



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

March 9, 2023

A regular meeting of the Odessa Development Corporation (ODC) was held on March 9, 2023, at 2:02 p.m. in the Council Chambers, 5th floor, City Hall, 411 W. 8th St. Odessa, Texas.

Members present: Melanie Hollmann, Jeff Russell, David Boutin, Kris Crow, James Kirk, and Larry Robinson.

Member absent: Ismael "Mikky" Navarrete.

Others present:

City Staff: Dan Jones, Interim City Attorney; Larry Fry, Director of Finance; Seth Boyles, Controller; Celia Senoret, Deputy City Secretary; and

ODC Contractors: Tom Manskey, Chamber of Commerce; Tyler Patton, UPTB-SBDC; James Beauchamp, MOTRAN, Renee Earls, Chamber of Commerce; Christi Callicoatte, Current Media Partners; Britney Mann, Current Media Partners; Chris Walker, Black Chamber of Commerce; and

Others: Mayor Javier Joven.

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

Mr. Russell gave the invocation.

The Pledge of Allegiance and Texas Pledge were recited.

February 9, 2023 minutes. Motion was made by Mr. Boutin and seconded by Dr. Kirk to approve the minutes as corrected. The motion was approved by unanimous vote.

February 21, 2023 minutes. Motion was made by Mr. Boutin and second by Mr. Russell to approve the minutes as presented. The motion was approved by unanimous vote.

Contractors' reports: Economic Development Department - Odessa Chamber, Current Media Partners, Black Chamber of Commerce, UTPB-America's SBDC, MOTRAN, and City administrative support - financials. Mr. Manskey provided updates on activity report. Project Seragio BESS was active. Mr. Manskey talked to a site consultant who has two other projects and was interested in bringing to Ector County. Project Flow was an expansion to manufacturing flow control products, with capital investment of \$3.46 million. This project would retain eight full-time jobs and add twenty-two new jobs. Mr. Manskey met with the county judge and updated him on Project Ophelia and will meet with the county attorney. They would be requesting a 3-12 from the County, Odessa College, and the Hospital District. This project was a good capital investment. Mr. Russell asked the difference between a 3-12 and 3-13.

Mr. Manskey explained that 3-12 was a regular abatement and that was the taxing entities outside of the school district. With the 3-13, the state allowed the school district to put a cap on the property value. Mr. Boutin stated that the original intent of the 3-13 was to allow an abatement for schools because there was a provision that school could not do. The legislature was trying to protect their revenue associated with schools and education. Mr. Russell questioned if those projects were worth pursuing, considering that they were not getting much tax revenue and a very small number of potential jobs. Mr. Manskey explained the dynamic of each project. Mr. Boutin stated that eventually they were getting those taxes. The abatement was a short term and by expanding the tax base, they were able to hold taxes lower for residents. Mr. Robinson questioned if they were granting money for equipment, personnel, capitalization, life of products and the ratio between useful life and abatement. Mr. Manskey would invite ECAD to the next meeting to address these issues. Project Frost was moving forward. Project Legion representatives will be in town to meet with the school district. They had been approved for a 3-13. Project CTV was planning its groundbreaking on April 28, with 300 people coming from Houston. Project Nacero needed to change to a 3-13 because of how the application was completed. Mr. Manskey met with Wesley Burnett, and they were having a meeting with the state comptroller's office. In local business retention and expansion, some companies were visited in the last month. In social media, LinkedIn was added. They were continuing working with their marketing group and a webpage designer. They planned on increasing their social media presence. Instagram Facebook, LinkedIn, and Twitter were growing.

Ms. Callicoatte had its contract in place and would have its written report starting next month. The committee was emailed to keep them updated. A brand guidelines and style guide were established. The digital board was contracted through the Chamber. They were working on the website. Reports would be sent out for feedback. They gathered art files and contents. The process was about two to three months. She continued to research the target industries. Ms. Mann stated that the campaign was a success, targeting the attendees of the Shop Show. They were able to extend the campaign within the same budget. They overdelivered by 1,371 impressions, which had an extra 1,300 impressions. They would be able to remarket back once the website went live. They had different ways to specifically target those who had expressed interest. Ms. Callicoatte mentioned that the website had minimal changes. Mr. Robinson asked if they had to start with all their artwork and make a foundation. Ms. Callicoatte stated that they were able to use their existing look and updated it. They used all the graphics that was provided to keep a consistent look.

Mr. Walker reported that its numbers were very good due to Black History Month. Their digital display on Grant was well accepted. They were able to run twenty-eight different people each day. Members were from the community, council members, former council members, schoolteachers, businesspeople, and individuals that have had respective companies for fifty years. Facebook numbers increased. On February 23, there was a workshop with SBDC, which was Start a Franchise. They met with a doctor from a neighboring city. She was going to do a women's conference in June. They were going to team with Odessa Chamber to help with the event. The fourth edition community calendar of events was sent. They were working with St. James Baptist Church on an event over the weekend. People from Chicago, New Orleans, Dallas, Houston were coming to this event. Their plan was to have more events, activities and getting involved. They were looking for a facility and they were in the financial stage.

Mr. Patton reviewed the February SBDC report. There were 247 counseling sessions, and 201 counseling hours. There were three seminars with 25 attendees. There were four new businesses in the area. The industries included were oilfield supply company, paint and wallpaper retailer, horse training and boarding company and a community kitchen for food producers. Capitalization for the month was \$1.9 million and 21.50 FTEs. For the month of March, they will have SWAT Analysis for the first workshop. On March 15, National SBDC day, they will hold their second workshop, Access to Capital, and the final workshop was Business Structure.

