



Board Binder Open Session

March 7, 2022

Agenda



**MIDLAND DEVELOPMENT CORPORATION AS AUTHORIZED BY CHAPTER 504 OF THE TEXAS
LOCAL GOVERNMENT CODE**

NOTICE OF PUBLIC MEETING

In accordance with Chapter 551, Texas Government Code, as amended, notice is hereby given to the public that the Board of Directors of the Midland Development Corporation will meet in regular session, open to the public, in the Midland Chamber of Commerce board room, 303 West Wall Street, Suite 200, Midland, Texas, at 10:00 a.m. on March 7, 2022. A quorum of the Board of Directors of the Midland Development Corporation intends to be physically present at the aforementioned location.

Videoconference Information

Join Zoom Webinar

<https://us02web.zoom.us/j/85915087250?pwd=ODhjMVdobVR4cHBuRW5CZkp5VTBQdz09>

Passcode: 633613

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 346 248 7799 or +1 253 215 8782 or +1 669 900 9128 or +1 312 626 6799 or +1 646 558
8656 or +1 301 715 8592

Webinar ID: 859 1508 7250

Passcode: 633613

International numbers available: <https://us02web.zoom.us/j/85915087250?pwd=ODhjMVdobVR4cHBuRW5CZkp5VTBQdz09>

At such meeting, the Board of Directors may discuss, consider, and take action on any of the following items:

1. Call meeting to order.
2. Motion approving the minutes of the February 7, 2022, meeting of the Midland Development Corporation.
3. Resolution authorizing the execution of an economic development agreement with the City of Midland; said agreement providing for the City of Midland Department of Airports' purchase of certain real property described as an approximate 327.67-acre tract of land located in Sections 4 and 9, Block 40, T-2-S, T&P RR. Co. Survey, Midland County, Texas; and authorizing payment therefor.
4. Resolution authorizing the execution of a memorandum of understanding between the Midland Development Corporation and the City of Midland; said memorandum of understanding to provide for the marketing of certain City-owned real property located at the Midland International Air & Space Port.

5. Resolution authorizing payment in the amount of \$14,999.00 to the University of Texas of the Permian Basin pursuant to that certain incubator and makerspace grant agreement between the Midland Development Corporation and the University of Texas of the Permian Basin.
6. Receive and discuss the 2021-2022 annual report of the Midland Development Corporation.
7. Presentation on the February 2022 monthly expenses and economic development activity report from the Midland Development Corporation Executive Director.
8. Pursuant to Texas Government Code §551.101, the Board of Directors will hold an Executive Session, which is closed to the public to discuss the following matters as permitted under the following Texas Government Code Sections:
 - a. Section 551.072 Deliberation Regarding Real Property
 - i. Discuss the sale, exchange, lease or value of real property described as Lots 5 and 6, Block 35, Original Town of Midland, an addition to the City of Midland, Midland County, Texas.
 - ii. Discuss the sale, exchange, lease or value of real property described as Lots 1A and 9-12, Block 35, Original Town of Midland, an addition to the City of Midland, Midland County, Texas.
 - b. Section 551.087 Deliberation Regarding Economic Development Negotiations
 - i. Discuss business prospects that the Midland Development Corporation seeks to have, locate, stay, or expand in or near the City of Midland, Texas, and discuss possible incentives, and discuss contract compliance on the part of businesses.

Posted this 4th day of March 2022.

Amy M. Turner
City Secretary

February 7th Minutes

MIDLAND DEVELOPMENT CORPORATION

MINUTES

February 07, 2022

The Board of Directors of the Midland Development Corporation convened in regular session at the Midland Chamber of Commerce board room, 303 West Wall Street, Suite 200, Midland, Texas, at 10:00 a.m. on February 07, 2022.

Board Members present: Chairman Stephen Lowery, Director Berry Simpson, Director Chase Gardaphe, Director Lourcey Sams, and Director Brad Bullock

Board Members absent: Director Jill Pennington

Staff Members present: Deputy City Manager Morris Williams, Assistant City Manager Tina Jauz, Assistant City Attorney Nicholas Toulet-Crump, Director of Airports Justine Ruff and Deputy City Secretary Vanessa White

Council Member(s) present: Mayor Patrick Payton, Council Member Robin Poole and Council Member Dan Corrales

MDC Staff Members present: Executive Director Sara Harris, Marketing and Administrative Coordinator Kendall Gray and Business Retention and Expansion Coordinator Sammi Steele

1. Call meeting to order.

Chairman Lowery called the meeting to order at 10:00 am

2. Motion approving the minutes of the January 10, 2022 meeting of the Midland Development Corporation.

Director Gardaphe moved to approve the minutes of the December 06, 2021 meeting of the Midland Development Corporation; seconded by Director Simpson. The motion carried by the following vote: AYE: Lowery, Sams, Bullock. NAY: None. ABSTAIN: None. ABSENT: Pennington.

3. Resolution approving the execution of an economic development agreement with the City of Midland for the Todd Drive Expansion and CR 1160 Overpass Improvements Project; and authorizing payment therefor.

Director Simpson moved to approve Resolution ED-398 authorizing the execution of an economic development agreement with the City of Midland for the Todd Drive Expansion and CR 1160 Overpass Improvements Project; and authorizing payment therefor; seconded by Director Bullock. The motion carried by the following vote: AYE: Lowery, Sams. NAY: None. ABSTAIN: Gardaphe. ABSENT: Pennington.

4. Resolution ratifying and approving a consulting services agreement with Strong Environmental Services, LLC, in the amount of \$35,115.00 for services related to the purchase of certain real property described as Lots 1A and 9-12, Block 35, Original Town of Midland, City of Midland, Midland County, Texas; and authorizing payment for said agreement.

Director Sams moved to approve Resolution ED-399 ratifying and approving a consulting services agreement with Strong Environmental Services, LLC, in the amount of \$35,115.00 for services related to the purchase of certain real property described as Lots 1A and 9-12, Block 35, Original Town of Midland, City of Midland, Midland County, Texas; and authorizing payment for said agreement.; seconded by Director Gardaphe. The motion carried by the following vote: AYE: Lowery, Simpson, Bullock. NAY: None. ABSTAIN: None. ABSENT: Pennington.

5. Resolution authorizing the execution of a consultant services agreement with InterFlight Global Corporation in the amount of \$139,650.00 for services related to the procurement of new tenants for facilities located at the Spaceport Business Park; and authorizing payment for said agreement.

Director Sams moved to approve Resolution ED-400 authorizing the execution of a consultant services agreement with InterFlight Global Corporation in the amount of \$139,650.00 for services related to the procurement of new tenants for facilities located at the Spaceport Business Park; and authorizing payment for said agreement; seconded by Director Simpson. The motion carried by the following vote: AYE: Lowery; Gardaphe, Bullock. NAY: None. ABSTAIN: None. ABSENT: Pennington.

6. Presentation on the January 2022 monthly expenses and economic development activity report from the Midland Development Corporation Executive Director.

Sara Harris reported a 48% sales tax increase year-over-year. Sara Harris also reported a \$2,500,000.00 disbursement to Texas Tech Health Sciences Center for 50% completion of the expanded Physician Assistants Program on the Midland College campus. Also reported was a \$15,000.00 disbursement to the Hispanic Cultural Center as part of MDC's 5 year on-going commitment.

Board recessed into executive session at 10:19 a.m.

7. Pursuant to Texas Government Code §551.101, the Board of Directors will hold an Executive Session, which is closed to the public to discuss the following matters as permitted under the following Texas Government Code Sections:

- a. Section 551.072 Deliberation Regarding Real Property

- i. Discuss the sale, exchange, lease or value of real property described as an approximate 374-acre tract of land out of Section 33, Block 40, T-1-S, T&P RR Co. Survey, Midland County, Texas.

- b. Section 551.087 Deliberation Regarding Economic Development Negotiations

- i. Discuss business prospects that the Midland Development Corporation seeks to have, locate, stay, or expand in or near the City of Midland,

Texas, and discuss possible incentives, and discuss contract compliance on the part of businesses.

Board reconvened into open session at 11:14 a.m.

All the business at hand having been completed, Chairman Lowery adjourned the meeting at 11:14 a.m.

Respectfully submitted,

Vanessa White, Deputy City Secretary

PASSED AND APPROVED the 7th Day of March 2022.



Jill Pennington, Secretary

MAF Land Purchase

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE EXECUTION OF AN ECONOMIC DEVELOPMENT AGREEMENT WITH THE CITY OF MIDLAND; SAID AGREEMENT PROVIDING FOR THE CITY OF MIDLAND DEPARTMENT OF AIRPORTS' PURCHASE OF CERTAIN REAL PROPERTY DESCRIBED AS AN APPROXIMATE 327.67-ACRE TRACT OF LAND LOCATED IN SECTIONS 4 AND 9, BLOCK 40, T-2-S, T&P RR. CO. SURVEY, MIDLAND COUNTY, TEXAS; AND AUTHORIZING PAYMENT THEREFOR

WHEREAS, the Board of Directors finds it to be in the public interest to authorize the execution of an economic development agreement with the City of Midland, providing for the City of Midland Department of Airports' purchase of certain real property described as an approximate 327.67-acre tract of land located in Sections 4 and 9, Block 40, T-2-S, T&P RR. Co. Survey, Midland County, Texas;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MIDLAND DEVELOPMENT CORPORATION:

SECTION ONE. That the Chairman and Secretary are hereby authorized to execute and attest, respectively, on behalf of the Midland Development Corporation, an economic development agreement with the City of Midland. Said agreement providing for the City of Midland Department of Airports' purchase of certain real property described as an approximate 327.67-acre tract of land located in Sections 4 and 9, Block 40, T-2-S, T&P RR. Co. Survey, Midland County, Texas, and being in a form substantially similar to that of Exhibit A, which is attached hereto and incorporated herein for all purposes.

