# EVELOPMENT CORPORATION 2023 ANNUAL REPORT



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MIDLAND DEVELOPMENT

CORPORATION

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### **A Letter from the Chairman**

What a year! 2022 brought tremendous success and opportunity for the Midland Development Corporation (MDC) and our city.

Recently, Midland was named the fastest-growing economy among midsize cities in the United States. In the same study, Midland was also projected to grow more than twice as fast as San Francisco. MDC projects and investments add to the economic expansion happening in Midland and the Permian Basin.

Some of our most notable projects this year include:

#### Infrastructure Projects

o Partnering with the City of Midland, the MDC provided funds for Todd Drive, a north-south corridor vital for Midland's eastward growth. Funding will purchase right-of-way to widen Todd Drive, and to design an overpass at Loop 250.

o The MDC committed a \$5M reimbursement for city streets to serve an 18-acre retail development at SH 191 and SH 158. Anchored by Bass Pro Shops, this site will attract additional retail locations, increasing Midland's retail base and attracting regional shoppers.

#### Community Partnerships

o The ribbon cutting of the brand-new Texas Tech Health Sciences Center Physician Assistants program took place this year, with the class of 2024 celebrating their Short White Coat ceremony at the new facility.

o The MDC worked with Higher Orbits, a nonprofit, and Midland Independent School District to bring the Go For Launch! Program back to Midland. This program offers hands-on participation in aerospace and STEM-related projects. This year, a Midland student was selected to participate in a 2-week program in Australia because of her participation in Go For Launch.

#### Business Recruitment

o Utilizing land leased from the MDC, Firehawk Aerospace is testing hybrid rocket engines just outside city limits. Chase Gardaphe is a real estate developer focused on developing and managing manufactured housing communities. He is a graduate of the Texas A&M School of Architecture and received his MBA from Southern Methodist University.

Chase served on the Planning and Zoning comission for the City of Midland from 2014-2022. He has also served in other appointed positions around the Midland community. He is very passionate about the growth and prosperity of Midland and is very involved throughout the community trying to give back in any way he can.



Chase Gardaphe Midland Development Corporation Board Chairman

o Continuing a successful partnership with the University of Texas Permian Basin (UTPB), the MDC funded the fifth round of the Midland Entrepreneurial Challenge, in which local small businesses compete for prize money to expand their business. Small businesses are vital to Midland's economy, and this program enables the MDC to support the city's strong entrepreneurial spirit.

o The MDC co-hosted the 5th edition of the High-Speed Aerospace and Transportation Workshop at UTPB's College of Engineering in Midland. This workshop brings aerospace and aeronautical professionals to Midland to learn, exchange ideas, and see what our region has to offer the aerospace industry.

#### Growth Opportunities

o Downtown continues to be transformed, as the MDC contracted for and completed demolition of the vacant Western United Life Building and former West Texas Gas facilities on the block the MDC owns adjacent to Centennial Park. A request for proposals has been issued for interested developers to build something new.

o Midland International Air & Space Port purchased 327 acres east of the MAF terminal, utilizing funds from the airport and MDC. This aggressive expansion provides room for growth, and the MDC is marketing the land to aeronautical and aerospace companies to relocate or expand in Midland.

Midland is at the heart of the nation's energy production. We are receiving more interest nationally and globally and anticipate big opportunities in the year ahead. Moving into 2023, we will invest in our city to catalyze sustainable growth and positively impact future generations. We can't wait for what's next.



Berry Simpson 1st Vice Chair



P. Lourcey Sams 2nd Vice Chair



Jill Pennington Secretary



Brad Bullock Treasurer



Lucy Sisneiga Director



Zack Deck Director



### board members govern the Midland Development Corporation.

The Midland Development Corporation is governed by a sevenmember board. Board members are appointed by the Midland City Council and commit to serving three-year terms.

Each MDC board member brings a unique perspective to the table along with experience and knowledge.

At the beginning of 2023, Director Gardaphe was voted in as chairman of the Midland Development Corporation Board as Stephen Lowery stepped down.

