

# 2022 ANNUAL REPORT

INVESTING IN MIDLAND



 MIDLAND  
DEVELOPMENT CORPORATION

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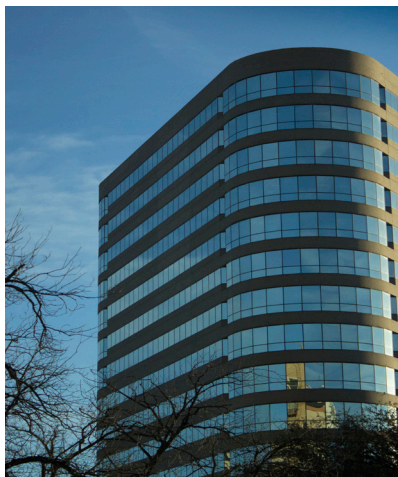
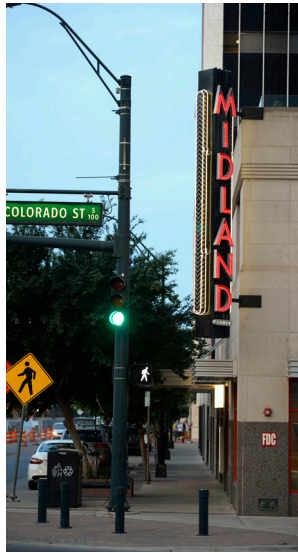
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# A LETTER FROM THE CHAIRMAN

Recently, a company executive touring Midland as a potential expansion location commented, "Midland just feels like America." I took this as the highest possible compliment and one that is a major selling point for our community. With our wealth of natural resources, welcoming business climate, robust workforce, far-sighted leadership, and willingness to invest in our city, Midland is uniquely well-positioned to take advantage of current economic conditions. As a result, 2021 brought notable successes for the Midland Development Corporation (MDC) and many opportunities that draw us into 2022 and beyond.

The MDC funds a diverse array of projects that strengthen and diversify Midland's economy. Highlights from 2021 include:

## Business Recruitment

- The MDC hosted familiarization tours for 24 different aerospace companies interested in locating or utilizing infrastructure and facilities at the Midland Spaceport Business Park.
- In December 2021, MDC held the 3rd annual High Speed Aerospace Transportation Workshop with over 100 participants from the aerospace industry.
- Leveling the playing field for new and existing businesses, the MDC standardized incentives applications and metrics for available MDC incentives, property tax abatement, and sales tax abatement.

## Infrastructure

- The MDC committed 30% of annual revenues to new roads, water, and sewer to accelerate critical

- infrastructure in Midland.
- The overpass at Loop 250 and County Road 1150 was completed. This project was part of a local leveraging project developed with the MDC, TxDOT, MOTRAN, and Permian Basin MPO.
- The MDC contributed \$1M to widen Midland Draw between Golf Course Road and Business I-20. Widening the draw increases stormwater capacity, removes homes and businesses from the floodplain, and allows for new development.

## Healthcare

- Construction on the Texas Tech University Health Sciences Center (TTUHSC) Physicians Assistants program expansion on the Midland College campus began. The project will be complete in spring 2022 and will increase the capacity of each graduating class by 30%, strengthening the healthcare workforce pipeline in Midland.
- The TTUHSC Child & Adolescent Psychiatry Fellowship program continued to serve the community, seeing over 12,000 patients in 2021.

## Education, Workforce, & Small Business

- Midland College's Dual Credit & Career and Technical Education programs continued to thrive with the help of the MDC's \$1.35M commitment. Midland College enrolled over 900 students in health sciences, petroleum, business and IT, and criminal justice courses in the past academic year.
- The University of Texas Permian Basin (UTPB) initiated their incubator and makerspace program at their Midland campus, supported by \$5M from the MDC over twenty years to provide for staffing and program needs. This resource will be available to students and the public, helping to support Midland's entrepreneurial climate.
- UTPB and MDC relaunched the

Midland Entrepreneurial Challenge, with 120 businesses participating. The Midland Entrepreneurial Challenge identifies and nurtures new businesses in Midland through a rigorous process of business plan creation, market research, and financial training.

## Quality of Life

- By investing in public spaces and cultural resources, quality of life helps our community thrive and aids businesses as they recruit and retain workforce. The MDC is supporting the fundraising phase of the \$55M Hogan Park redevelopment project to help improve outdoor spaces in Midland. The MDC also has new and continued commitments to the Museum of the Southwest and the Midland Downtown Farmers Market.

