional TradePort.

The purpose of the roundtable was to strategize and collaborate the next steps of developing the TradePort in Gallup with plans underway for a TradePort Master Plan, Autonomous Vehicles (AV) Test Track, a hydrogen/multifuel hub, and a Foreign Trade Zone (FTZ)/User Fee Airport.

Patty Lundstrom, Executive Director of GGEDC, explained that the roundtable “provided an excellent opportunity to help the participants realize the full scope and extent of the projects GGEDC has been working on jointly and diligently with the City, County, and the State of New Mexico to lay the foundations for the regional inland TradePort.” To help the audience grasp the full scope and extent of the Gallup/McKinley County TradePort Initiative, Ms. Lundstrom referenced a chart detailing the 23 impactful activities GGEDC has undertaken since 2023 to support the various projects, including consulting with 17 mostly New Mexican companies for their input, and the

10 site tours undertaken by members of the Inland Port Steering Committee to learn how similar projects and sites function elsewhere.

According to Ms. Lundstrom, the chart represented “the field of play of all of our initiatives,” highlighting that “We don’t jump into projects we don’t understand.” She stated that “While the economic fortunes around us have

changed a lot, GGEDC has kept its focus, been responsive to the changes, and continued to move forward on the strategic economic development priorities for the Greater Gallup region.”

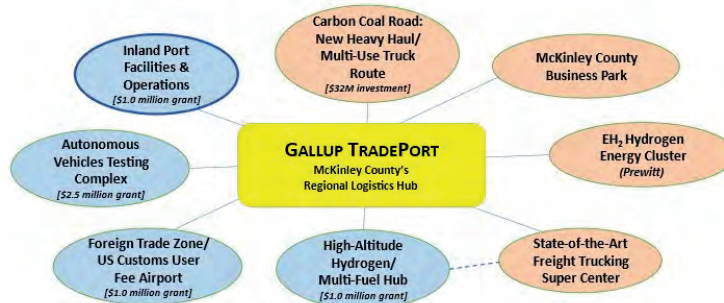
Following presentations by consultants from Kimley-Horn, Martin Associates and Hatch Consultants, the consultants engaged in in-depth discussions with the other roundtable participants on the

various projects. Goals for the roundtable included building understanding among the participants of the various initiatives and projects underway and the interconnections between them and generating preliminary ideas for legislative, regulatory and funding proposals that could eventually be presented to the New Mexico Legislature as well as potential investors and grantors.

The consultants determined that Gallup is particularly well-suited for both closed course testing and public highway testing of Class 8 tractor-trailers.

Concentrating on next-generation truck technologies could help Gallup capitalize on its location, access to I-40, direct linkage to the busiest ports in North America (LA & Long Beach), and same-day multistate highway testing.

Greater Gallup's Value Proposition: *A multifaceted TradePort cluster*



The Regional TradePort is envisioned as a Logistics Hub that builds upon Gallup's strategic location and transportation assets. The concept integrates multiple GGEDC, County and City-driven initiatives into a plan for a unique and dynamic industrial ecosystem with a mix of manufacturing, warehousing and logistics and energy operations.

Eric James Joins GGEDC Board

Eric James joined the GGEDC Board of Directors on in August 2024. Eric was Born and raised on a Farm north of Farmington NM. With an extensive background in Investment and fiscal Management, Eric joined Edward Jones Investments in November of 2010. Prior to working there, Eric was a small business owner.

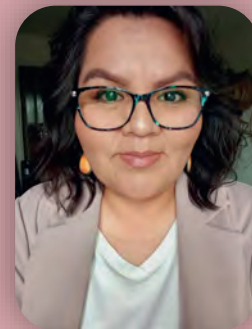
Joining with the EDC, Eric has welcomed the opportunity to experience how GGEDC attracts industrial employers to the Gallup area and helps retain the major employers that are here. Eric said that the opportunity to serve on the GGEDC Board and help guide its economic development mission "is both exciting and challenging!"