Mr. Beauchamp handed out a USB drive with the complete I-20 report, economic data, and I-14 report.

Mr. Fry reviewed the January financial statement. Revenues for the month were a total of \$1,160,894. He summarized the changes in fair value and interest, governments pools, CD and CDARs, savings and money market. ODC expenditures for the month was \$578,144. No securities purchases were made for the month of January. Purchases were made at the end of February for two million to Connecticut State Bond. The ODC sales tax collection for March were \$1,242,674 which was an increase of \$413,549 or 49.88% when compared to March 2022. Collected for fiscal year 2023 was \$7,182,077 an increase of \$1,410,522 or 24.44% when compared to the first six months of fiscal year 2022.

Motion was made by Mr. Boutin and second by Ms. Hollmann to approve the January financial report. The motion was approved by unanimous vote.

ODC Committee and officer reports: Partnership, Tax Incentive, Advertising, DOI Grants Design Review Board, Compliance and Legal Services Committee. Mr. Crow stated partnership was scheduled for March 30. Tax incentive, Advertising, DOI Grants Design Review Board had not met. Mr. Boutin stated that compliance had orientation for the new members. Ms. Hollmann reported on Legal Services Committee. Attorney Jackson Walker had a billing rate \$1,000.00 an hour. They talked to attorneys, Jeff Moore, and Phil Gaji. Jeff Moore, who has a very impressive experience, started in 1992 as an Assistant City Attorney in Austin. He moved on to the Attorney's General's office in municipal affairs. During that time, he worked on the Economic Development handbook and presented sales tax training. He went into private practice in 2003 in municipal matters. He currently represents about 40 economic development corporations. His rate was \$250.00 an hour. He had a lot of expertise. He collaborated extensively with city legal departments. They talked to Attorney Phil Gaji. His first recommendation was Jeff Moore. His rate was at \$450.00 an hour. Mr. Boutin stated that Ms. Hollmann and Mr. Robinson and himself were very impressed with Jeff Moore. There were other things he could offer in the area: open meetings, open records and municipal. Mr. Manskey stated had been trying to bring somebody for TEDC for sales tax training. He recommended Mr. Moore for a workshop. He highly recommended a workshop for sales tax training.

Motion was made by Mr. Boutin and second by Mr. Robison to move forward with exploring on a relationship with Jeff Moore and the firm of Brown and Hoffmeister. The motion was approved by unanimous vote.

Discuss and consider audit proposals. Mr. Crow stated two proposals were received, Weaver and Whitley Penn. Mr. Fry gave a synopsis of the proposals, and stated the proposals were for compliance consulting services and not for audit. Both proposals

were very qualified. He stated that Weaver had done this work for many years. They presented two different options. Option A, desk review project management report preparation for \$8,500 per report. Option B for desk review and report preparation for \$5,000 per report. Option A represented the historical mode. The outsourced firm contacts the grantee and arranges for collection of record reviews. The record reports on progress to ODC management, prepares the report and presents the report to management and the board. Option B, Weaver would prepare the document request list and ODC management would be collecting all the information and presenting it for desk review as one package of information (Equivalent of option A above). Whitley Penn total cost per report was \$6,500.

Motion was made by Mr. Russell and second by Mr. Robinson to approve the proposal with Whitley Penn for \$6,500 to perform compliance audits. The motion was approved by unanimous vote.

Discuss and recap meeting between ODC, City Council and County

Commissioners. Mr. Crow thanked everyone for participating in the meeting and stated the meeting opened a better communication link between the County Commissioners and City Council. He had made a list of all the questions from the meeting. He forwarded the list to the Mayor and County Judge to look at any additional questions. The goal was to help answer and gather information for both entities. There were 27 interlocal agreements and most had not been updated in over a decade. Mr. Russell asked what ODC can do to move forward and get things resolved. Mr. Crow stated everything that the county does affected the city, and it affected economic development.

Ms. Hollmann suggested to look at all the interlocal agreements and have a board member facilitate ongoing communication with one agreement and a commissioner and a council member for that agreement and report back to their respective boards. Mr. Boutin suggested follow up with the Mayor and County Judge in determining if they received the information or if they need additional information and how ODC could facilitate. Mr. Russell suggested to break into small teams.

Presentation on ODC Grants. Mr. Russell presented a listing by year of every grant that ODC had done since 1997 when ODC was formed. The first grant was in 1999. He categorized into job creation, business, education training, Odessa College, UTPB, infrastructure grants, convention center's parking garage, JBS Parkway overpass and non-profit. He reviewed the category chart by year. In the early years, smaller grants were made. In 2001, 2002 and 2003 there were higher grant amounts. Most of the companies existed and were expanding. In the early years, ODC took initiative of diversification attempts that came primarily form of telemarketing companies. He summarized the categories from the chart and presented the amount spent in Downtown façade, infrastructure grants, education, infrastructure projects, job creation and nonprofit. With this presentation, he wanted to give a better understanding of the things ODC had done and to understand where they needed to be going in the next five years.

Close Session. None.

Citizen comments on non-agenda items. None.

Upcoming dates for future ODC Board meetings. The next ODC board meeting was scheduled for April 13 at 2:00 p.m.

Motion was made by Ms. Hollmann and seconded by Dr. Kirk to adjourn the meeting. The motion was approved by unanimous vote. The meeting adjourned at 4:03 p.m.

ATTEST:

APPROVED:

Celia Senoret
Deputy City Secretary

Kris Crow
President