



**ODESSA DEVELOPMENT CORPORATION MINUTES
CITY OF ODESSA, TEXAS**

February 11, 2021

A regular meeting of the Odessa Development Corporation (ODC) was held on February 11, 2021 at 2:00 p.m. Odessa, Texas. Due to the COVID-19, the meeting was teleconferenced, as allowed by Governor Abbott's executive order. The board was present through teleconference.

Members present: Tim Edgmon, Gene Collins, Melanie Hollmann, David Boutin and Chris Cole.

Member absent: Mayor Joven, ex-officio.

Others present:

City Staff: Norma Aguilar-Grimaldo, City Secretary; Natasha Brooks, City Attorney; and Cindy Muncy, Assistant City Manager; and

ODC Contractors: Craig Van Amburgh, CVA; Wesley Burnett, Economic Development; Tyler Patton, UTPB-SBDC; James Beauchamp, MOTRAN; Dustin Fawcett, MOTRAN; Paul Garza, Odessa Hispanic Chamber of Commerce; and Chris Walker and Gloria Wright, Black Chamber of Commerce; and

Others: Council members Mari Willis, Denise Swanner and Tom Sprawls; Sheila Perry, Jefferson Cox; Renee Earls, and other interested citizens.

A quorum being present, Mr. Edgmon called the meeting to order and the following proceedings were held:

Mr. Collins gave the invocation with a moment of silence in the memory of Robert Carroll, Senior Assistant City Attorney.

January 14, 2021 minutes. Motion was made by Mr. Collins and seconded by Ms. Hollmann to approve the minutes. The motion was approved by unanimous vote.

Contractors report: Economic Development Department - Odessa Chamber, CVA Advertising and Marketing, Black Chamber of Commerce, Hispanic Chamber of Commerce, UTPB-America's SBDC, MOTRAN, and City Administrative support.

Mr. Burnett reported that the projects had ups and downs due to the pandemic but were active. There would be two big projects in the county that would create significant jobs. He stated it was going to be a good year. The sales tax was up in February. Local business visits were held. Mr. Collins asked about lobbying in Austin before the legislative session. Mr. Burnett stated efforts on meeting will be made with Representative Brooks Landgraf. Mrs. Earls was working on a virtual day in Midland and Odessa.

Mr. Van Amburgh reported that there were more ads in the Odessa American and the website. The messages were aimed at assisting people with help during the pandemic. The outdoor messages were changed on the importance of Permian Basin oil. Website

traffic was up but page views were down. The Permian Fuels America Facebook showed increases in reach and engagement. He showed the outdoor billboard messages. The Advertising Committee would meet to provide input on the direction for the campaign.

Mr. Walker reported that the Black Chamber of Commerce has not spent any ODC funds. The Black Chamber received information on the PPP program and was reviewing the information.

Mr. Garza reported that the Hispanic Chamber of Commerce had on-going projects. There were 40 participants with the PPP webinar. Contact was made with the SBA in El Paso for Spanish materials to use for the Spanish speaking market. The Hispanic Chamber partnered with SBDC on workshops. There would be seven more programs for outreach and more to be provided by the end of September. The board would have a full report at their next meeting. The ODC funds were in a separate account. Mr. Cole applauded the efforts of the Hispanic Chamber as it was moving in the right direction with the ODC vision. Mr. Boutin stated that the Hispanic Chamber was making efforts to catch the businesses for training, expanding, creating jobs, and pursuing what was in line of the board's direction.

Mr. Patton reported on SBDC's January activity. There were 364 counseling sessions, three seminars with 38 attendees. There were three new businesses and Odessa's capitalization was \$3,667,147. He identified the new businesses. He stated that the Hispanic Chamber partnership provided an increased number of registered participants for the upcoming workshops. Mr. Edgmon acknowledge the great partnership and working together.

Mr. Beauchamp gave an update on the leveraging report. He stated that \$15 million was committed from ODC and \$11.5 million was obligated and authorized for projects. The projects authorized were East Yukon and Loop 338, lighting at 52nd St. & 56th St at Loop 338 and the overpass at Loop 338. He stated that with the three projects the \$2.7 million leveraging in funding had a return of \$34 million in funding. The additional project at I-20 and Faudree was \$2 million of ODC funding that provided \$23 million additional funds. For every dollar, the rate of return was \$12. He stated that the \$4.7 million in ODC funds provided a return of \$57 million. The project of BI-20 and Faudree interchange was scheduled for January 2025 yet with the leverage of funds, it may move up. The I-20 and Faudree project would begin May 2022. The ODC funding provided a great impact and it has paid in dividends. He again emphasized that \$4.7 million had \$57 million in return. Mr. Boutin asked if any action from ODC was needed to accelerate the BI-20 and Faudree project. Mr. Beauchamp stated that the new Council was supportive. A conversation with TxDOT with Council member Sprawls, the MPO representative to move up the project should take place. The earliest for the project was five to eight years out. Mr. Cole supported the project to proceed but wanted some background information regarding the allocated funds as it was done by past ODC board members. Mr. Edgmon asked that Mr. Boutin and Mr. Cole report back to the ODC regarding transportation.