Our region has a proud history of fueling America and the world, and we look forward to supporting the energy sector as we foster economic diversity and strength by attracting complementary industries. The projects the MDC has accomplished through partnerships and collaboration will serve Midland for decades, improving our home and offering opportunities for generations to come.



**STEPHEN LOWERY**

CHAIRMAN OF THE BOARD

# Board of Directors



**Chase Gardaphe**  
1st Vice Chair



**Berry Simpson**  
2nd Vice Chair



**Jill Pennington**  
Secretary



**P. Lourcey Sams**  
Treasurer



**Brad Bullock**  
Director

**Board Members are appointed by the Midland City Council who govern the MDC.**

# INTRO

## MIDLAND DEVELOPMENT CORPORATION

The MDC promotes and advances opportunities that enhance and diversify the strength and stability of the Midland economy.

The MDC was created in January 2002 to promote business expansion, job creation and capital investment to diversify and strengthen the Midland, Texas, economy. We do so by offering incentives to qualified new and existing employers who create jobs for the community. Midland voters made these incentives possible when they approved a quarter-cent increase in the local sales tax rate, with additional revenues earmarked to promote economic development and diversification.

### 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 assistance 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

COMMITTED TO PROMOTING ECONOMIC GROWTH IN MIDLAND, TEXAS



**SARA HARRIS**  
EXECUTIVE DIRECTOR



**SAMMI STEELE**  
BUSINESS RETENTION &  
EXPANSION COORDINATOR



**KENDALL GRAY**  
MARKETING COORDINATOR

# INFRASTRUCTURE PROJECTS

In the last 5 years, the MDC has contributed over \$20M to infrastructure projects.

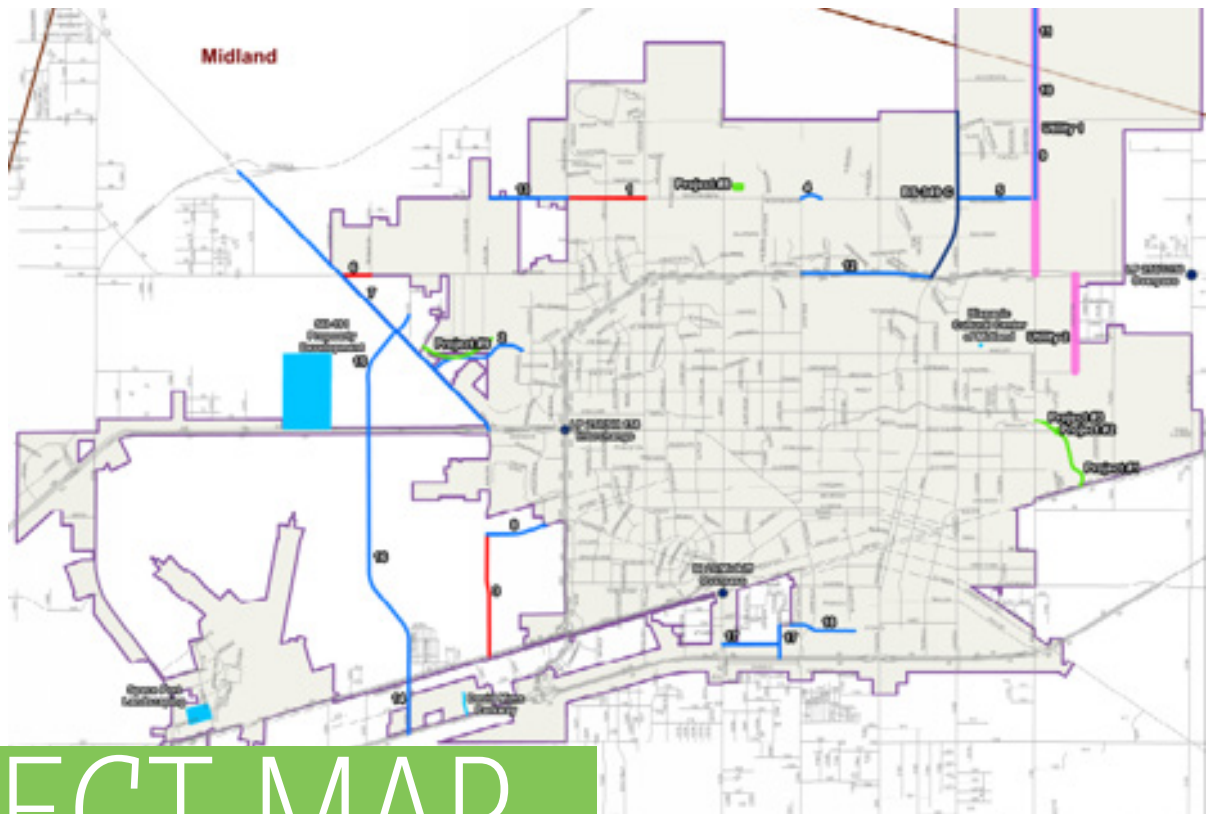
TXDOT PROJECT	MDC CONTRIBUTION	TOTAL COST
LOOP 250 / CR 1150 (ELKINS ROAD)	\$2.0 M	\$23.98 M
LOOP 250 / CR 1140	\$3.0 M	\$22.5 M
MIDKIFF / I-20	\$2.0 M	\$36.3 M
SH 191 / LOOP 250 (SH 158 / LOOP 250)	\$2.0 M	\$25.26 M