Eric has been married to Janis James for 24 years, together they have 7 children and one spoiled grandson. When not working to manage the investments of his many clients, Eric enjoys camping, hunting and fishing with his family.



GGEDC Board members **Kevin Taira** and **Tommy Haws** (left side) and **Rick Murphy** (right) recognized 3 individuals who have profoundly impacted economic development in McKinley County with gifts of Navajo pottery. Awardees were: **Mayor Louie Bonaguidi** (center), **Robert Roche**, CEO of Roche Industries and Owner of Gallup Land Partners (2nd from right), and **Bobby Baca**, McKinley County Commission Chairman [County Manager Anthony Dimas, Jr. (3rd from right) received the award for Mr. Baca].

GGEDC Welcomes a New Staff Member



Marcia Silversmith
Program Support Associate

Marcia Silversmith is the new Program Support Associate. She started with the GGEDC in September 2024. From Springstead, NM and has lived in Gallup for over 25 years. She has an extensive background in administrative duties and has extensive experience in working with non-profit organizations. Marcia has worked for the Gallup-McKinley County Chamber of Commerce, UNM-Gallup Small Business Development Center and, most recently, The Community Pantry. She is excited to be part of the GGEDC team and is looking forward to helping support the mission of the GGEDC.

NEW CERTIFIED ECONOMIC DEVELOPER (CEcD)!



Bruce Armstrong, CEcD
Economic Development Manager
Greater Gallup Economic Development Corporation
Gallup, NM

Learn more about the CEcD program at iedconline.org/CEcD

Economic Development Manager Achieves IEDC Economic Developer Certification

In August, **Bruce Armstrong**, GGEDC Economic Development Manager, passed the IEDC written and oral exam to become a Certified Economic Developer (CEcD); one of 3 active CEcDs in McKinley County and 1,250 CEcDs worldwide. As the most prestigious credential in the field, the CEcD designation denotes a mastery of economic development skills and a dedication to personal and professional growth.

A Special Word from the Executive Director

For decades I have worked for two governing boards, the NWNMCOG (1985-2010) and GGEDC (2012-present). My entire professional career has been to provide executive staff leadership while the policy was directed by a Board of Directors. Throughout the years, I have experienced working with many civic leaders serving those boards.

In that time, I have seen those that really engage the mission and responsibility of that policy role for the organization, versus those members that just “wait and see.”

In the COG world, my superstars were Dr. Bill Hall, Warren Mathers, Joe Murretta, Ron Morsbach, Gloria Howes, Doc Livingston, Marshall Plummer and Richard Bowman. They were superstars because they understood the difference between policy and administration, they understood the importance of fiscal responsibility, they took responsibility for their own decisions and they supported

how staff implemented those decisions. They also were clear about what they agreed to and what they did not agree to. Believe me, I had to know what I was talking about, because they had a “no bull” approach.

These superstars were no pushovers, and that made them a valuable resource to the organization. They understood the “Field of Play” and helped guide me and other staff away from pitfalls. The best support any executive director can get is honest feedback.

Regarding the GGEDC, one of several superstars is Yogash Kumar. He completed his term as one of the original founding members of the GGEDC in October. He met all the “superstar” criteria and went over and above in the early days to get us off the ground.

The entire GGEDC board, crew, and I wish Yogash well, and he

knows I still have him on speed dial when I am stumped and need advice.