SECTION TWO. That the City Comptroller is hereby authorized and directed to transfer funds to the City of Midland in accordance with the terms of said agreement from funds available in the Midland Development Corporation Fund (235) Operating Budget upon receipt of proper invoices or statements approved by the Executive Director of the Midland Development Corporation or his/her designee.

SECTION THREE. That the Executive Director of the Midland Development

Corporation, or his/her designee, is hereby authorized and directed to administer all of the Midland Development Corporation's obligations under said agreement, including the issuance of all written notices and confirmations due thereunder.

On motion of Director _____, seconded by Director _____, the above and foregoing resolution was adopted by the Board of Directors of the Midland Development Corporation at a regular meeting on the _____ day of _____, A.D., 2022, by the following vote:

Directors voting "AYE":

Directors voting "NAY":

STEPHEN LOWERY,
Chairman of the Midland
Development Corporation

ATTEST:

JILL PENNINGTON,
Secretary of the Midland
Development Corporation

APPROVED AS TO FORM ONLY:

JOHN OHNEMILLER,
Attorney for the Midland
Development Corporation

ECONOMIC DEVELOPMENT AGREEMENT

THIS AGREEMENT is entered into by and between the **MIDLAND DEVELOPMENT CORPORATION** (“*MDC*”), an Economic Development Corporation existing under the authority of Chapter 504 of the Texas Local Government Code, and the **CITY OF MIDLAND, TEXAS** (“*City*”), a home-rule municipal corporation.

I.

Recitals

- A. MDC and City desire to set forth the terms and conditions upon which One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00) in incentive funds shall be provided to City as consideration for its: (i) acquisition of certain real property described as an approximate 327.67-acre tract of land located in Sections 4 and 9, Block 40, Township-2-South, T&P RR. Co. Survey, Midland County, Texas (the “*Property*”), which is more particularly shown on **Exhibit A** that is attached hereto and incorporated herein for all purposes, for the purpose of expanding the Midland International Air & Spaceport and its associated facilities (the “*Project*”); and (ii) execution of that certain proposed Memorandum of Understanding regarding marketing activities directed at prospective tenants for City-owned real property.
- B. The Project will facilitate commercial and industrial development in the City of Midland, Texas.
- C. The MDC Board of Directors (the “*Board*”) and the City Council of the City of Midland, Texas (the “*Council*”) find that the purpose of this Agreement qualifies as an authorized project under Section 501.101 of the Texas Local Government Code and is therefore eligible for MDC funding.
- D. The Board and the Council find that the Project and expenditures therefor are required or suitable to promote or develop new or expanded business enterprises within the City of Midland.
- E. The Board and the Council find that this Agreement does not constitute a direct incentive to or expenditure on behalf of a business enterprise as described in Tex. Loc. Gov’t Code § 501.158.

NOW, THEREFORE, in consideration of the promises and of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, MDC and City hereby agree as follows:

Exhibit A

II. MDC Funding

- A. **Funds.** Within five (5) days after receiving written notice from City that a purchase and sale agreement, or other such agreement, for the purchase of the Property has been entered into by and between City and a landowner, MDC shall promptly provide City with written confirmation that MDC shall provide to City the incentive funds referenced herein. Within three (3) days after City provides MDC a final closing or settlement statement issued by the title company for City's purchase of the Property, MDC shall provide to City incentive funds in an amount equal to One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00) (the "*Funds*"). The Funds shall be disbursed and repaid as provided in Section III.
- B. **Total Funds.** It is expressly understood that the Funds, cumulative in their amounts, shall not exceed a total of One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00). MDC agrees to forgive repayment of the Funds if the conditions contained in Section III are met.

III. Obligations of City

- A. **The Project.** City agrees to purchase the Property for the purpose of accommodating the future expansion the Midland International Air & Space Port and its associated facilities.
- B. **Completion.** Upon City's purchase of the Property, City shall certify such to MDC in accordance with Section VII.B.
- C. **Execution of Memorandum of Understanding.** City agrees to execute a proposed Memorandum of Understanding regarding certain marketing activities to be undertaken by MDC for the purpose of attracting new tenants to the Midland International Air & Space Port and the City of Midland, Texas.
- D. **Repayment of Funds.** If City fails to purchase the Property by December 31, 2022 (the "*Property Acquisition Date*"), then City agrees to repay the Funds to MDC. If City fails to Purchase the Property by the Property Acquisition Date, the Funds shall be repaid, without interest, within thirty (30) days following City's receipt of written notice from MDC that the Funds are due to be repaid pursuant to this Section.
- E. **Extensions.** The Property Acquisition Date may be extended upon (i) City's submission of a written request to MDC, and (ii) MDC providing to City written approval of such request.

IV. Term

Upon execution by all of the parties, this Agreement becomes effective on March 23, 2022 (the “*Effective Date*”), and shall terminate when the requirements set forth in Sections II and III are completed, or when terminated by mutual agreement of the parties, or when terminated as hereinafter provided.

V. Law

The parties are aware of statutory limitations on the Funds and the use of the Funds under Chapters 501 and 504 of the Texas Local Government Code, and the parties acknowledge that the Funds herein granted or guaranteed shall be utilized solely for purposes authorized under that law and by the terms of this Agreement.

VI. Documents

Prior to any payment by MDC, City shall deliver to MDC an executed copy of this Agreement.

VII. Special Conditions

- A. **Financial Commitment.** Notwithstanding any provision hereof which might be interpreted otherwise, MDC’s total financial commitment during the term of this Agreement shall not exceed One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00) in the aggregate.
- B. **Certification.** As to any certification required under this Agreement, City shall provide a letter from the City Manager. E-mail is an acceptable form of certification under this Agreement.
- C. **Payment.** Payment to be made to City under Section II shall be made upon a written request from City and completion of all necessary supporting documentation. The payment request and documentation should be directed to the MDC Executive Director, 200 North Loraine Street, Suite 610, Midland, Texas 79701.

VIII. General Terms

- A. **Entire Agreement.** This Agreement embodies the complete agreement of the parties hereto, superseding all oral or written, previous and contemporary agreements between the parties relating to matters in this Agreement; and except as otherwise provided herein, this Agreement cannot be modified or amended without a written agreement of the parties.
- B. **No Third-Party Beneficiary.** The parties' approval of the Agreement does not create a third-party beneficiary. There is no third-party beneficiary to this Agreement. No person or entity who is not a party to this Agreement shall have any third-party beneficiary or other rights hereunder.
- C. **Legal Relationship.** The parties are not, and shall not be considered as, joint venturers, partners, or agents of each other; and neither shall have the power to bind nor obligate the other, except as set forth in this Agreement. The parties agree not to represent to anyone that they are agents of one another or have any authority to act on behalf of one another. It is mutually understood and agreed that nothing in this Agreement is intended or shall be construed as in any way creating or establishing any partnership, joint venture, or agency between MDC and City. Further, it is specifically understood and agreed that nothing in this Agreement is intended or shall be construed as creating a "Community of Pecuniary Interest" or "An Equal Right of Control" which would give rise to vicarious liability.
- D. **Terminations.** This Agreement may be terminated by mutual agreement of the parties or by either party, upon the failure of the other party to fulfill an obligation as set forth herein if the default is not cured within thirty (30) days after written notice from the other party.
- E. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.
- F. **Venue.** The obligations of the parties to this Agreement are deemed to have been performed in Midland County, Texas, and if legal action is necessary to enforce same, exclusive venue shall be in Midland County, Texas. All payments under this Agreement are deemed to have taken place in Midland County, Texas. The obligations and undertakings of each of the parties to this Agreement shall be deemed to have been performed in Midland County, Texas.
- G. **Legal Construction.** In case one or more of the provisions contained in this

Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

- H. **Law.** This Agreement is subject to all applicable state and federal laws, and the parties agrees that they will comply in all material respects with all such applicable laws, regulations, orders and rules of the State of Texas and other such governmental agencies. This Agreement shall be governed by and construed in accordance with the laws and court decisions of the State of Texas.
- I. **Assignment.** This Agreement shall be binding upon the parties hereto and their successors and assigns. This Agreement may not be assigned by City without the prior written consent of MDC.
- J. **Notices.** All notices to either party required under this Agreement shall be sent by certified U.S. mail, postage prepaid, addressed to such party at the addresses shown below. All notices shall be deemed given on the date so deposited in the mail, unless otherwise provided herein. Either party hereto may change the address below by sending written notice of such change to the other in the manner provided herein.

If to MDC:

MDC Executive Director
200 N. Loraine St., Suite 610
Midland, Texas 79701

If to City:

City Manager
City of Midland
P.O. Box 1152
Midland, Texas 79702

- K. **Amendment.** This Agreement may be amended by written instrument executed by both parties expressly stating the intention to amend this Agreement.
- L. **Payments.** All payments to either party required under this Agreement shall be sent by certified U.S. mail, postage prepaid, addressed to such party at the addresses shown below. All payments shall be deemed given on the date so deposited in the mail, unless otherwise provided herein. Either party hereto may change the address below by sending written notice of such change to the other in the manner provided herein.