CITY OF MIDLAND PROJECT	MDC CONTRIBUTION	TOTAL COST
WADLEY AVENUE EXTENSION	\$1.5 M	\$7.8 M
MIDLAND DRAW WIDENING	\$1.0 M	\$1.8 M
TODD DRIVE PHASE 1	\$1.7 M	\$8.0 M



## LOOP 250 / CR 1150

Completed in September 2021, the Loop 250 / CR 1150 project is part of a local leveraging initiative developed in conjunction with TxDOT, the Permian Basin Metropolitan Planning Organization, MOTRAN, and the MDC to accelerate critical projects and increase state funding for infrastructure in the Permian Basin.



# PROJECT MAP

# SPACEPORT BUSINESS PARK

**OPEN FOR BUSINESS & FAA APPROVED**

The Spaceport Business Park is located in the heart of oil & gas country. The Midland International Air & Space Port is the first to be co-located with a commercial airport. It is FAA approved as a horizontal launch site. MDC's tenants at the Spaceport Business Park exemplify new opportunities for Midland. Current tenants include AST & Science, a satellite testing and manufacturing company and launch technology company, Kepler Aerospace. Both are located in the Spaceport Business Park and benefit from access to affordable space and state-of-the-art equipment.

## KEPLER AEROSPACE

With a bold vision in the fields of aviation and aerospace, Kepler Aerospace has joined the Spaceport Business Park as a tenant, leasing the MDC's Midland Altitude Chamber Complex (MACC) facility. Kepler Aerospace and the MDC have committed to an economic development agreement and sublease agreement. Under the terms of those agreements, Kepler Aerospace will bring its satellite delivery development to MDC's facility at the Spaceport Business Park. While creating new jobs and investing tens of millions of dollars in property and inventory, Kepler Aerospace will become eligible for lease abatement from the MDC. Along with AST & Science, Kepler Aerospace will deliver high-tech job opportunities and exciting new industrial diversification to Midland.

## AST & SCIENCE

Headquartered at the Spaceport Business Park since 2019, AST & Science announced exciting new developments in 2021, including plans to launch SpaceMobile, a low-Earth-orbit, a low-latency satellite network that will be the first in the world to connect directly to standard smartphones. Investors in AST & Science's SpaceMobile include Rakuten and Vodafone, bringing the total capital raised by the company to \$128M.

AST & Science leases the MDC's 85,000 square foot facility at the Spaceport Business Park as part of an economic development agreement and will add more than 100 jobs to its local employee base by 2023. The company is now publicly traded through a special purpose acquisition company (SPAC), with a valuation of \$1.8 billion.

## MACC







**OPEN AREAS**

FOR FLIGHT &  
ENERGETIC TESTING

**COMPETITIVE**

OPERATING COST  
ENVIRONMENT

**FAVORABLE**

REGULATORY  
ENVIRONMENT

**HIGHER**

EDUCATION  
OPPORTUNITIES

# TEXAS TECH HEALTH SCIENCES CENTER PHYSICIAN ASSISTANT PROGRAM


**The mission of the Texas Tech University Health Sciences Center (TTUHSC) Physician Assistant Program is to provide comprehensive medical education to physician assistant students. Through an environment of academic excellence and the promotion of life-long learning and professionalism, graduates will be prepared to practice patient-centered primary care, increasing access to healthcare for communities of West Texas and beyond.**

In 2019, the MDC committed \$5 million to the TTUHSC Physician Assistant 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%. There are approximately 160 physician assistants in the Permian Basin, with 75% being TTUHSC alums.

