



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

**May 13, 2021**

A regular meeting of the Odessa Development Corporation (ODC) was held on May 13, 2021 at 2:00 p.m. in the Council Chambers, 5<sup>th</sup> floor, City Hall, 411 W. 8<sup>th</sup> St. Odessa, Texas.

Members present: Tim Edgmon, Melanie Hollmann, David Boutin, Chris Cole, Kris Crow, Jeff Russell, and Larry Robinson.

Others present:

City Staff: Norma Aguilar-Grimaldo, City Secretary; Natasha Brooks, City Attorney; and Cindy Muncy, Assistant City Manager; Alexa Moulakis Downtown Event Coordinator; Larry Fry, Director of Finance; 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; Chris Walker, Black Chamber of Commerce; and Renee Earls, Odessa Chamber of Commerce; and

Others: Council members Tom Sprawls, Mari Willis, Mark Matta, Denise Swanner, and Steven P. Thompson; Kirk Edwards; and other interested citizens.

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

Mr. Edgmon called the meeting to order.

Mr. Collins gave the invocation.

**Presentation to outgoing ODC Board member Gene Collins.** Mr. Edgmon presented Mr. Collins a plaque for serving on the ODC board. Mr. Collins enjoyed serving on the board and asked that the board make a difference in Odessa to benefit citizens.

**April 7, 2021 minutes.** Motion was made by Mr. Boutin and seconded by Mr. Cole to approve the minutes with changing the word "restricting" to "redistricting" under the MOTRAN presentation. 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 - Financials.** Mr. Burnett reported that Nacero announced that the project would be in Odessa. The financing would be closed soon, and the agreements were moving forward. With Project 2020-06, Odessa was in competition with other states. The representatives met with the taxing entities to discuss incentives. The project would create 1,000 jobs with a multi-million-dollar investment. A decision on a site would be

made in the third or fourth quarter of 2021. Project Sabre reactivated its activity to refurbish a building and expansion.

An economic development training will be set up in Odessa for the board members and City Council. Nacero and Bechetel were complementary of Odessa's response. Mr. Crow asked how contractors could apply for the project. Mr. Burnett stated a link with a portal to register for the project would be available.

Mr. Van Amburgh reported that podcasts were recorded and on air. A new podcast would be produced with the Nacero project. Television ads would be through August. The outdoor message focused on local business expansion and retention. The website traffic was up. The social media engagement and shares were mixed. The Permian Fuels America showed an increase in reach, but likes were down.

Mr. Edwards provided an update on The Permian Fuels America. He provided the background on how it was created. The task force created the theme, media, and content with the goal of keeping the oil field workers here. A petition was signed by 350 for advocacy of supporting American energy. Television ads and billboards have been used for messaging. UTPB researched and wrote a paper on "When foreign entities dump excess oil and Texas paid the price". The paper would be distributed. He discussed the current environment. Odessa had an unemployment rate of 11% for March 2021. The drilling rate was down with COVID. The next steps were to distribute the UTPB paper and continue the tagline of the Permian Fuels America. Mr. Boutin stated that the Nacero project would help with the administration as it was environmentally friendly. Mr. Edwards stated to continue the education and advocate the message. Mr. Edgmon asked that the task force come up with ideas for the legislators in Austin and Washington.

Mr. Walker reported on the Black Chamber of Commerce activities. The Black Chamber had two potential companies interested in opening in Odessa: a home health care office and hair and nail salon. The Black Chamber hosted a breakfast event with 175 people in attendance. Two small business workshops were held in partnership with SBDC. A third workshop would be held. The Black Chamber would be having a contact weekend to update information on businesses and the status of the businesses due to the pandemic. He stated that the Black Chamber was contacted by an investment company for a lunch and learn on investment and financial planning for small businesses. He would include the Hispanic Chamber for this event.

Mr. Garza was working with a hoisting crane company and they submitted paperwork for a business to the Secretary of State to build a warehouse. The PPP program was slowing down as funds were running out. The seminars partnered with SBDC were going well. There was a potential new automation company moving to Odessa from El Paso. The Hispanic Chamber was developing a revenue diversification and a cultural committee. Ms. Hollmann stated to be cautious and not advise companies on entity structure.

Mr. Patton reported on SBDC's April activity. There were 290 counseling sessions, five seminars presented, 61 attendees, and two new businesses with one in Odessa. The total capitalization was \$1,238,799 and Odessa had a capitalization of \$527,799. He reported that the seminars partnered with the Black Chamber and Hispanic Chamber had a 40% increase of attendees. Mr. Patton reported that 41 applications were received for the small biz program and 30 would be accepted with four alternates. He

explained the Shell Livewire, an entrepreneur program to help people in the idea stage. Our area was being explored for the program.

Mr. Beauchamp stated that Southwest Airlines was honored for their 50<sup>th</sup> anniversary and 45 years in the Permian Basin with posters and a resolution. Southwest Airlines was diversifying its hubs. There was work on adding a direct Austin flight. He testified on the economic impact of the Permian Basin before the Appropriations Committee. Information was being gathered to include the Midland and Odessa area for the extension of I-27 study. The bill that created the I-27 advisory committee did not have an Odessa member as it was denied. Brochures were distributed on general education of the importance of oil and gas production.

Mr. Fry reported on the March financial reports. There was \$57,554,197 in total assets, year to date revenues were \$5,097,161, and expenditures were \$1,619,738. He reported that transfer of funds were made from a money market to a Logic Pool and a CD at a local bank. Municipal securities may be purchased. Mr. Crow asked about the effect of the overall rate of return with the change of investments. Mr. Fry stated that Logic would quadruple the return and staff was working to get the best possible yield. Mr. Crow asked for a breakdown of committed and estimate over five years of income. Mr. Fry was working on a cash flow projection for future funds.