If to MDC:

MDC Executive Director
200 N. Loraine St., Suite 610

If to City:

City Manager
City of Midland

Midland, Texas 79701

P.O. Box 1152
Midland, Texas 79702

- M. MDC and City hereby agree and acknowledge that this Agreement is supported by good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties.

IN WITNESS WHEREOF, MDC and City have executed this Agreement on the _____ day of _____, 2022.

[Signature Page Follows]

**MIDLAND DEVELOPMENT
CORPORATION**

Stephen Lowery, Chairman

ATTEST:

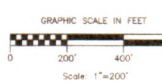
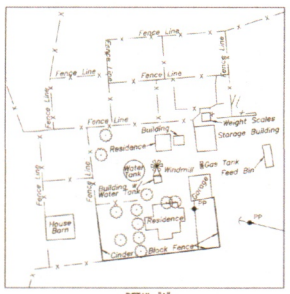
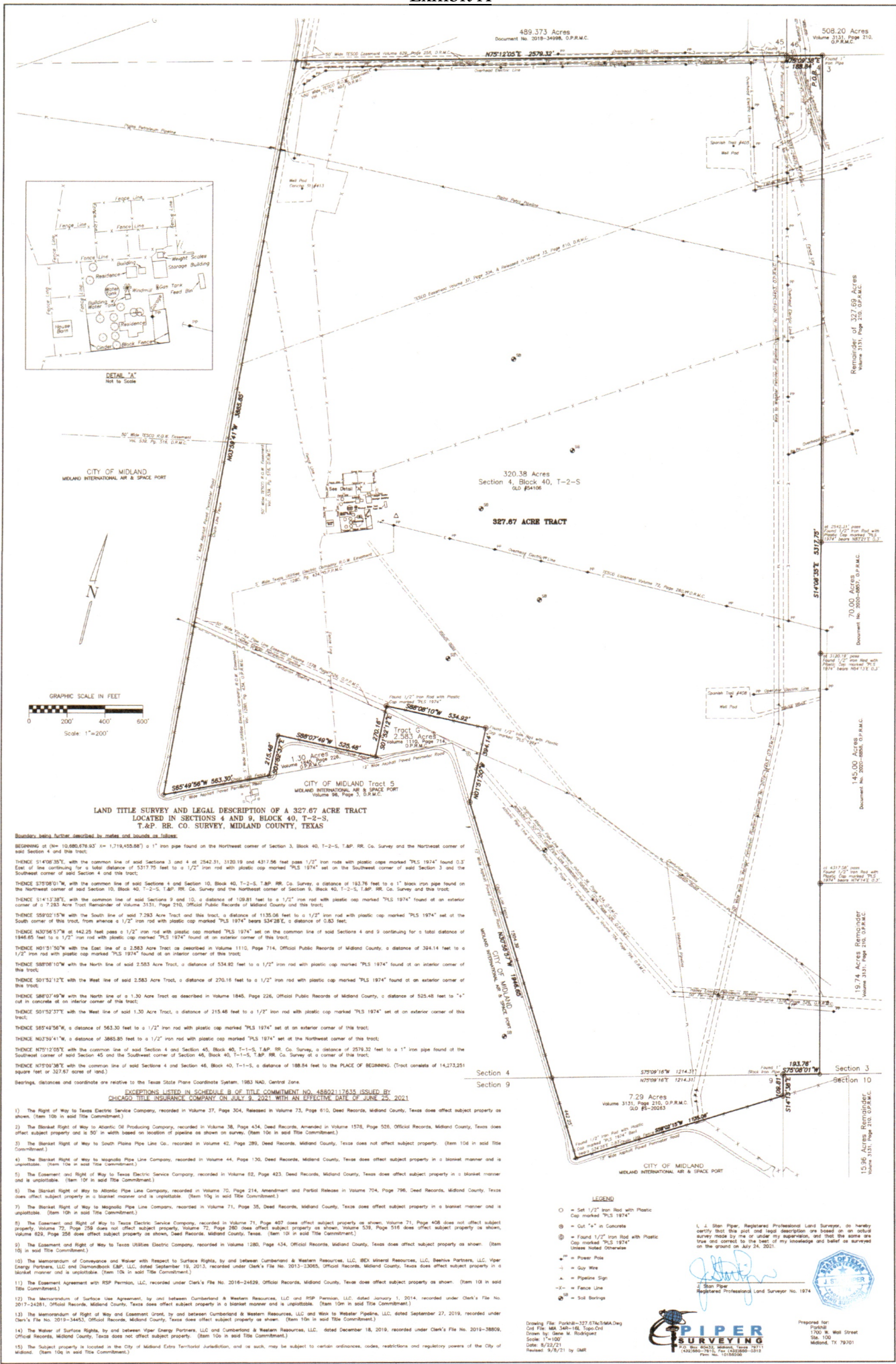
Jill Pennington, Secretary

CITY OF MIDLAND, TEXAS

Robert Patrick, City Manager

ATTEST:

Amy M. Turner, City Secretary



**LAND TITLE SURVEY AND LEGAL DESCRIPTION OF A 327.67 ACRE TRACT
LOCATED IN SECTIONS 4 AND 9, BLOCK 40, T-2-S,
T.&P. RR. CO. SURVEY, MIDLAND COUNTY, TEXAS**

Boundary being further described by notes and bounds as follows:
BEGINNING at (N= 10,890,878.93' x= 1,719,455.88') a 1" iron pipe found on the Northwest corner of Section 3, Block 40, T-2-S, T.&P. RR. Co. Survey and the Northeast corner of said Section 4 and this tract;
THENCE S17°08'38"E, with the common line of said Sections 3 and 4 at 2542.31, 1120.19 and 4317.86 feet pass 1/2" iron rods with plastic caps marked "PLS 1974" found 0.3' East of line continuing for a total distance of 5317.75 feet to a 1/2" iron rod with plastic cap marked "PLS 1974" set on the Southwest corner of said Section 3 and the Southwest corner of said Section 4 and this tract;
THENCE S75°08'01"W, with the common line of said Sections 8 and Section 10, Block 40, T-2-S, T.&P. RR. Co. Survey, a distance of 163.76 feet to a 1" black iron pipe found on the Northeast corner of said Section 10, Block 40, T-2-S, T.&P. RR. Co. Survey and the Northeast corner of said Section 9, Block 40, T-2-S, T.&P. RR. Co. Survey and this tract;
THENCE S14°13'38"E, with the common line of said Sections 9 and 10, a distance of 108.81 feet to a 1/2" iron rod with plastic cap marked "PLS 1974" found at an exterior corner of a 7.283 Acre Tract Remainder of Volume 3131, Page 210, Official Public Records of Midland County and this tract;
THENCE S55°02'15"W, with the South line of said 7.283 Acre Tract and this tract, a distance of 1135.06 feet to a 1/2" iron rod with plastic cap marked "PLS 1974" set at the South corner of this tract, from whence a 1/2" iron rod with plastic cap marked "PLS 1974" bears S34°28'E, a distance of 0.83 feet to the South corner of this tract;
THENCE N30°56'17"W at 442.25 feet pass a 1/2" iron rod with plastic cap marked "PLS 1974" set on the common line of said Sections 4 and 9 continuing for a total distance of 1948.65 feet to a 1/2" iron rod with plastic cap marked "PLS 1974" found at an interior corner of this tract;
THENCE N07°51'30"W with the East line of a 2.583 Acre Tract as described in Volume 1110, Page 714, Official Public Records of Midland County, a distance of 324.14 feet to a 1/2" iron rod with plastic cap marked "PLS 1974" found at an interior corner of this tract;
THENCE S88°06'10"W with the North line of said 2.583 Acre Tract, a distance of 534.92 feet to a 1/2" iron rod with plastic cap marked "PLS 1974" found at an interior corner of this tract;
THENCE S01°52'12"E with the West line of said 2.583 Acre Tract, a distance of 270.18 feet to a 1/2" iron rod with plastic cap marked "PLS 1974" found at an exterior corner of this tract;
THENCE S80°07'49"W with the North line of a 1.30 Acre Tract as described in Volume 1845, Page 226, Official Public Records of Midland County, a distance of 525.48 feet to a " set in concrete at an interior corner of this tract;
THENCE S01°52'37"E with the West line of said 1.30 Acre Tract, a distance of 215.48 feet to a 1/2" iron rod with plastic cap marked "PLS 1974" set at an exterior corner of this tract;
THENCE S85°49'56"W, a distance of 563.30 feet to a 1/2" iron rod with plastic cap marked "PLS 1974" set at an exterior corner of this tract;
THENCE N07°51'41"W, a distance of 3685.85 feet to a 1/2" iron rod with plastic cap marked "PLS 1974" set at the Northwest corner of this tract;
THENCE N75°12'00"E, with the North line of said Section 4 and Section 4S, Block 40, T-1-S, T.&P. RR. Co. Survey, a distance of 2579.32 feet to a 1" iron pipe found at the Southwest corner of said Section 4S and the Southwest corner of Section 4S, Block 40, T-1-S, T.&P. RR. Co. Survey at a corner of this tract;
THENCE N75°03'38"E, with the common line of said Sections 4 and Section 4S, Block 40, T-1-S, a distance of 188.84 feet to the PLACE OF BEGINNING. (Tract consists of 14,273.251 acres of 327.67 acres of land).