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. The 32,500 square-foot expansion will include an anatomy lab, clinical classrooms, and training facilities. The labs will be available for nursing students and health care professionals throughout the Permian Basin. In addition, the expansion will allow PA class size to increase from 60 to 72 students. Project completion is scheduled for Summer 2022.

The TTUHSC Physician Assistant Program attracts about 28 applicants per available spot, compared to 3.5 applicants per spot nationally. Currently, there are 112 students in the program. PA students have consistently maintained a five-year, first-time pass rate on their licensure exams at or above the national average. This expansion will be instrumental in addressing the shortage of health care professionals by providing primary care in the Permian Basin and beyond.





**OVER 12,000  
PATIENTS  
SEEN**

# TTUHSC CHILD AND ADOLESCENT PSYCHIATRY

In 2018, Texas Tech Health Sciences Center presented an opportunity for collaboration with the MDC, resulting in an \$8.4 million commitment over eight years for staffing and operations of a new Child & Adolescent Psychiatry Fellowship Program in Midland. Additional funding was provided by the Texas Higher Education Coordinating Board and the Scharbauer Foundation, indicating broad-based state and local support.

Prior to the program's initiation, a dearth of quality mental health care in Midland for children and teens had been a long-term challenge. Patients and their parents were faced with long wait times for appointments, as well as financial hardship for those who were required to travel long distances for care. The Midland facility opened its doors in November 2018, and after three years of operations, it has exceeded projections by providing care at over 26,000 patient appointments. Two licensed psychiatrists participate in the program, along with four fellows. This program ensures a pipeline of mental health care providers in Midland.

# UTPB

The higher education resources in our region flow directly to the workforce pipeline, making them a crucial component of economic development. The MDC has an invaluable partner in the University of Texas Permian Basin (UTPB), with multiple ongoing projects to support workforce, education and entrepreneurship in Midland.



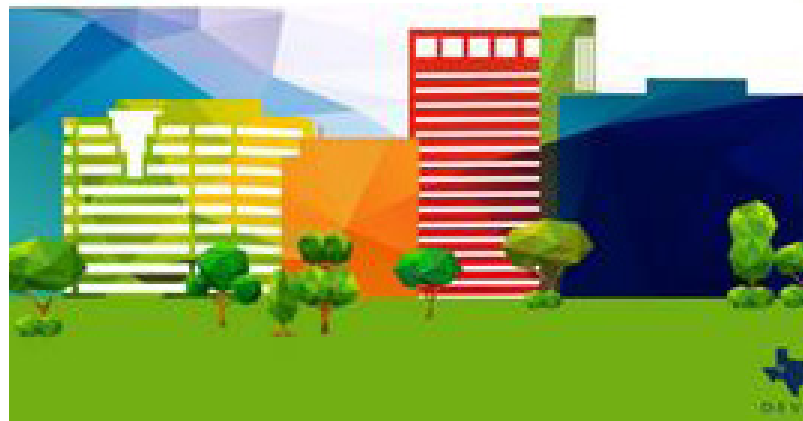
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## MIDLAND ENTREPRENEURIAL CHALLENGE

The MDC funds the Midland Entrepreneurial Challenge, an annual business challenge competition operated and overseen by UTPB. 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. \$500,000 in prize money is awarded to up to eight winning businesses. 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.

## INCUBATOR & MAKERSPACE

UTPB's Incubator and Makerspace will be in the Center for Education and Economic Development (CEED) Building on UTPB's Midland campus. The reimagined space will provide research and commercialization expertise, facilities and equipment, logistical support, and networking opportunities that new high-tech businesses need to launch successfully. The university ecosystem is well-positioned to support these businesses. Construction to revamp the CEED Building has begun. Once completed, its resources will be available to students enrolled at UTPB and members of the public alike, nurturing Midland's strong entrepreneurial culture. The MDC has a 20-year commitment to support staffing and operations for the incubator to ensure that it is available for years to come.