The MDC Board also welcomed Zack Deck as a director at the begininng of the year.

### Goals

- The Midland Development Corporation will attract diversified industries and business to Midland.
- The Midland Development Corporation will retain and encourage expansion of existing businesses.
- The Midland Development Corporation will provide assitance to develop areas of the City of Midland that meet the City's development objectives.
- The Midland Development Corporation will market, recruit, and strengthen Midland's workforce for current and future employers.



### **MDC Staff**

The focus of the Midland Development Corporation is on creating opportunities for businesses and families located within Midland. This is done through:

- Economic Development Activities
- Outreach
- Education

• Providing Support The MDC staff is committed to promoting and advancing opportunities that enhance and diversify the strength and stability of the Midland economy.

Creating opportunities for businesses & families in Midland.



### **Sara Harris**

#### **Executive Director**

Sara has been with Midland Development Corporation since 2015 and is motivated by working with community stakeholders to make tangible, positive impacts for Midland.



### Sammi Steele

#### **Business Retention & Expansion Coordinator**

Sammi celebrated her 1-year anniversary with the MDC in January as the BRE Coordinator. Over the last year, Sammi has met with nearly 100 Midland businesses to inform them about opportunities and incentives that the MDC has available.



### Gabi Franks

#### **Marketing Coordinator**

Gabi joined the Midland Development Corporation in the Fall of 2022 as the Marketing Coordinator. As a Midland native, Gabi has enjoyed seeing a different side of the city and loves seeing how MDC is making a difference.

### **MDC Events in 2022**



#### In 2022...

The Midland Development Corporation participated in a number of local events such as the the annual events coordinated by the Chamber of Midland, the High Speed Aerospace and Transportation Workshop, and the City of Midland's Fly Into Fall events.

MDC welcomed nearly 100 aerospace professionals to Midland for the fifth edition of the High Speed Aerospace Transportation Workshop, hosted with InterFlight Global and UTPB. This event gives industry leaders the opportunity to share insight into new developments in high speed flight, while showcasing what Midland has to offer the aerospace industry. This year's keynote speaker was Dr. Douglas Terrier, Associate Director of NASA Johnson Space Center.

MDC had a table at the City of Midland's Fly Into Fall event where we enjoyed astronaut ice cream with fellow Midlanders while telling them about how Midland is invovled with aerospace and aviation.















# The History of **The Western United Life Building**

# Starting out as the McClintic Building...

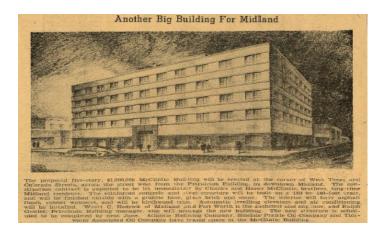
This spot was proposed to the Midland City Council in **1947** and was completed in **1949**. Floors and offices were added, and occupants moved in and out until the 1980s when oil prices plunged, and the building became vacant. After the last tenant left in the early 1990s, the Midland high-rise watched over Midland's growth while the building slowly decayed.

In 2018, the Midland Development Corporation purchased the Western United Life Building in conjunction with the community's initiative to revitalize downtown Midland. Since the purchase, multiple efforts were made to redevelop the property but the cost of renovating 180,000 square feet proved insurmountable.



#### In the fall of 2022,

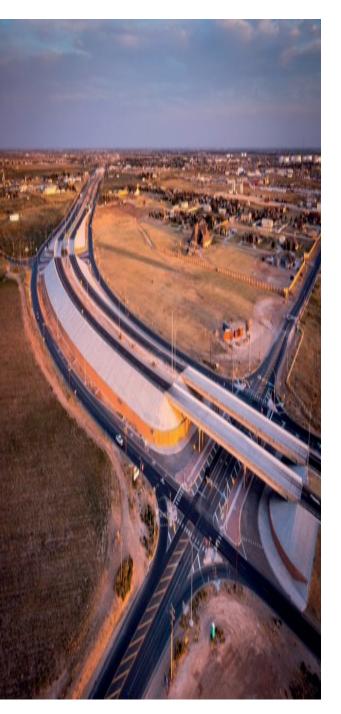
The Midland Development Corporation **Board of Directors** and the **Midland City Council** approved contracts to demolish all standing structures on the downtown block. Both the Western United Life Building and the former West Texas Gas buildings are located on this block.