**EXCEPTIONS LISTED IN SCHEDULE B OF TITLE COMMITMENT NO. 48802117035, ISSUED BY
CHICAGO TITLE INSURANCE COMPANY ON JULY 9, 2021 WITH AN EFFECTIVE DATE OF JUNE 25, 2021**

- 1) The Right of Way to Texas Electric Service Company, recorded in Volume 37, Page 304, Reissued in Volume 73, Page 610, Deed Records, Midland County, Texas does affect subject property as shown. (Item 10a in said Title Commitment.)
- 2) The Blanket Right of Way to Atlantic Oil Producing Company, recorded in Volume 38, Page 434, Deed Records, Amended in Volume 1578, Page 528, Official Records, Midland County, Texas does affect subject property and is 50' in width based on location of pipeline as shown on survey. (Item 10c in said Title Commitment.)
- 3) The Blanket Right of Way to South Plains Pipe Line Co., recorded in Volume 42, Page 289, Deed Records, Midland County, Texas does not affect subject property. (Item 10d in said Title Commitment.)
- 4) The Blanket Right of Way to Magallona Pipe Line Company, recorded in Volume 44, Page 130, Deed Records, Midland County, Texas does affect subject property in a blanket manner and is unenforceable. (Item 10e in said Title Commitment.)
- 5) The Easement and Right of Way to Texas Electric Service Company, recorded in Volume 62, Page 423, Deed Records, Midland County, Texas does affect subject property in a blanket manner and is unenforceable. (Item 10f in said Title Commitment.)
- 6) The Blanket Right of Way to Atlantic Pipe Line Company, recorded in Volume 70, Page 214, Amended and Partial Release in Volume 704, Page 796, Deed Records, Midland County, Texas does affect subject property in a blanket manner and is unenforceable. (Item 10g in said Title Commitment.)
- 7) The Blanket Right of Way to Magallona Pipe Line Company, recorded in Volume 71, Page 35, Deed Records, Midland County, Texas does affect subject property in a blanket manner and is unenforceable. (Item 10h in said Title Commitment.)
- 8) The Easement and Right of Way to Texas Electric Service Company, recorded in Volume 71, Page 407 does affect subject property as shown. Volume 71, Page 408 does not affect subject property. Volume 72, Page 239 does not affect subject property. Volume 72, Page 280 does affect subject property as shown. Volume 539, Page 516 does affect subject property as shown. Volume 629, Page 266 does affect subject property as shown. Deed Records, Midland County, Texas. (Item 10i in said Title Commitment.)
- 9) The Easement and Right of Way to Texas Utilities Electric Company, recorded in Volume 1280, Page 434, Official Records, Midland County, Texas does affect subject property as shown. (Item 10j in said Title Commitment.)
- 10) The Memorandum of Conveyance and Waiver with Respect to Surface Rights, by and between Cumberland & Western Resources, LLC, BDX Mineral Resources, LLC, Bentive Partners, LLC, Viper Energy Partners, LLC and Diamondback E&P, LLC, dated September 18, 2013, recorded under Clerk's File No. 2013-23005, Official Records, Midland County, Texas does affect subject property in a blanket manner and is unenforceable. (Item 10k in said Title Commitment.)
- 11) The Easement Agreement with RSP Permian, LLC, recorded under Clerk's File No. 2016-24429, Official Records, Midland County, Texas does affect subject property as shown. (Item 10l in said Title Commitment.)
- 12) The Memorandum of Surface Use Agreement, by and between Cumberland & Western Resources, LLC and RSP Permian, LLC, dated January 1, 2014, recorded under Clerk's File No. 2017-24281, Official Records, Midland County, Texas does affect subject property in a blanket manner and is unenforceable. (Item 10m in said Title Commitment.)
- 13) The Memorandum of Right of Way and Easement Grant, by and between Cumberland & Western Resources, LLC and Wink & Webster Pipeline, LLC, dated September 27, 2019, recorded under Clerk's File No. 2019-13445, Official Records, Midland County, Texas does affect subject property as shown. (Item 10n in said Title Commitment.)
- 14) The Waiver of Surface Rights, by and between Viper Energy Partners, LLC and Cumberland & Western Resources, LLC, dated December 18, 2019, recorded under Clerk's File No. 2019-38809, Official Records, Midland County, Texas does not affect subject property. (Item 10o in said Title Commitment.)
- 15) The Subject property is located in the City of Midland Extra Territorial Jurisdiction, and as such, may be subject to certain ordinances, codes, restrictions and regulatory powers of the City of Midland. (Item 10p in said Title Commitment.)

- LEGEND**
- = Set 1/2" Iron Rod with Plastic Cap marked "PLS 1974"
 - ⊙ = Cut "4" in Concrete
 - ⊗ = Flanged 1/2" Iron Rod with Plastic Cap marked "PLS 1974" (Unless Noted Otherwise)
 - = Power Pole
 - - - = Gas Line
 - - - = Pipeline Sign
 - - - = Fence Line
 - = Soil Borings

I, J. Stan Piper, Registered Professional Land Surveyor, do hereby certify that this plot and legal description are based on an actual survey made by me or under my supervision, and that the same are true and correct to the best of my knowledge and belief as surveyed on the ground on July 24, 2021.

J. Stan Piper
Registered Professional Land Surveyor No. 1974

PIPER SURVEYING
Civil File No. 348-18, Top-C4
Drawn by: Glenn M. Rodriguez
Scale: 1"=100'
Date: 8/22/21
Revised: 9/9/21 by GMR

Drawing File: Psk08-327.67a(5)MA.Dwg
Civil File No. 348-18, Top-C4
Drawn by: Glenn M. Rodriguez
Scale: 1"=100'
Date: 8/22/21
Revised: 9/9/21 by GMR

Prepared for:
Portals
1700 W. Wall Street
Ste. 100
Midland, TX 79701

MDC – City of
Midland MOU to
Market MAF
Property

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING THE EXECUTION OF
A MEMORANDUM OF UNDERSTANDING BETWEEN
THE MIDLAND DEVELOPMENT CORPORATION AND
THE CITY OF MIDLAND; SAID MEMORANDUM OF
UNDERSTANDING TO PROVIDE FOR THE
MARKETING OF CERTAIN CITY-OWNED REAL
PROPERTY LOCATED AT THE MIDLAND
INTERNATIONAL AIR & SPACE PORT**

WHEREAS, the Board of Directors finds it to be in the public interest to authorize the execution of a memorandum of understanding between the Midland Development Corporation and the City of Midland for the purpose marketing certain City-owned real property located at the Midland International Air & Space Port;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE MIDLAND DEVELOPMENT CORPORATION:**

THAT the Chairman and Secretary are hereby authorized and directed to execute and attest, respectively, memorandum of understanding between the Midland Development Corporation and the City of Midland for the purpose marketing certain City-owned real property located at the Midland International Air & Space Port. Said memorandum of understanding is attached hereto as Exhibit A and incorporated herein for all purposes.

On motion of Director _____, seconded by Director _____, the above and foregoing resolution was adopted by the Board of Directors of the Midland Development Corporation at a regular meeting on the _____ day of _____, A.D., 2022, by the following vote:

Directors voting "AYE":

Directors voting "NAY":

STEPHEN LOWERY,
Chairman of the Midland
Development Corporation

ATTEST:

JILL PENNINGTON,
Secretary of the Midland
Development Corporation

APPROVED AS TO FORM ONLY:

JOHN OHNEMILLER,
Attorney for the Midland
Development Corporation

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF MIDLAND, TEXAS
AND
THE MIDLAND DEVELOPMENT CORPORATION

This Memorandum of Understanding (“*MOU*”) is entered into on March 23, 2022, by and between the **City of Midland, Texas**, a Texas home-rule municipal corporation (“*City*”), and the **Midland Development Corporation**, a Type A corporation pursuant to Chapter 504 of the Texas Local Government Code (“*MDC*”). City and MDC are hereinafter collectively referred to as “*the Parties*.”

WHEREAS, City owns certain real property located in and around Block 13, Midland International Airport Industrial Park Addition, City of Midland, Midland County, Texas, and City intends to purchase an approximate 327.67-acre tract of land located in Sections 4 and 9, Block 40, Township-2-South, T&P RR. Co. Survey, Midland County, Texas (collectively, the “*Property*”); and

WHEREAS, MDC has successfully attracted tenants to the Property for the purpose of furthering the development of the Spaceport Business Park and Midland International Air & Space Port (the “*Airport*”); and

WHEREAS, City and MDC desire to provide for a framework for the Parties’ continued participation in furthering development of the Spaceport Business Park, the Airport, and the Property;

NOW, THEREFORE, City and MDC agree as follows:

- A. Purpose:** The purpose of this MOU is to provide the Parties with the necessary framework and guidance for the marketing of the Property to prospective tenants. The Property is further depicted on **Exhibit A**, which is attached hereto and incorporated herein for all purposes. The activities contemplated herein are in the best interests of the Parties, the benefit of which constitutes suitable consideration. Subject to the approval of the Federal Aviation Administration, as such may be applicable to the Property, prospective tenants shall include, but not be limited to, commercial business, general businesses, manufacturing facilities, testing facilities, and aeronautical/aerospace businesses.
- B. General Principals of Understanding:** The Parties expressly understand and agree to the following:
1. **MDC Activities:** MDC shall use commercially reasonable efforts to market and advertise (or provide for the marketing and advertising of) the Property for the purpose of attracting prospective tenants. The Parties acknowledge and agree that the activities contemplated herein may also be carried out by consultants employed by MDC, as may be approved by the MDC Board of Directors and the Midland