## COLLEGE OF ENGINEERING

In 2017, MDC saw the opportunity to make a key investment in education by committing \$5 million to UTPB. MDC's funds went to complete the build-out of the third floor of UTPB's College of Engineering in Midland. Accomplishing this initiative required collaboration between many different entities, exemplifying shared confidence in the city's future.

This five-year commitment culminated in 2021, as the College of Engineering saw its majors in Chemical, Electrical, Mechanical, and Petroleum Engineering continue to grow and thrive. MDC's investment in UTPB's Engineering program is part of the MDC's mission to contribute to developing and diversifying Midland's economy by providing job training and expanded opportunities for higher education. UTPB's Engineering program enables Midland students to pursue high-quality degrees and obtain well-paying jobs without having to leave home. The number of high-quality engineering graduates in the Permian Basin will be significantly increased, ready to meet the needs of one of the world's most important energy-producing regions.



# MIDLAND COLLEGE

## CAREER AND TECHNICAL EDUCATION PROGRAMS

Midland College and the MDC have focused on continuing our commitment to career and technology education with flexibility and affordability, which will allow students to succeed. The new and expanded programs have appealed to students, especially to those who have a strong commitment to Midland and want to remain in the Permian Basin after graduation. To provide the needed programming, the MDC has provided Midland College with a five-year commitment of \$1.35 million.

The Midland College Dual Credit & CTE Programs are a great, low-cost, high school to workforce pipeline in the area for students who do not want to invest 4 years in acquiring a college degree. As early as the 9th grade, students are able to embark on pathways that enable them to fulfill high school graduation requirements and earn college credits leading to industry certifications and university transfer programs. The curriculum at Midland College is specifically designed to meet the current and future needs of the Permian Basin's thriving industries and to provide students with college credit and the opportunity to enjoy rewarding careers in high-growth, high-wage professions.



### TECHNICAL DUAL CREDITS AVAILABLE

- AIR CONDITIONING, HEATING, & REFRIDGERATION TECHNOLOGY
- AUTOMOTIVE TECHNOLOGY
- COLLISION REPAIR
- COMPUTER-AIDED DRAFTING AND DESIGN
- DIESEL TECHNOLOGY
- ENERGY TECHNOLOGY
- INFORMATION TECHNOLOGY
- WELDING TECHNOLOGY

### HEALTH SCIENCES DUAL CREDITS AVAILABLE

- NURSES AIDE
- PATIENT CARE TECHNICIAN
- PHELBOTOMY TECHNICIAN
- PHARMACY TECHNICIAN
- FIRE FIGHTER
- EMERGENCY MEDICAL TECHNICIAN



**In 2018, the MDC identified lack of childcare and early childhood education as a barrier to female workforce participation. As a result, an intentional investment of \$379,500 was made in the Midland College Pre-K Academy.**

The Pre-K Academy opened in August of 2019, thanks to MDC's investment which helped the school purchase three portables for classrooms. Since 2019, the school has seen substantial support and plans to expand with a \$30 million facility. The new building will accommodate 288 students and house Midland College's early childhood education program.



*MDC launched us to where we are now... letting us clear a hurdle we needed to clear. Without that, we wouldn't be where we are today.*

*- Dr. Damon Kennedy*



# Quality of Place Initiatives

**MDC has invested over \$1 million in Quality of Place initiatives.**

## HOGAN PARK

With a focus on bringing greenspace to Midland, the Midland Quality of Place Conservancy is spearheading the 120-acre renovation of Hogan Park. The estimated cost of the renovation is \$55 million. The city of Midland has committed \$10 million to the park. The MDC has contracted with consulting firm Dini Spheris to help secure local, state, and national funding.

The goal is for the park to become the epicenter of recreational sports in Midland, which will in turn benefit the economy. The redeveloped Hogan Park will include 14 baseball/softball fields, a splash pad, 7 miles of walking trails, a social lawn with pavilion, multipurpose turf fields, playgrounds, dog parks, etc.





Hogan Park will undergo a \$55 million renovation



**The MDC invests in organizations that enhance the quality of life for local residents.**

## MUSEUM OF THE SOUTHWEST

The MDC seeks to be at the forefront of nurturing communities and encouraging growth. In 2021, The MDC provided \$75,000 to re-pave the Museum of the Southwest's parking lot, which also serves Midland Downtown Farmers Market and Blakemore Planetarium. The re-paving project, completed in fall 2021, enhances the museum's campus, supports the entire museum district, ensures the safety and security of the museum's guests, and enhances wayfinding. By making strategic investments in Midland's cultural amenities, the MDC is dedicated to elevating the quality of life in Midland.