The demolition will bring a **blank slate** of nearly two acres for something new downtown to complement Centennial Park and the Bush Convention Center. The MDC and the City of Midland have issued a **request for proposals** for the redevelopment of this block and are seeking a project that will fit the aesthetic of downtown Midland and provide amenities **for Midlanders** and visitors alike.



### **2022 Infrastructure Projects**



#### **MDC & Infrastructure**

Since 2010, the MDC has funded over \$55M in new road, water, and sewer infrastructure in Midland to servce commercial and industrial development.

#### **Todd Drive**

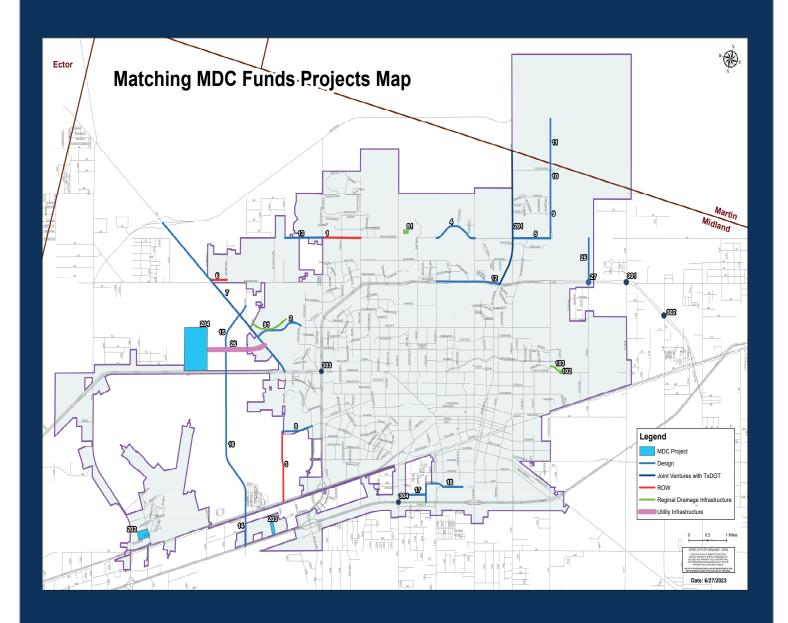
With over 1,800 new single-family homes planned for northeast Midland, road connectivity to meet growth needs is essential. Todd Drive, running north and south, is a crucial corridor in east Midland. The MDC is collaborating with the City of Midland on a multi-year plan to improve Todd Drive, serving current and anticipated population growth. In 2022, the MDC approved an agreement with the City of Midland for \$1.72M to purchase right-of-way to extend Todd Drive north of Loop 250 to Occidental Parkway, and to design an overpass at Loop 250 and Todd Drive.

Completed plans for the overpass will be donated to TxDOT. Local participation in planning and designing has the potential to accelerate TxDOT funding.

#### SH 191

State Highway 191 west of Midland is a growth corridor for residential and commercial development. The MDC is investing in infrastructure to attract additional large retail locations that will increase Midland's retail base and attract regional shoppers.

The MDC will provide \$5M reimbursement for city streets to serve a 17-acre retail development at the juncture of SH 191 and SH 158. This development will include a nationally recognized big box retailer and a family entertainment center, along with additional pad sites.



## **Aerospace in Midland**

### Welcome to Midland, Firehawk Aerospace!

#### In October of 2022...

The MDC signed a lease agreement with Firehawk Aerospace, enabling Firehawk to test hybrid rocket engines on MDC owned land west of Midland. These rocket engines have the efficiency and power of a liquid bi-propellant engine but are simpler, safer, and less costly. Firehawk 3D prints their solid-state to aid in lowering production costs.



Firehawk joins two other aerospace companies in Midland.