Exhibit A

City Council. MDC's marketing and advertising activities shall consist of, but not be limited to, the following:

- a. Media advertising;
 - b. Direct outreach;
 - c. Tours of the Property;
 - d. Trade show attendance; and
 - e. Any other action or activity reasonably deemed necessary and appropriate by MDC's Executive Director.
2. Property Access: In the event that MDC needs access to the Property to provide any services under this MOU, MDC shall notify City's Director of Airports and make appropriate accommodations in a reasonable and timely manner.
 3. Reporting: MDC shall keep City's Director of Airports and City Manager informed of all activities regarding the Property from time to time and in a manner reasonably acceptable to MDC and City.
 4. Term: This MOU shall be effective from March 23, 2022, to December 31, 2032 (the "*Initial Term*"). Following the Initial Term, this MOU shall automatically renew for consecutive one-year terms (each a "*Renewal Term*") upon the mutual-written consent of MDC's Executive Director and the City Manager. This MOU may be renewed indefinitely subject to the mutual-written consent referenced herein. The Initial Term and any Renewal Terms are collectively referred to as the "*Term*."
 5. Termination: This MOU may be terminated at will upon thirty (30) days' advance-written notice by either Party.
 6. Notices: All written notifications required under this MOU may be sent by U.S. mail or email, as deemed appropriate and acceptable by the Parties.
 7. Funding: Funding for all MDC activities and services contemplated by this MOU shall be provided from MDC's operating budget as approved by the MDC board and City Council. Nothing in this MOU shall be construed or interpreted to obligate any City funds to support MDC's activities hereunder.
 8. Final Approval: Final approval of any prospective tenant shall be subject to the discretion of the MDC Board of Directors and the Midland City Council.

C. General Terms:

1. Modification: This MOU may be modified, in whole or in part, by the mutual written agreement of the Parties at any time during the Term.
2. Public Information Coordination: Public disclosure of information related to, and activities conducted under, this MOU shall be subject to the Freedom of

Information Act (5 U.S.C. § 552) and the Texas Public Information Act (Tex. Gov't Code § 552.001 *et seq.*). Prior to disclosure of any requested information, the Parties shall consult with each other regarding any such proposed disclosure.

3. No Third-Party Beneficiary: The Parties' approval of the MOU does not create a third-party beneficiary. There is no third-party beneficiary to this MOU. No person or entity that is not a party to this MOU shall be considered a third-party beneficiary or have any rights hereunder.
4. Legal Relationship: The Parties are not, and shall not be considered as, joint venturers, partners, or agents of each other; and neither shall have the power to bind nor obligate the other, except as set forth in this MOU. The Parties agree not to represent to anyone that they are agents of one another or have any authority to act on behalf of one another. It is mutually understood and agreed that nothing in this MOU is intended or shall be construed as in any way creating or establishing any partnership, joint venture, or agency between MDC and City. Further, it is specifically understood and agreed that nothing in this MOU is intended or shall be construed as creating a "Community of Pecuniary Interest" or "An Equal Right of Control" which would give rise to vicarious liability.
5. Entire Agreement: This MOU constitutes the entire agreement between the Parties and shall not be explained, modified, or contradicted by any prior or contemporaneous negotiations, representations, or agreements, either written or oral. Only a subsequent, written agreement can modify this MOU.
6. Consideration: The Parties hereby agree and acknowledge that this MOU is supported by good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties.

[Signature Page Follows]

This Memorandum of Understanding is entered into on this 23rd day of March, 2022.

CITY OF MIDLAND, TEXAS

Robert Patrick, City Manager

ATTEST:

Amy M. Turner, City Secretary

MIDLAND DEVELOPMENT CORPORATION

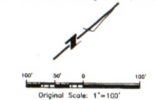
Stephen Lowery, Chairman

ATTEST:

Jill Pennington, Secretary

MIDLAND INTERNATIONAL AIRPORT INDUSTRIAL PARK SECTION 8

Being a 21.156 Ac. Replat. of a 0.03 Ac. Portion of Lot 1A, Block 1, a 0.03 Ac. Portion of Lot 1A, Block 2, a 0.13 Ac. Portion of Lot 2A Block 2, and a 21.12 Ac. Portion of Lot 1A, Block 13; Utility in Easement and Railroad Spur, Earnhart Drive All in MIDLAND INTERNATIONAL AIRPORT INDUSTRIAL PARK. An Addition to the City and County of Midland, Texas Recorded in Cabinet F, Page 187, P.R.M.C.



LEGEND

- PROPOSED PLAT LIMITS
- PROPOSED STREET R/W & BLOCK LINES
- EXISTING PLATTED LOTS & STREET R/W
- EXISTING EASEMENTS
- PROPOSED EASEMENTS
- PROPOSED LOT LINE
- SET 1/2" IRON ROD WITH PLASTIC CAP MARKED "PLS 194" AT EACH LOT CORNER WHERE POSSIBLE

NOTES

1. A BOUNDARY SURVEY OF ADDRESS AND LOTS WILL BE OBTAINED FOR MIDLAND INTERNATIONAL AIRPORT INDUSTRIAL PARK, SECTION 8 BY THE CITY OF MIDLAND FOR SURVEY AND TRASH COLLECTION AND LOCATION AND MAINTENANCE OF TRASH CONTAINERS, SIDE AND CURB THOSE AREAS OCCUPYED BY A BUILDING OR STRUCTURE, SUCH EASEMENT IS CONSIDERED AS NOT HAVING CONSTRUCTION SHALL COMMENCE ON SAID LOTS WITHIN EXACT LOCATION OF SAID CONTAINERS AND THE EASEMENT IN CONNECTION THEREWITH HAS BEEN SELECTED AND APPROVED BY THE DIRECTOR OF UTILITIES.
2. SELLING A PORTION OF THIS ADDITION BY METES AND BOUNDS MAY BE A VIOLATION OF CITY ORDINANCE AND STATE LAW AND SUBJECT TO FINES AND WITHHELD OF VULNERABLE AND BUILDING PERMITS.
3. APPROVAL OF A SITE PLAN BY THE CITY OF MIDLAND MAY BE REQUIRED BEFORE THE DEVELOPMENT OF ANY LOT AND BEFORE A BUILDING PERMIT MAY BE OBTAINED.
4. THIS DEVELOPMENT FALLS WITHIN THE MIDLAND INTERNATIONAL AIRPORT ACT-4 ZONE.
5. BASED ON THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, FEDERAL INSURANCE ADMINISTRATION FLOOD INSURANCE BROWARD COUNTY NUMBER 489477, SHEET NUMBER 489477-01, WITH AN EFFECTIVE DATE OF FEBRUARY 4, 1999 AND RECESS SEPTEMBER 18, 2005, THE SURVEYED PROPERTY IS NOT LOCATED IN A SPECIAL FLOOD HAZARD AREA ACCORDING TO THE WAY THE FLOOD ZONE CLASSIFICATION FOR THE SURVEYED PROPERTY IS ZONE X.
6. INITIAL IMPACT FEES WILL BE ASSESSED DURING THE FINAL PLANNING PROCESS. IMPLEMENTATION AND COLLECTION OF IMPACT FEES WILL BE MADE PRIOR TO THE BUILDING PERMIT PROCESS. ADDITIONAL IMPACT FEES OR INCREASES IN FEES MAY NOT BE ASSESSED AGAINST THE TRACT UNLESS THE NUMBER OF SERVICE UNITS TO BE DEVELOPED ON THE TRACT INCREASES.
7. RELATIVE TO THE EXISTING DRAINAGE EASEMENT, THE MAINTENANCE OF ANY STORMWATER FACILITY IN THE EASEMENT IS THE RESPONSIBILITY OF THE PROPERTY OWNER. PROPERTY OWNER SHALL MAINTAIN THE FACILITY IN WORKING ORDER, WITH INSPECTIONS AND CORRECTIVE ACTION MADE AT LEAST ANNUALLY. REPORTS OF SUCH INSPECTIONS AND MAINTENANCE SHALL BE SENT FOR INSPECTION BY THE CITY OF MIDLAND STORMWATER ADMINISTRATION ON REQUEST, OR MAY BE FORWARDED TO THE CITY ENGINEER'S OFFICE.
8. RELATIVE TO THE EXISTING DRAINAGE EASEMENT, THE CITY OF MIDLAND SHALL HAVE THE RIGHT TO MIGRATE DEFICIENCIES IN THE FUNCTION OF THE STORMWATER FACILITY, AND TO BE REIMBURSED BY THE PROPERTY OWNER, IF THE CITY FINDS IT NECESSARY FOR PUBLIC HEALTH AND SAFETY.
9. RELATIVE TO THE EXISTING DRAINAGE EASEMENT, THE CITY OF MIDLAND AND ITS EMPLOYEES, CONTRACTORS, AGENTS, SUCCESSORS, AND AGENTS, SHALL HAVE THE FREE AND UNRESTRICTED RIGHT OF PASSAGE IN, ON, UPON, OVER, UNDER, ACROSS, ALONG AND THROUGH THE PROPERTY DESCRIBED HEREIN FOR THE PURPOSE OF ESTABLISHING, LAYING, CONSTRUCTING, RECONSTRUCTING, MAINTAINING, REPAIRING, IMPROVING, RETAINING, APPROVAL, ALTERING, OPERATING, MAINTAINING, ACCESSING, INSPECTING, REPAIRING, REPLACING AND REMOVING SAID FACILITIES, INCLUDING BUT NOT LIMITED TO, THE RIGHT TO CUT AND TRIM TREES AND TRIMMINGS, TOGETHER WITH THE RIGHT OF ACCESS, EGRESS AND REGRESS FOR SUCH PURPOSES IN, ON, UPON, OVER, UNDER, ACROSS, ALONG AND THROUGH THE PROPERTY DESCRIBED HEREIN.
10. RELATIVE TO THE EXISTING DRAINAGE EASEMENT, THE CITY OF MIDLAND SHALL HAVE THE RIGHT TO MIGRATE DEFICIENCIES IN THE FUNCTION OF THE STORMWATER FACILITY, AND TO BE REIMBURSED BY THE PROPERTY OWNER, IF THE CITY FINDS IT NECESSARY FOR PUBLIC HEALTH AND SAFETY.

