



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

June 14, 2022

A regular meeting of the Odessa Development Corporation (ODC) was held on June 14, 2022, at 2:02 p.m. in the Council Chambers, 5th floor, City Hall, 411 W. 8th St. Odessa, Texas.

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

Others present:

City Staff: Norma Aguilar-Grimaldo, City Secretary; Natasha Brooks, City Attorney; and Cindy Muncy, Assistant City Manager; Casey Hallmark, Downtown Odessa Executive Director; Dan Jones, Senior Assistant City Attorney; and Christina Buhnerkempe, Legal Assistant; and

ODC Contractors: Craig Van Amburgh, CVA; Tyler Patton, UPTB-SBDC; Chris Walker, Black Chamber of Commerce; James Beauchamp, MOTRAN, Tom Manskey, Economic Development; Tracy Jones, Chamber of Commerce; and

Others: Council member Tom Sprawls and other interested citizens.

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

Mr. Crow gave the invocation.

May 18, 2022 minutes. Motion was made by Mr. Crow and seconded by Dr. Kirk to approve the minutes. 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 new reports and there would be a report on the business retention and expansion. Nacero was closing its funding and land purchases. The contractor would be at the groundbreaking.

Ms. Hollmann arrived at the meeting at 2:07 p.m.

Mr. Manskey was working on getting applications from Projects Rocket, Reddy Kilowatt and Frost.

Mr. Van Amburgh reported on May activities. There were television and outdoor advertising focused on business expansion messages. He reviewed the trade publications. There was a mix in social media with Facebook up and Twitter down. The website had 92% of first-time visitors.

Mr. Walker reported that the Black Chamber of Commerce had an increase in activity. He talked to a Midland business owner that wanted to expand a company to Odessa. He would be referred to SBDC. The Black Chamber assisted in distributing food to 100 needy families. There was a successful networking breakfast held on June 4. They were working with Keep Odessa Beautiful in promoting pride and appearance of our city.

Mr. Patton reported on SBDC's May activities. He stated that there were 202 counseling sessions with 163 counseling hours. Two seminars were presented with 34 attendees. There were three new businesses with one in Odessa. He reviewed the types of business. Total capitalization was \$600,000 in Odessa. There were 31 full time employees. SBDC staff reached out to the businesses and the full-time employees were updated. Mr. Boutin asked for a fiscal year-end report on the overall full-time employee growth from the businesses.

Mr. Beauchamp stated that data was being updated. The Permian update was sent out statewide. The Southwest Airlines marketing campaign was wrapped up and Midland would continue the campaign. Southwest Airlines added another flight. The air market was higher, and the data would be shared. There were still cost issues and shortage of flights. Mr. Crow asked if there was an interest in semi-private flights. Mr. Beauchamp reported that there was a limited basis of semi-private flights and flight patterns have driven the markets. There was a market to Oklahoma. Mr. Robinson asked the status of the I-10 and McCamey project. Mr. Beauchamp reported that there was a study in progress and the Craddick reliver route would have a routing study.

Mrs. Muncy reported on the April financial report. She reported the total assets, liabilities, and fund balance. There was little activity for April. She reviewed the investments. She reported that ODC June sales tax was \$1,104,957 which was an increase from last year. Total sales tax was \$8.861 million which was an increase. Sales tax has increased month to month since October. Mrs. Muncy asked how often the board would like to receive the cash flow statement. Mr. Cole suggested quarterly.

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

Proposed revisions to draft economic development agreement with Downing Wellhead Equipment. Mr. Crow stated that the Full Time Employees was unclear. Ms. Hollmann explained that if one factor was made and the other factors were not reached then they would be in complete compliance. She stated that ODC should have more discretion. ODC should have the right to prorate as performance was taken into consideration. Mr. Cole supported the flexibility. Mr. Boutin stated that the ODC demonstrates in good faith and was fair in its contract and the language in the contract should reflect the ODC discretion. Mr. Crow stated that the incentives section was ambiguous and should be clear. Ms. Hollmann stated that the language provided allowing for shortfall payments and if over performed in another year, they would be compensated. The calculation would be prorated. The board continued to discuss the concerns on the language in the contract. Adam Mourning, Downing, stated that the company wanted flexibility if there was any shortfall in any of the years. He would work with the City on the wording. ODC board members had concerns with the termination wording. Ms. Hollmann explained the termination clause. If ODC terminated that contract the company would get a portion of the grant earned. Mr. Mourning had experienced past issues on receiving grants. Mr. Boutin stated that the ODC honored the agreements that were in place. Ms. Hollmann stated that under 2.6 Termination, the

language should be changed to “earned” amount instead of “total” amount. The language must be equitable. Mr. Robinson stated that in Section 2.2 Jobs, “Ector County” should be added for jobs retained. It was based on jobs performed in Ector County. Ms. Brooks would make the changes discussed and requested any other changes to be sent to her. She would work on the contract with Mr. Mourning.