### AST launches a satellite built in Midland

#### AST SpaceMobile's...

Headquarters have been in Midland since 2017, located at the Spaceport Business Park. In September 2022, AST launched the BlueWalker 3 satellite from Cape Canaveral.

Built in Midland, this satellite is the first of many that will make up AST's array of communications satellites, providing internet access globally without needing ground infrastructure or equipment.



### **MDC Airport Land Purchase**

#### 324 Acres of Land

In March 2022, the MDC committed \$1.5M to the City of Midland's purchase of 324 acres east of Midland International Air & Space Port. This additional land purchase gives the airport room to grow as commercial and general aviation demand increases and presents an opportunity for additional aerospace activity at the airport.

Along with the MDC's financial commitment, the MDC and City of Midland executed a memorandum of understanding that authorizes the MDC to market the newly acquired land to aeronautical and aerospace companies interested in relocating to or expanding in Midland.



### 2022-2023 Midland Entrepreneurial Challenge

The MDC funds the Midland Entrepreneurial Challenge, an annual business challenge competition operated and overseen by UT Permian Basin.



Small businesses and entrepreneurs participate in the challenge and are provided with classes and one-on-one coaching in topics like marketing, small business finance, and strategic planning. Through a process of elimination as the challenge progresses, an independent panel of judges selects the best business plans. The challenge culminates in \$500k in prize money being awarded to up to eight winning businesses to empower their growth. Small businesses are vital to Midland's economy, and this program allows the MDC to support the city's entrepreneurial spirit. By participating in the program, small businesses gain access to resources, networking, and capital that might be otherwise unobtainable.



In 2022, UTPB saw a record-setting number of participants at the kick-off meeting with 50 businesses signing up to participate. Over the course of several months, these business owners and entrepreneurs participated in a series of informational sessions and projects that outlined their business, goals, and how they will use the winnings.

Some of our board members and staff had the opportunity to congratulate the winners for their accomplishments at the awards banquet held at Wagner Noël's Rea Recital Hall.

# The 2022-2023 Midland Entrepreneurial Challenge Winners were:

- Central Bites
- Midland Athletic Company
- The Tailgate Midland
- Toya's Precious Jewels

The MDC is excited to see what each of these Midland businesses will do for the community.





DEVELOPMENT CORPORATION





### **TTUHSC PA Expansion**



#### **MDC & TTUHSC**

In 2019, Midland Development Corporation donated \$5 million to the Texas Tech University Health Sciences Center (TTUHSC) School of Health Professions Physician Assistant (PA) Program. MDC's financial commitment is helping with the facility expansion and capital improvements. More space means more students. Eventually, each graduating cohort's capacity will increase by 30%.

Midland has lacked primary care physicians for many years, and a primary goal of expanding the PA program in the Permian Basin is to attract students who want to learn here and stay here once they graduate.





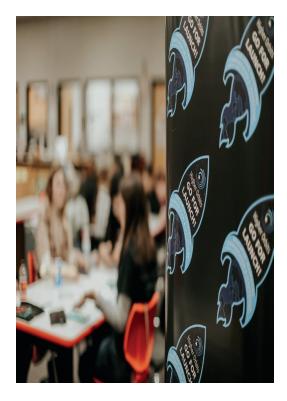
TTUHSC and MDC broke ground on the facility in 2021. In 2022, the class of 2024 celebrated their Short White Coat Ceremony where 64 students were recognized as they move forward in the 2-year program right here in the Permian Basin.

The TTUHSC's PA Program is the only physician assistant program out of all the other TTU System schools and campuses.



## **Higher Orbits**















### Go For Launch! Midland

The Midland Development Corporation, Higher Orbits, Chevron, and Midland ISD partnered for a second year to bring the Midland Go For Launch! programs back to MISD students.

Higher Orbits' Go For Launch! program incorporates hands-on STEM experiences for junior high and high school students as well as giving opportunities for skill building, immersion, and teamwork while participating in Go For Launch!

The program also introduces students to the potential of careers in the aerospace industry. Higher Orbits is a non-profit organization that was formed to promote science, technology, engineering, and math for students.