OWNER: CITY OF MIDLAND
300 N. LORANE
P.O. BOX 1152
MIDLAND, TEXAS 79702
(432) 685-7200

ENGINEER: PARKHILL, SMITH & COOPER, INC.
1700 W. WALL ST
SUITE 100
MIDLAND, TEXAS 79701
(432) 697-1447

MIDLAND INTERNATIONAL AIRPORT INDUSTRIAL PARK SECTION 8

PLAT FILED FOR RECORD
MIDLAND COUNTY, TEXAS
NO. _____ CABINET _____
DATE _____ PAGE _____

CERTIFICATE OF APPROVAL
This is to certify that the above and foregoing plat of MIDLAND INTERNATIONAL AIRPORT INDUSTRIAL PARK, SECTION 8 was approved by proper action of the City Planning and Zoning Commission of the City of Midland, Texas, on this ____ day of _____, 2020.

Chairman (SIGN) _____ Secretary (SIGN) _____
(PRINT) _____ (PRINT) _____

UTILITY COMPANY'S CERTIFICATE
This plat has been checked for necessity of utilities.

Mark Lee Mark Lee
Oncor Electric Delivery Service
(PLEASE PRINT)

Luis Montez Deputy signed by Luis Montez
City Engineer
Suburban Communications
(PLEASE PRINT)

Mark Lee Mark Lee
Almos Energy
(PLEASE PRINT)

Bill Bentley Bill Bentley
Green Communications
(PLEASE PRINT)

Keneth E. Spence Keneth E. Spence
ATAI Texas
(PLEASE PRINT)

OWNER'S CERTIFICATE
STATE OF TEXAS
COUNTY OF TEXAS
WHEREAS, THE CITY OF MIDLAND is the record owner of a 21.31 Acre Tract of Land as described above situated in Section 8, Block 61, T-22-S-1, R-8F, 101 Co. Survey, City and County of Midland, Texas, and more particularly described herein.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That we, THE CITY OF MIDLAND do hereby certify that the plat designating the hereinbefore described property as MIDLAND INTERNATIONAL AIRPORT INDUSTRIAL PARK, SECTION 8 to the City and County of Midland, Texas, and we do hereby dedicate to the public use forever the streets, and easements shown thereon.

WITNESS our hands at MIDLAND, Texas, this _____ day of _____, 2020.

By: _____
CITY OF MIDLAND - MAYOR Patrick Peyton

STATE OF TEXAS
COUNTY OF TEXAS
This instrument was acknowledged before me on _____, 2020 by Patrick Peyton, as Mayor of the City of Midland, Texas.

Notary Public Signature _____

SURVEYOR'S CERTIFICATE
KNOW ALL MEN BY THESE PRESENTS: That I, _____, State of _____, a Registered Professional Land Surveyor, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments shown thereon were properly placed under my personal supervision, and in accordance with the Subdivision Regulations of the City of Midland, Texas.

Justin Ripstein
Justin Ripstein, R.P.L.S. #1184
Piper Surveying, Inc., P.O. Box 60425 Midland, Texas 79711
FSA #10155200

SPECIAL STATE PLANE COORDINATE NOTE
Bearings, distance and coordinates are relative to the State Plane North Coordinate System (Central Zone 18A3 NAD) with a combined grid factor of 0.999787 for mean project datum. The theta angle is equal to -00°57'45" at the Airport Reference Point.

CURVE	ARC L	CHORD L	CHORD BEARING	DELTA ANGLE	RADIUS
C1	182.71	158.61	S89°04'24"W	44°42'43"	208.50
C2	73.90	73.15	S90°49'52"W	28°13'39"	150.00
C3	36.89	36.61	N73°35'49"E	24°50'36"	85.07
C4	33.99	33.81	N51°00'20"E	20°06'02"	96.72
C5	40.78	39.64	N31°15'28"E	46°42'46"	50.00
C6	78.74	74.12	N28°32'59"E	52°07'43"	84.34
C7	72.64	71.74	N18°50'01"E	31°18'42"	132.92
C8	107.12	102.66	S62°35'04"W	57°41'24"	106.39
C9	403.16	360.15	N44°49'14"E	83°13'05"	247.80
C10	964.47	657.85	N43°55'54"E	48°49'50"	1180.00
C12	14.57	13.92	S87°16'01"E	59°01'51"	14.14
C13	435.81	92.78	N24°40'07"W	293°49'40"	84.98
C14	13.80	13.28	S38°59'42"W	55°56'28"	14.14
C15	66.67	65.38	S85°58'30"W	38°09'38"	100.00
C16	115.21	110.66	N38°45'25"W	54°18'31"	121.62
C17	802.78	786.35	S44°32'20"W	37°42'01"	1220.00
C18	849.70	830.17	N41°51'53"E	42°42'20"	1140.00

Exhibit A



UTPB Incubator Makerspace Reimbursement

RESOLUTION NO. _____

RESOLUTION AUTHORIZING PAYMENT IN THE AMOUNT OF \$14,999.00 TO THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN PURSUANT TO THAT CERTAIN INCUBATOR AND MAKERSPACE GRANT AGREEMENT BETWEEN THE MIDLAND DEVELOPMENT CORPORATION AND THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN

WHEREAS, the Midland Development Corporation previously entered into that certain Incubator and Makerspace Grant Agreement with the University of Texas of the Permian Basin; and

WHEREAS, the Board of Directors finds it to be in the public interest to authorize payment to the University of Texas of the Permian Basin pursuant to the terms of said agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MIDLAND DEVELOPMENT CORPORATION:

THAT the City Comptroller of the City of Midland, Texas, is hereby authorized and directed to pay the University of Texas of the Permian Basin the sum of \$14,999.00, in accordance with the terms of said agreement, from funds available in the Midland Development Corporation Fund (235) operating budget (Economic Development Incentives) (53905).

On motion of Director _____, seconded by Director _____, the above and foregoing resolution was adopted by the Board of Directors of the Midland Development Corporation at a regular meeting on the _____ day of _____, A.D., 2022, by the following vote:

Directors voting "AYE":

Directors voting "NAY":

STEPHEN LOWERY,
Chairman of the Midland
Development Corporation

ATTEST:

JILL PENNINGTON,
Secretary of the Midland
Development Corporation

APPROVED AS TO FORM ONLY:

JOHN OHNEMILLER,
Attorney for the Midland
Development Corporation

Income Statement

MIDLAND DEVELOPMENT CORPORATION
INCOME STATEMENT FOR THE 5 MONTHS ENDED
February 28, 2022

	Feb-22	YTD	Budgeted Amount
Revenue	\$1,516,785.69	\$3,976,276.07	\$10,976,644.00
40100 - State Sales Tax	\$1,434,522.04	\$3,565,942.86	\$10,000,000.00
40600 - Public ROW Use Fees	\$0.00	\$0.00	\$0.00
43000 - Interest	\$0.00	\$497.25	\$0.00
43010 - Interest - Nonpooled Invest	\$876.65	\$2,900.96	\$0.00
46190 - Miscellaneous Rentals	\$81,387.00	\$406,935.00	\$976,644.00
4235150 - Midland Dvlpmt Corp Revenue	\$1,516,785.69	\$3,976,276.07	\$10,976,644.00