Mrs. Muncy reported on December financial reports. There was \$58,681,163 in total assets with total reserved of \$14,958,540. She reviewed the assigned and unreserved funds. The first three months had a loss on investments. Sales tax was \$2,417,944 for the year. There was an excess in revenue over expenditures of \$1,628,852. She stated

that there were no changes in the reserved fund balance. Mrs. Muncy stated that the February sales tax collected was \$1.182 million which was the December sales tax.

Motion was made by Mr. Cole and seconded by Mr. Boutin to approve the financial report. The motion was approved by unanimous vote.

ODC Committee and Officer Reports. No committee meetings were held. The DOI Design Committee would be restructured.

Resolution No. ODC-2021R-03 - Remove from the table consider a resolution approving the third incentive payment to UTPB based on compliance with the economic development agreement. Motion was made by Mr. Boutin and seconded by Ms. Hollmann to remove the item from the table. The motion was approved by unanimous vote. Mrs. Brooks reported that a review was done for the compliance of UTPB's economic agreement report. She stated that UTPB was in compliance and recommended the payment of \$1.5 million.

Motion was made by Mr. Collins and seconded by Ms. Hollmann to approve the resolution. The motion was approved by unanimous vote.

Resolution No. ODC-2021R-04 – Remove from the table consider a resolution approving the Ellen Noel Art Museum economic development agreement. Motion was made by Ms. Hollmann and seconded by Mr. Collins to remove the item from the table. The motion was approved by unanimous vote.

Mr. Burnett reported that the Compliance Committee reviewed the request in detail. Ellen Noel Art Museum would upgrade and add to its facilities for \$12 million. Eight jobs would be retained, 16 jobs added, and additional payroll. The Compliance Committee recommended a \$600,000 grant to be paid out in five years. Mr. Cox, Compliance Committee Chair, reported that the committee reviewed this in detail. Aaron Hawley, ECISD Director of Fine Arts, stated it was an educational program used for the ECISD elementary students. Ms. Perry stated that it provided an investment to creative cultural infrastructure and was a quality of life. The cultural infrastructure was a strategy to diversify the economy. The Odessa Arts had a study made on Odessa's economic impact of the arts and it reported a \$6.1 million impact. At the State level, there was one in 15 jobs tied to the cultural industry. Arts provided a positive economic impact in Odessa. Mr. Collins stated that it provided for job creating and supported the request. Mr. Burnett stated that it was within the codes and the Compliance Committee had an in-depth due diligence of review. Mr. Boutin appreciated the work of the Compliance Committee for its detailed work. He was supportive of the museum but the creating of the economic sales tax was to expand the tax base, create manufacturing jobs and diversify. ODC funded training in industrial and manufacturing. If the board strayed from the philosophy, it may support all types of requests. He valued the art museum as it was an asset to the community but did not see it as ODC supporting it financially. Ms. Hollmann served on the Compliance Committee and disagreed with Mr. Boutin. The request qualified under the NAICS Code and it was within the organization's statutory compliance. As a former Compliance Committee member, the committee thoroughly reviews each request. The Legal Department stated that it created jobs and provided an economic value. Mr. Boutin did not question the qualification requirement but there was an obligation. Mr. Edgmon stated the Compliance Committee spent time and effort on the request which the board did not see. He would recommend to the Council that the ODC board members be from the Compliance Committee. Mr. Cox stated that the

project evolved since the original request was made. The Committee discussed both the technical and psychological side and was reviewed objectively.

Motion was made by Mr. Collins and seconded by Ms. Hollmann to approve the resolution. The motion was approved by a 4 -1 vote with Mr. Boutin casting the nay vote.

Permian Fuels America Task Force Report update. Mr. Edgmon stated that there was no update due to the changes in Washington.

Motion was made by Mr. Collins and seconded by Mr. Boutin to adjourn the meeting. The motion was approved by unanimous vote. The meeting adjourned at 3:13 p.m.

ATTEST:

APPROVED:

Norma Aguilar-Grimaldo, TRMC, CMC
City Secretary

Tim Edgmon
President