In 2023, a student from Midland was selected to attend the International Science School in Sydney, Australia after participating in Go For Launch! in Midland.



### **Business Retention & Expansion in 2022**

Serving as our Business Retention and Expansion (BRE) Coordinator, Sammi focuses on establishing relationships with local companies to better understand their operations, collect their data and feedback, and provide actionable data to the MDC Board.

90

#### Business Visits since March 2022



#### What is the purpose of a BRE visit?

- Establish a relationship with the company
- Make them feel heard and cared for by the MDC and the City of Midland
- Ask them questions about operations and collect data on trends and feedback
- Provide actionable data to the MDC Board

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#### Who do we meet with?

- Focused on locally owned and operated
- Emphasized meeting in person at businesses' office or workshop
- Utilize both MDC and Sammi's social media for sharing about the visit and business
- Depended on Burmass & word-of-mouth recommendations for business visit outreach



### 88%

of businesses are looking to expand or grow more than 15% in the next 3 years

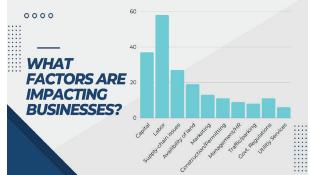
# What factors are impacting businesses?

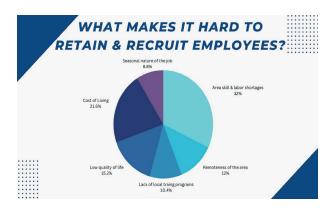
Capital, Labor, Supply-Chain Issues, Land Availability, Marketing, Construction, Management, Traffic, Gov Regulations, and Utility Services.

## What makes it hard to retain & recruit employees?

Cost of Living, Seasonal Nature of the Job, Area Skill and Labor Shortages, Remoteness of the Area, Lack of Local Training Programs, and Low Quality of Life







### Marketing in 2022



#### 17

The MDC uses a variety of channels to update and promote the projects we are working on. Whether you are subscribed to the newsletter, catching up with our local news, reading our articles, or scrolling through social media, you can be connected to the Midland Development Corporation.

### 01

#### Newsletter

- 27.12% open rate
- 4.2% click rate
- 15.49% click-through rate
- 1,051 subscribers
  The MDC newsletter is
  delivered on a monthly
  basis. In the newsletter,
  the MDC shares project
  updates, local news, and
  what's happening around
  Midland.

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### 02

#### **Media Mentions**

- 46 Total Media Mentions
- 30 Mentions from Midland Reporter Telegram
- 9 Mentions from NewsWest 9
- 4 Mentions from CBS 7
- Others include KMID/ Your Basin and Marfa Public Radio

### 03

#### Website

- 62K Visitors in 2022
- Most Visited Pages:Things to Do in
  - Midland, Major Employees in Midland, Local Tax Rates, Spaceport Business Park, and News & Resources Page

### 04

#### **Social Media**

This year the MDC added video content to the social media strategy and experimented to see what type of content works best for the MDC audience. The MDC continued to use the same channels with the addition of TikTok.

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Midland-C egislativ

### Facebook

- 1903 Followers
- 94.87K Impressions
- 2739 Page Visits

The MDC continued to share a variety of content that updated our followers on local news and MDC updates.

### Instagram

- 1685 Followers
- 47.07K Impressions
- 2 Reels Posted: Drive to BRE Visit with Sammi and Scenes of Downtown Midland
- 3.79K Reels Views

The MDC shared the same content from Facebook and Instagram along with new video content.





Economic Development in Midland, TX 🌗

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#### • 1457 Followers

- 34.23K Impressions
- Top Posts: BRE Recap for September and October, Meet the MDC Board Article, The Fire Place BRE Visit Post

Pty Bowls 2023 Find more things to 60 at Www.midlandtxedc.com (link in.bio!) ► 7415

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### TikTok

In October 2022, the MDC created a TikTok as another channel to put out MDC information for another demographic

- 59 Followers
- 4999 Total Views
- 2 Videos Posted: MDC's FABTECH Recap and Scenes of Downtown

### Subscribe to our newsletter:



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