Expense	\$1,129,660.47	\$6,556,629.86	\$21,110,973.00
51010 - Base Salary	\$23,974.18	\$108,614.05	\$350,493.00
51090 - Fica MDC Portion	\$1,860.40	\$6,870.70	\$28,442.00
51110 - Health Insurance	\$1,201.70	\$2,573.42	\$30,180.00
51135 - ACCE Profit Sharing	\$0.00	\$725.00	\$24,535.00
52010 - Office Supplies	\$424.17	\$2,932.17	\$6,000.00
52110 - Motor Vehicle Supplies	\$105.76	\$373.86	\$1,000.00
52115 - Minor Furniture & Fixtures	\$0.00	\$0.00	\$500.00
52155 - Minor Computer Hrdwre & Periph	\$49.98	\$49.98	\$5,000.00
52160 - Computer Software & Supplies	\$15,000.00	\$30,418.47	\$25,000.00
52620 - Postage	\$0.00	\$0.00	\$300.00
53010 - Communication	\$1,287.37	\$6,695.46	\$17,000.00
53030 - Light & Power	\$9.00	\$44.78	\$150.00
53110 - Insurance-External	\$0.00	\$1,332.00	\$110,000.00
53212 - Equipment Rental-External	\$345.34	\$1,555.57	\$5,000.00
53220 - Advertising	\$25,091.30	\$106,820.76	\$200,000.00
53370 - Grounds Maintenance	\$985.00	\$6,720.56	\$12,000.00
53405 - Software Maintenance	\$1,112.53	\$5,661.15	\$12,000.00
53440 - External Audit Fees	\$11,094.00	\$18,934.00	\$24,000.00
53450 - Consulting Fees	\$8,736.88	\$74,377.55	\$250,000.00
53510 - Travel & Entertainment	\$129.18	\$560.84	\$8,000.00
53520 - Dues & Subscriptions	\$639.69	\$3,677.14	\$20,000.00
53530 - Training,Registration Fees,Etc	\$2,555.00	\$2,994.00	\$8,000.00
53905 - Economic Development Incentive	\$0.00	\$0.00	\$4,527,925.00
53907 - Business Recruitment & Retentn	\$3,650.61	\$21,403.20	\$50,000.00
53909 - Prior Year Committed Incentives	\$603,046.11	\$5,357,215.96	\$9,798,329.00
53920 - Rent	\$5,540.00	\$27,700.00	\$75,000.00
54010 - Building Maintenance	\$1,461.76	\$16,849.17	\$80,000.00
55120 - Maint. - Instruments & Appara.	\$76.86	\$291.47	\$1,000.00
56188 - MOTRAN	\$0.00	\$71,250.00	\$142,500.00
56202 - General Fund Services	\$32,557.08	\$162,785.40	\$390,619.00
56410 - Payment of Principal	\$0.00	\$0.00	\$60,000.00
56420 - Interest Expense	\$0.00	\$0.00	\$12,000.00
56910 - Depreciation Expense	\$0.00	\$0.00	\$336,000.00
56995 - Project Non Capital - Promotions	\$60,011.45	\$188,488.08	\$1,000,000.00
57001 - Capital Buildings & Structures	\$98,000.00	\$98,000.00	\$0.00
57002 - Capital Improve Other Than Bldg	\$0.00	\$0.00	\$3,500,000.00
57070 - Construction in Process	\$230,715.12	\$230,715.12	\$0.00
235235 - Midland Development Corp	\$1,129,660.47	\$6,556,629.86	\$21,110,973.00

February 2022 Net Income: \$387,125.22

Year-to-Date Net Income: (\$2,580,353.79)

Balance Sheet

MIDLAND DEVELOPMENT CORPORATION
BALANCE SHEET FOR THE PERIOD ENDED
February 28, 2022
(Used for Internal Purposes Only)

ASSETS

Current Assets

Cash and cash equivalents	23,075,839	
Sales tax receivable	-	
Prepaid expenses	211,247	
Accounts receivable	-	
	-	23,287,086

Non-Current Assets

Capital Assets, net	22,055,476	
Forgivable Loans		
Made to Primary Government	-	
Made to Other	6,579	
Total Forgivable Loans	6,579	
	6,579	22,062,055

Total Assets		\$ 45,349,142
--------------	--	---------------

LIABILITIES AND NET POSITION

Liabilities

Accounts payable	55,637	
Retainage Payable	330	
Capital Leases payable	173,698	
Commitments payable		
Due within one year	5,081,374	
Due in more than one year	8,525,962	
Total Commitments Payable	13,607,336	
	13,607,336	13,837,001

Net Position

Net investment in capital assets	22,055,476	
Restricted for Forgivable Loans	6,579	
Restricted for Capital Leases	173,698	
Promotions	1,552,359	
Unrestricted	7,724,029	
	7,724,029	31,512,141

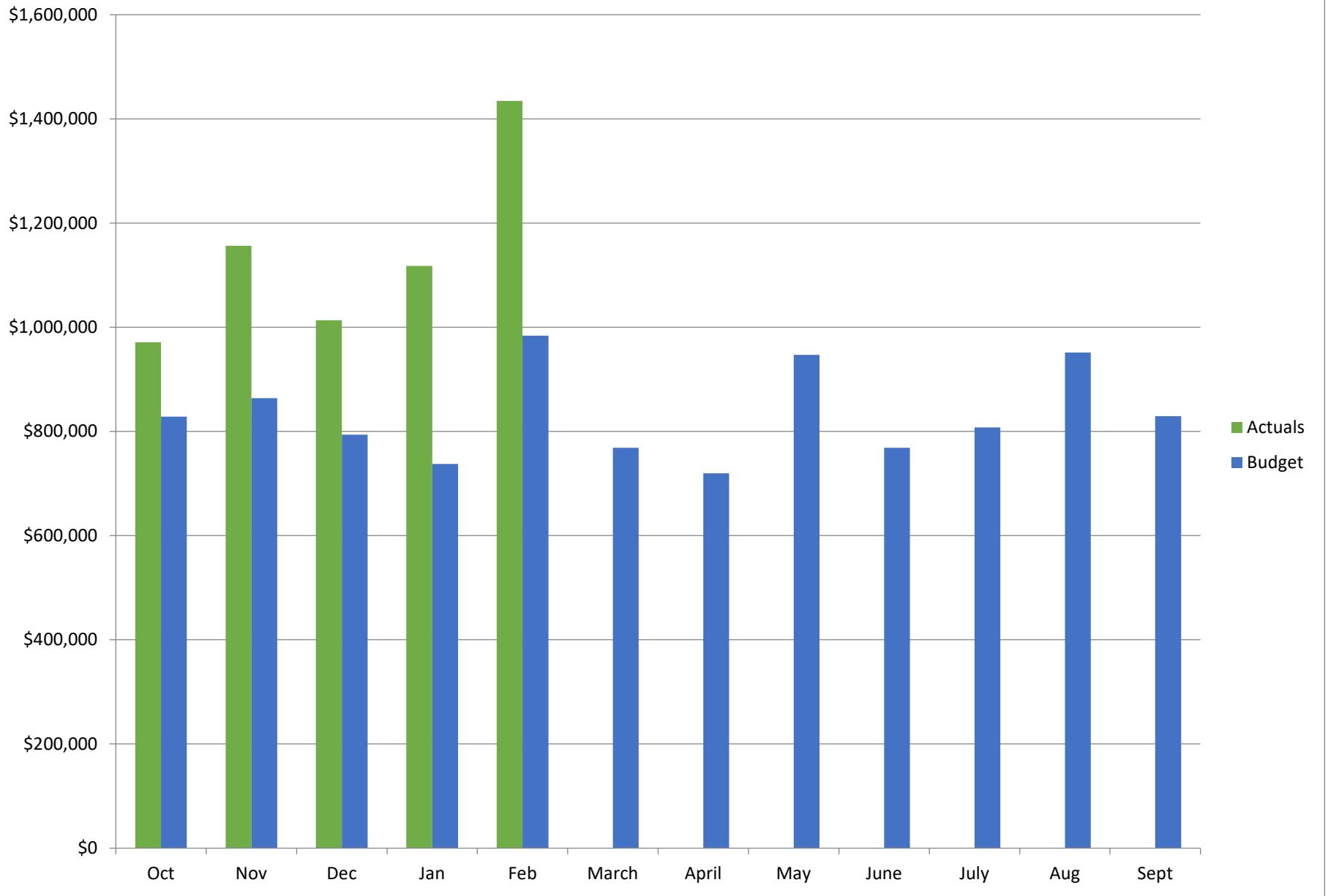
Total Liabilities and Net Position		\$ 45,349,142
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Sales Tax