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

Mrs. Muncy stated that the budget allocated \$100,000 for façade and infrastructure grants. If the grants that were going to be considered were approved, then there would be a budget amendment at the next meeting. The funds would be taken out of the business incentives.

**Resolution No. ODC-2021R-05 and Resolution No. ODC-2021R-06 – Downtown Infrastructure and Façade Grants for Nasuhoglu Investments, Inc. dba PediCardio of West Texas.** Ms. Moulakis stated that PediCardo was rehabbing 520 N. Lincoln. The investment was \$425,077 for an infrastructure grant of \$161,213.50. The façade investment was \$90,000 for a grant of \$25,000.

Motion was made by Mr. Boutin and seconded by Mr. Russell to approve the resolutions. The motion was approved by unanimous vote.

**Resolution No. ODC-2021R-07 – Downtown Infrastructure Grant for The House Downtown Bar, LLC.** Ms. Moulakis stated that the House Bar was a lounge. The infrastructure request had an investment of nearly \$90,000. The grant was for \$40,951.25. She explained that the qualifying items for the infrastructure grant was only the necessary items to bring the building up to city code.

Motion was made by Mr. Cole and seconded by Mr. Crow to approve the resolution. The motion was approved by unanimous vote.

**Resolution No. ODC-2021R-08 and Resolution No. ODC-2021R-09 – Downtown Infrastructure and Façade Grants for Icon Tavern.** Ms. Moulakis stated that Icon Tavern was located at 418 N. Grant for a sports bar. The bar would have two stories, with a balcony area. The investment was under \$500,000. The infrastructure grant was for \$145,685.26. The façade investment was \$150,000 for a grant of \$25,000. All the

funds would be paid out after the completed project within one year and after final review. Mr. Robinson asked about the cost of square footage being at \$27 a square foot. David Rodriguez stated that the plumbing, cement, rewiring needed to be redone and more HVAC units were needed. He stated that the bids coincided with each other.

Motion was made by Mr. Boutin and seconded by Ms. Hollmann to approve the resolutions. The motion was approved by a 5-1 vote with Mr. Robinson casting a nay vote and Mr. Cole abstaining.

**FY 2021-2022 budget calendar.** Mrs. Muncy stated that the calendar was adjusted to allow more time for the contractors to turn in the proposals. Mr. Boutin asked about a Zoom meeting if needed. Ms. Brooks would research as it needed to comply with the Open Meetings Act.

Motion was made by Mr. Crow and seconded by Mr. Boutin to approve the budget calendar. The motion was approved by unanimous vote.

**Appoint Compliance Committee member to replace outgoing member (Phil Padilla whose term expired 12/31/20).** Applications were received from Peggy Dean, Ted Tuminowski, Judy Hayes, David Rodriguez, and Silvia Sanchez. Mr. Crow recommended Mr. Tuminowski as he had a lot of insight with ownership of an infrastructure company. Mr. Boutin recommended Ms. Dean who served on the Council, approved ODC decisions and had knowledge in mergers, acquisitions, and tax work. Ms. Hollmann agreed as Ms. Dean was prepared and analyzed the information. Mr. Cole agreed for Ms. Dean who was knowledgeable and had good insight. Mr. Edgmon stated that the Compliance Committee members should increase to 12 as recommended by Mr. Boutin. Mr. Edgmon, Mr. Boutin, Mr. Cole and Ms. Hollmann voted for Ms. Dean. Mr. Crow, Mr. Russell and Mr. Robinson voted for Mr. Tuminowski. Ms. Dean would serve on the Compliance Committee. The applicants that submitted the application would be considered if the Compliance Committee was expanded.

**Discuss appointment of two members to the City of Odessa Tax Incentive Committee (currently Melanie Hollmann and David Boutin) for a one-year term expiring March 31, 2022.** Ms. Brooks stated that the terms were up March 31, 2022. The two serving ODC board members, Ms. Hollmann and Mr. Boutin, would continue serving.

**Consider revisions to the ODC bylaws.** Ms. Brooks reported that Ms. Hollmann's comments were received and no other comments. Mr. Boutin stated that the changes were the number of ODC board members and change the number of Compliance Committee members. Mr. Russell stated that the approving of the agenda section was not clear and there was no provision to allow ODC members to add items on the agenda. Mr. Edgmon asked that the same language be used from the City Council for agenda items. Mr. Crow asked about the Compliance Committee in violation of the Open Meetings Act. Ms. Hollmann stated that ODC did not rubber stamp the Compliance Committee's decision as it has made changes and sent back for review. The committee has no biding decisions. Mr. Crow asked for Legal to review and if the Compliance Committee would be the ODC's checks and balances. Mr. Russell stated with the Nacero project, some of the board members had little information. Mr. Boutin asked a complete presentation to be made for future projects.

**Consider revisions to the Development Finance Program Administrative Policy.**  
Ms. Brooks asked that any changes be provided to Legal staff.

**ODC Committee and Officer Reports.** The Advertising Committee reviewed the budget. Mr. Russell stated that the advertising message had a common theme. The Downtown Design met to review the approved grants. He suggested that the grant proposals require two or more bids and that new start-up businesses be required to have a business plan. The applicant should be matched up with SBDC. Ms. Hollmann stated to require attending SBDC seminars to ensure survival. Mr. Russell would provide recommendations to the board.

**Citizen comments on non-agenda items.** None.

Motion was made by Mr. Cole and seconded by Ms. Hollmann to adjourn the meeting. The motion was approved by unanimous vote. The meeting adjourned at 4:00 p.m.

ATTEST:

APPROVED:

Norma Aguilar-Grimaldo, TRMC, CMC  
City Secretary

Tim Edgmon  
President