



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

**May 18, 2022**

A regular meeting of the Odessa Development Corporation (ODC) was held on May 18, 2022, 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: Melanie Hollmann, David Boutin, Chris Cole, Larry Robinson, Kris Crow, and James Kirk.

Member absent: Tim Edgmon.

Others present:

City Staff: Norma Aguilar-Grimaldo, City Secretary; and Cindy Muncy, Assistant City Manager; Larry Fry, Director of Finance; Casey Hallmark, Downtown Odessa Executive Director; Jan Baker Senior Assistant Attorney; and Christina Buhnerkempe, Legal Assistant; and

ODC Contractors: Craig Van Amburgh, CVA; Chris Walker, Black Chamber of Commerce; Tom Manskey, Economic Development; Renee Earls, Chamber of Commerce; and

Others: Council members Tom Sprawls and Steven Thompson; and other interested citizens.

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

Mr. Robinson gave the invocation.

**April 14, 2022 minutes.** Motion was made by Mr. Crow and seconded by Ms. Hollmann to approve the minutes with amendments. The motion was approved by unanimous vote.

**Contractors' reports: Economic Development Department - Odessa Chamber, CVA Advertising and Marketing, Black Chamber of Commerce, UTPB-America's SBDC, MOTRAN, and City administrative support - financials.** Mr. Manskey reported that the new software program would provide for better reporting and contact information. Project Rocket was an expansion project with 225 new jobs. Project Kilowatt was moving forward. Project Frost signed the tax agreement with the County which had a capital of \$450 million. Project Legion had the Chapter 313 application approved by ECISD.

Mr. Van Amburgh reported on April activities. There were new billboard messages. Publications would be in Newsweek and the Site Selection magazine. The digital advertising was renewed for the "Our Odessa" mobile app. He stated that CVA would launch its new website and ODC would be featured. Mr. Robinson asked about the referrals. Mr. Van Amburgh stated that the referrals come from other directed sites.

With 68% from referrals, Mr. Robinson asked if the major top referrals could be identified.

Mr. Walker reported that the Black Chamber of Commerce had a decrease in social media. A workshop will be held with SBDC on May 26 on how to create a budget. The Black Chamber was working with the Woodson Boys Club on a children's literacy program for July 23. Mr. Cole reported that the schools have a vending machine. Children receive tokens for successful work and the tokens were used to purchase a book from the vending machine. Mr. Walker stated it would be the same for the Woodson Boys Club. The Black Chamber was working with the Black Cultural Council on a Tribute to the Velvets during the June 19<sup>th</sup> weekend. A networking breakfast will be held on June.

Mr. Fry reported on the March financial report. He reported the total assets, revenues, and expenditures. An actual month to date column was added to the total budget comparison as requested. He reviewed the two securities that were purchased. The April sales tax received was \$1,186,657.25 which was an increase from last year. Total sales tax was \$7,856,728.78 which was a 18.1% increase.

Motion was made by Ms. Hollmann and seconded by Dr. Kirk to approve the March financial report. The motion was approved by unanimous vote.

**Resolution No. ODC-2022R-09 – Par II Companies, LLC Downtown Façade agreement.** Ms. Hallmark stated that Par II Companies was located at 406 N. Grant. The façade grant request was for \$24,944.80 and the owner investment was \$7,686.20 for a total business investment of \$32,631.

Motion was made by Dr. Kirk and seconded by Ms. Hollmann to approve the resolution. The motion was approved with one abstention. Mr. Cole abstained from the vote.

Mr. Boutin asked about the grants' activity. Ms. Hallmark reported that the activity had steady inquires and interest in business downtown. She stated that there was an issue with availability of space and the cost. She reported that most vacant buildings were not for sale or the price was not attainable.

**Resolution No. ODC-2022R-10 – 1Point Five P1 economic development agreement.** Mr. Manskey stated that the project would provide a \$810 million capital investment and 125 new jobs. The total cumulative payroll was \$7,933,400. The incentive was \$2,400,000 over a five year period. Mr. Boutin stated that over the five year life of the contract payroll was approximately \$23 million. Mr. Crow asked about tying the funding per job per year in the grant. Mr. Cole favored how the fixed assets such as the building and equipment were in Odessa. Mr. Boutin stated that the request was reasonable and that future request payments should mirror the typical grant proposed request. Ms. Hollmann stated that grants should consider the different types of salaries. Mr. Boutin charged the Compliance Committee to make a recommendation considering the board's direction in evaluating the applications.

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

**Resolution No. ODC-2022R-11 – Annual incentive payment for Kaige Equipment based on Compliance Committee recommendation.** Mr. Manskey reported that this

was the first payment. Kaige exceeded the capital investment requirement of \$2.8 million but fell short of one job of the payroll requirement of \$1,090,520 by \$145,512. The Compliance Committee recommended that the annual payment be reduced to \$59,058.96 in accordance with the agreement. The contract provided that the incentive payment for that year shall be prorated if it did not meet the full employment. Ms. Hollmann asked that the future contracts provide for "may" instead of "shall" be prorated based on the total percentage. She stated it would allow the board to give discretion and review all factors. She stated it would be beneficial and fair to the companies to have that flexibility. Mr. Cole stated that the capital investment was exceeded but was efficient in one less person.

Motion was made by Mr. Crow and seconded by Ms. Hollmann to approve the resolution as recommended with the prorated amount for payment. Torrey Jennings, Kaige Equipment owner, stated that the business had its challenges with COVID and it affected the business. Mr. Crow favored staying within the stipulations of the contract. Ms. Hollmann stated that flexibility should be built in the contract. Mr. Boutin stated that the board had the authority to pay the difference in the future if the company made up the difference in the future. Ms. Hollmann stated that the contract could be amended at anytime if agreed upon all parties. The motion was approved by unanimous vote.

Ms. Hollmann directed that the contract be changed to "may" from "shall" on Section 3.1 and base on factors. Ms. Baker stated that it was ODC's contract and would make any changes as directed.

**Budget Calendar for FY 2022-2023.** Mrs. Muncy reviewed the budget calendar. Mr. Boutin directed not to send budget letters to the Odessa Hispanic Chamber of Commerce or UTPB Business Challenge. Mrs. Muncy reported that the RFP was being drafted and would email the board when it was completed. Mr. Boutin stated that the board's intent was to have an RFP for marketing and advertising. The RFP would be posted on the website. Mr. Crow suggested extending the RFP to outside the area as there may be other firms that specialize in economic development. Mr. Boutin asked that the preliminary list be sent to the board.

Motion was made by Mr. Cole and seconded by Dr. Kirk to approve the budget calendar. The motion was approved by unanimous vote.

**ODC Committee and Officer Reports: Partnership, Tax Incentive, Compliance, Advertising and Downtown Grants Design Review Board.** Ms. Hollmann stated that the tax incentive met and upcoming tax abatements were discussed. Mr. Boutin reported that the Partnership met. The quorum and purpose for the committee was discussed. Research would be made on the Committee's purpose. Mr. Robinson reported that the Downtown Odessa staff was doing a good job. Ms. Hollmann stated that Downtown staff was implementing the grant policy changes.

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

There being no additional business, Mr. Boutin adjourned the meeting at 3:09 p.m.

ATTEST:

APPROVED:

Norma Aguilar-Grimaldo, TRMC, CMC  
City Secretary

David Boutin  
President