## MIDLAND DOWNTOWN FARMERS MARKET

The Midland Downtown Farmers Market (MDFM) provides a family-friendly atmosphere for the community to come together each Saturday morning in a safe and upbeat environment to support local small businesses. MDFM provides a low-cost venue for these small, local businesses to sell their products, make a profit, and bring brand awareness to their company, MDFM Director Samantha Borgstedt said, "Our partnership with the MDC has allowed us to grow our market in both size of vendors and customers. We have more than doubled in size of vendors in 2021 from any other year, thanks to support from MDC. Their investment has allowed us to spend more on advertising and outreach."

## BASIN PBS

Basin PBS is the only free, over-the-air Public Television Station in West Texas. Basin PBS has delivered enriching television programming for over 30 years and sought to expand its mission and reach more residents by relocating to downtown Midland. Through a promotional agreement, the MDC supported Basin PBS and their move downtown. Basin PBS plays an important role by educating, inspiring, and entertaining our community members.



# QUALITY OF PLACE INITIATIVES

## CHRIS DAVIDSON OPPORTUNITY PARK

Chris Davidson Opportunity Park offers hands-on experiences that provide children of all ages and abilities with the opportunity to explore, learn, and become engaged in the community where they live. The park's development was supported by stakeholders throughout the community, including the MDC. "The significant financial support granted by the MDC was a difference-maker. Their generous financial support as well as words of encouragement lifted our spirits and made it possible for the campaign to advance to a point where we felt the finish line was in sight," said Steve Davidson.



## MIDLAND HISPANIC CULTURAL CENTER

Founded in 1996, the Hispanic Cultural Center of Midland has established itself as a nexus of arts education that enriches the lives of hundreds of students through its programs in arts, dance, drama, music, and speech. Educational assistance and tutoring are also provided. The MHCC actively promotes and celebrates Midland's vibrant Hispanic community, offering the MDC an excellent opportunity for collaboration. The MDC's promotional agreement with the Hispanic Cultural Center provides \$15,000 per year in support from 2018 to 2023, which will enable program expansion, facilities, maintenance, and greater outreach throughout Midland.



# ECONOMIC INDICATORS

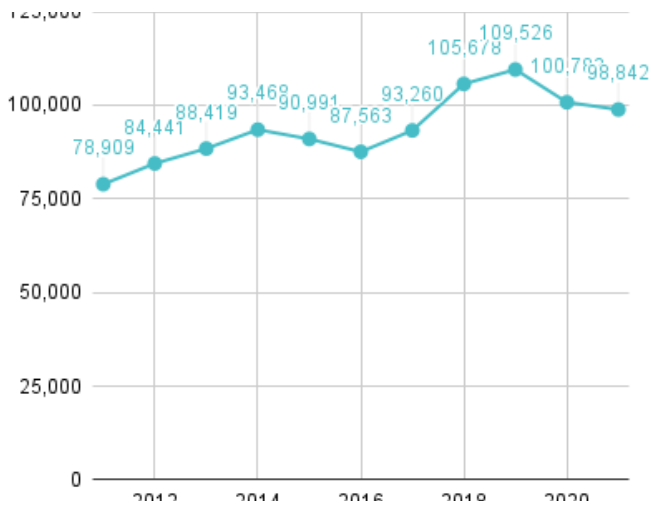
## MIDLAND ECONOMIC INDEX

(INDEX ADJUSTED SUCH THAT 100 REPRESENTS ECONOMIC STATUS IN 2012)