Resolution No. ODC-2022R-12 Façade Grant and ODC-2022R-13 Infrastructure Grant - Downtown Odessa, Inc. infrastructure and façade grant agreements with Homemade Wines. Ms. Hallmark stated that Homemade Wines, located at 400 N. Texas, requested a façade and infrastructure grant. The façade grant request was \$25,000 with the owner investment of \$61,400. The total business investment was \$86,400. She reviewed the improvements to be made with the façade grant. The Downtown Grant Review Board approved the façade grant. She stated that the infrastructure grant request was \$133,910 with the owner investment of \$304,650. The total business investment was \$438,560. She reviewed the improvements to be made with the infrastructure grant. Ms. Hallmark stated that the ad valorem was filed. The owner’s portion would be funded with the available private savings. The building would be lease with the intent to buy in five years. The location would provide for production. Homemade Wines was working on expanding its retailers. Kira Boen, owner, stated that there was a five-year lease with the option to purchase.

Motion was made by Mr. Edgmon and seconded by Dr. Kirk to approve the resolutions. The motion was approved by unanimous vote.

Tabled - Discuss proposed language amendments to standard economic development agreement. Ms. Hollmann reviewed the proposed changes economic development agreement. Changes included standardizing the language, adding defined terms, and removing the suspension clause which did not serve any purpose.

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

Review and discuss proposed FY 2022-2023 General Development Plan form and proposed agreement form for annual contractors. Mr. Boutin stated, under the strategic goals, to add implementing and/or collaborate a messaging program for the oil and gas using the Permian Fuels America campaign. He requested a TxDOT updated and prioritized project list and include the estimated time frame of the projects. He asked that MOTRAN review the project list and consider any other projects that were not on the list. He stated to delete the workforce housing program from the plan. Mrs. Muncy stated that one project had funding allocated but had not encumbered the funds. She stated if the section was deleted, the funds would need to be set aside. She would check the status on Tar Heel Holdings. Mr. Boutin asked about the Black Chamber’s contract on encouraging tourism. He recommended to remove. Mr. Robinson asked that the funds be spread further for the Downtown projects. He stated that there were not many properties available in Tier 1. Mrs. Buhnerkempe stated that if there was a change to the Downtown programs it would need to be changed through an ordinance by the City Council. Ms. Brooks stated that each contractor will be asked to review its contract language.

Review and discuss requests for proposals. Mrs. Muncy stated that there were two RFPs, marketing consultant and compliance consulting services. Mr. Boutin stated that there should be an annual review for marketing effectiveness with data and make any

necessary adjustments. Mrs. Muncy asked about a five-year initial term with one-year extension for the marketing. Mr. Robinson stated that five years was too long. Mr. Crow stated that most contracts were for one year. Mrs. Muncy stated a multi-year contract could be done depending on the annual funding. Mr. Crow wanted flexibility if it was more than one year. There was an exit clause if the consultant was not performing. Mr. Robinson stated that if the market changed, ODC should not be bounded to five years. Mr. Cole stated that three years should be the maximum term. Mr. Boutin stated that there would be more interest if it was three years. The ODC would work to evaluate and hold obligations to the firm. The budget range on the RFP would not be included. Mr. Manskey stated priority should be given to local marketing firms but outside firms should be considered. Mr. Boutin stated that Zoom presentations could be done if needed. The Advertising Committee would review and approve the updated RFP. The board had no issues with the compliance consulting services RFP.

ODC Committee and officer reports. Ms. Hallmark was doing a good job in implementing the changes for the grant programs.

Citizen comments on non-agenda items. None.

There being no additional business, Mr. Boutin adjourned the meeting at 4:21 p.m.

ATTEST:

APPROVED:

Norma Aguilar-Grimaldo, TRMC, CMC
City Secretary

David Boutin
President