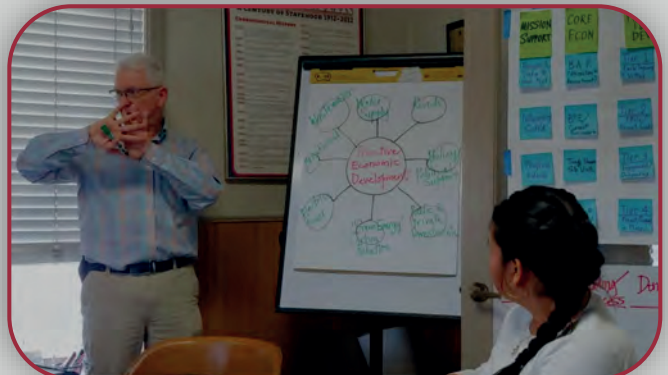
- Patty



Tommy Haws, Board President, and **Patty Lundstrom** presenting a plaque to **Yogash Kumar** recognizing his unparalleled service to GGEDC, its Board & the community.

A Very Special Thanks also to Jeff Kiely

Jeff Kiely has provided an immense benefit to GGEDC. After borrowing him from his retirement, GGEDC has tapped Jeff’s expertise to oversee and manage \$5M in “Special Project” contracts under planning grants managed by McKinley County and the City of Gallup to design and develop components of the Gallup/McKinley County TradePort. Jeff also has been instrumental in designing and training staff on GGEDC’s annual work plan strategies.



Artificial Intelligence (AI) Is Driving Energy Development

Artificial intelligence (AI) is significantly influencing both the data center and energy markets, driving up power demand in New Mexico and throughout the country. In the early 2000s, utility companies had little idea how profoundly future energy needs would expand, but the rise of services like Facebook, Netflix, Instagram, and TikTok dramatically shifted energy consumption. The companies driving this demand—known as "hyperscalers"—include major tech players such as Microsoft Azure, Facebook (Meta), Amazon Web Services (AWS), Google Cloud and Apple. These companies, rooted in innovation, have not only transformed society but also created markets and systems that have made us more dependent on their technologies.

AI's growing influence on data centers, particularly in its demand for computational power, is causing a sharp increase in energy consumption. AI data centers are expected to use 7 to 10 times more power than traditional centers due to their server densification. Moreover, AI data centers require advanced cooling technologies, which further increase energy needs, especially in terms of water-based cooling solutions. To address these challenges, nuclear energy is being considered as a viable carbon-free power source. Nuclear power now may offer a potential solution for meeting increasing dual demands for energy and environmental sustainability.

In the context of data center development, there is an increasing push toward multi-story data centers and the densification of server technology, which leads to higher energy requirements. For example, a typical large data center site could need up to 2 gigawatts (GW) of power, comparable to the output of a nuclear power plant. Companies like AWS are making significant investments in data center campuses, such as purchasing land from Talen Energy to build a site powered by a nuclear plant.

One innovative energy solution is the development of Small Modular Reactors (SMRs), which offer the potential to generate between 60 and 300 megawatts (MW). SMRs could replace existing substations and offer a more efficient and sustainable energy source for hyperscale data centers. However, challenges such as permitting, cost, and deployment timelines remain significant hurdles. Despite these challenges, the market for AI and data centers is

WHY IS ECONOMIC DEVELOPMENT IMPORTANT TO A COMMUNITY?



Looking Forward!

GGEDC's first Economic Roundtable of 2025 takes place on **February 7th** in Santa Fe, NM. Titled "Future Forward: Advancing Our Transportation Economy and the Gallup-McKinley County TradePort with Automation & AI Tech," the Roundtable is an in-person and by invitation only event.

2025 IEDC Economic Development Week takes place the week of May 11-17, 2025. Keep an eye out for another robust week of economic development themed events.

expected to double their energy consumption by 2030, and hyperscalers may play a crucial role in developing the energy infrastructure needed to support this growth.

Hyperscalers, with their vast financial resources, could lead the way in solving these energy challenges. As these companies invest in nuclear and other energy solutions, they could accelerate the deployment of SMRs, help stabilize the grid, and meet the ever-increasing demand for power from data centers.

The GGEDC website features weekly content like this article adapted from one we posted in 2024. **To keep moving forward with GGEDC, Follow us at www.gallupedc.com and on our social media.**

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