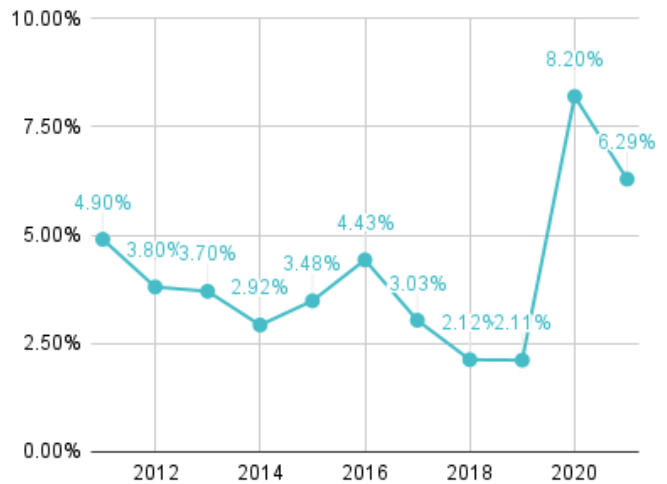


Source: The Perryman Group

## MIDLAND CIVILIAN LABOR FORCE



## MIDLAND UNEMPLOYMENT RATE



AVERAGES TAKEN FROM THE BUREAU OF LABOR STATISTICS



## MDC ROI 2016-2021

MDC COMMITMENT	ANNUAL WAGES FOR NEW JOBS CREATED	CAPITAL INVESTMENT, PERSONAL PROPERTY, INVENTORY	INVESTMENT FROM OTHER ENTITIES INDUCED BY MDC COMMITMENT
\$54,653,139	\$24,290,000	\$179,995,000	\$131,298,972
TOTAL ADDED VALUE BEYOND MDC COMMITMENTS	\$335,583,972		
RETURN ON INVESTMENT	514%		

## ECONOMIC RECOVERY

In 2021, the MDC continued to carry out its organizational mission – to strengthen and diversify Midland’s economy – while aggressively pursuing new opportunities for Midland. Planning for a rapid economic recovery, businesses that were cautious and restrained in 2020 began to accelerate their plans for relocation and expansion in 2021. The MDC was at the forefront of capturing attention for Midland.

While oil prices and rig counts recovered, unemployment rates leapt from 2% to 8% in the same period. Midland unemployment decreased to 4.5% in November 2021—a great sign of economic recovery. The MDC’s goal for 2021 was to bring new primary jobs to Midland, creating opportunities for those who lost their livelihoods. The Permian Basin has always represented financial opportunity, and our region will continue to promise that.

The MDC’s focus is on strengthening Midland’s economy. This includes leveraging funds to accelerate critical road and infrastructure projects, making investments in education and health care, and helping businesses grow.

# MARKETING & COMMUNICATIONS

The MDC shares updates on current and ongoing projects, local and state data, and other relevant information on our website, social media accounts and email marketing. These online channels help the MDC connect with the community.

## SOCIAL MEDIA FOLLOWING



1,219



1,826



1,478



1,500

MDC relaunched a monthly email newsletter in 2020 to connect with our audience and update our community. Each newsletter includes a featured article, plus other items highlighting infrastructure, education, local workforce, aerospace and more. The newsletter has seen continued success since its initiation.

To subscribe, scan the QR code below!



## EARNED MEDIA MENTIONS



MIDLAND REPORTER-TELEGRAM

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NEWSWEST 9

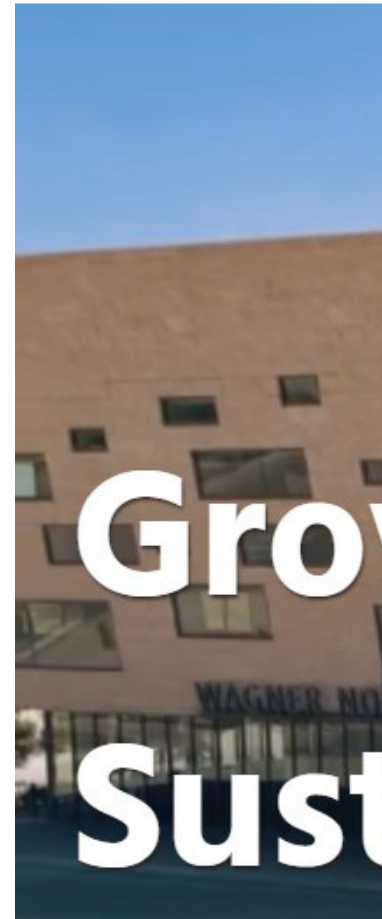
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CBS 7

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OTHER

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# growing in a Sustainable Way

## WEBSITE REDESIGN

The MDC launched a newly redesigned website, created by Golden Shovel Agency, to further strengthen its online presence and economic growth for the region. The redesigned site is better organized and easy-to-navigate with new layouts and features, an updated homepage, additional videos and local data.

The website emphasizes what the MDC can offer businesses, including demographics, real estate reports, location advantages and workforce data. MDC also updated incentives available to qualified and diversified companies.

[View the improved website at www.midlandtxedc.com.](http://www.midlandtxedc.com)







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