Sales Tax Variance

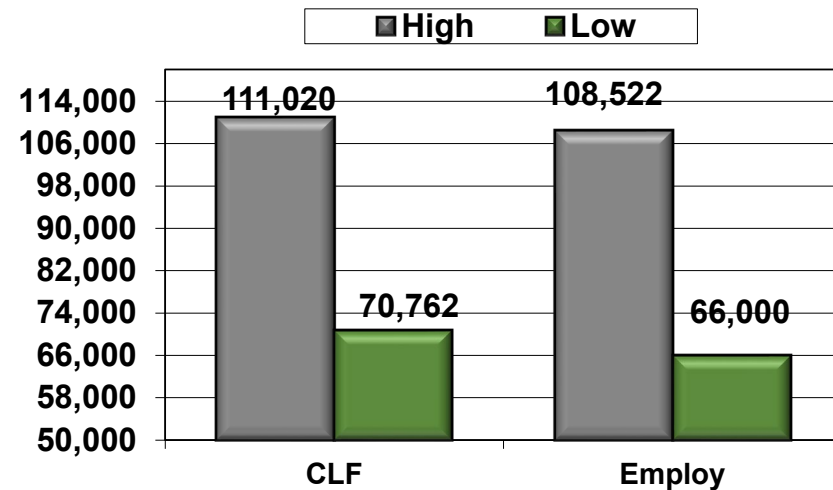
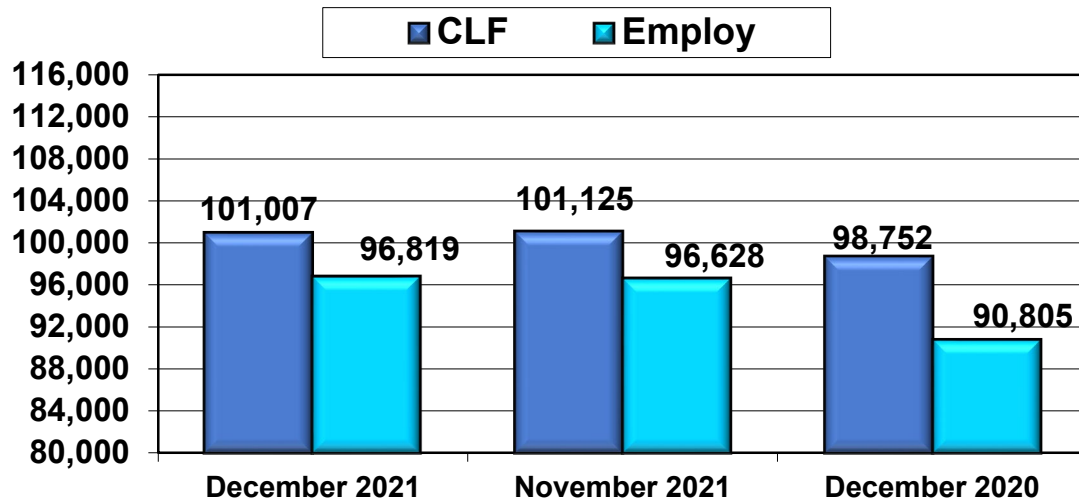
	2019-2020	2020-2021	% Change	2020-2021	2021-2022	% Change	YTD Change
October	\$1,219,993.44	\$1,203,058.10	-1.39%	\$1,203,058.10	\$971,343.63	-19.26%	-19.26%
November	\$1,266,357.10	\$983,259.60	-22.36%	\$983,259.60	\$1,156,353.89	17.60%	-2.68%
December	\$1,263,226.93	\$843,087.27	-33.26%	\$843,087.27	\$1,013,549.80	20.22%	3.69%
January	\$1,036,178.70	\$752,584.05	-27.37%	\$752,584.05	\$1,117,874.02	48.54%	12.62%
February	\$1,279,615.49	\$1,224,314.99	-4.32%	\$1,224,314.99	\$1,434,528.04	17.17%	13.73%
March	\$966,824.94	\$783,914.25	-18.92%	\$783,914.25			
April	\$1,006,559.17	\$687,198.37	-31.73%	\$687,198.37			
May	\$1,251,139.57	\$1,198,336.79	-4.22%	\$1,198,336.79			
June	\$897,050.21	\$927,060.71	3.35%	\$927,060.71			
July	\$876,285.08	\$909,387.44	3.78%	\$909,387.44			
August	\$1,074,175.26	\$1,176,070.55	9.49%	\$1,176,070.55			
September	\$834,182.16	\$978,956.15	17.36%	\$978,956.15			
Annual Total	\$12,971,588.05	\$11,667,228.27	-10.06%	\$11,667,228.27	\$5,693,649.38		

Sales Tax Actuals vs Budget Estimates



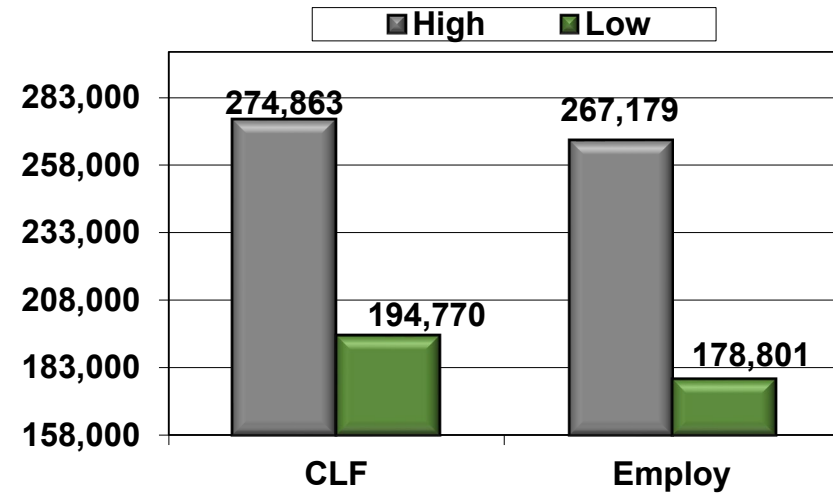
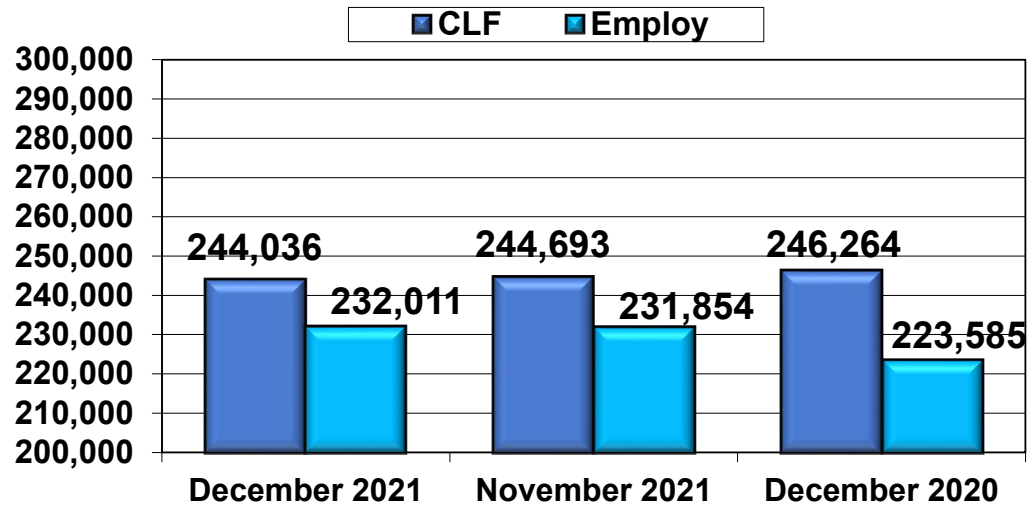
Activity Report

December 2021 Midland MSA Employment Information



	December 2021	November 2021	December 2020	High	Low
Civilian Labor Force	101,007	101,125	98,752	111,020 (Feb 2020)	70,762 (Jan 2010)
Employment	96,819	96,628	90,805	108,522 (Dec 2019)	66,000 (Jan 2010)
Unemployment	4,188	4,497	7,947	11,912 (May 2020)	1,788 (May 2019)
Unemployment Rate	4.1%	4.4%	8.0%	12.3% (May 2020)	1.7% (Apr 2019)

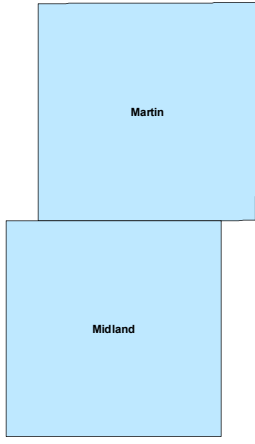
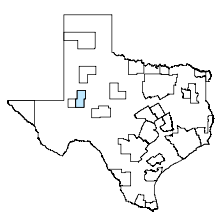
December 2021 Permian Basin Workforce Development Area Employment Information



	December 2021	November 2021	December 2020	High	Low
Civilian Labor Force	244,036	244,693	246,264	274,863 (Feb 2020)	194,770 (Jan 2010)
Employment	232,011	231,854	223,585	267,179 (Feb 2020)	178,801 (Jan 2010)
Unemployment	12,025	12,839	22,679	32,215 (May 2020)	5,115 (Apr 2019)
Unemployment Rate	4.9%	5.2%	9.2%	13.2% (May 2020)	1.9% (Apr 2019)

Midland MSA

December 2021

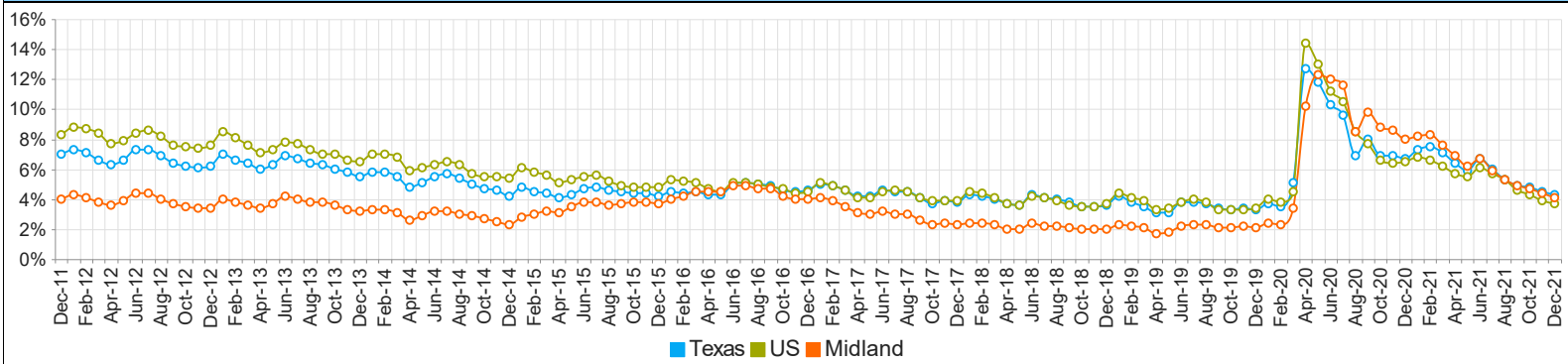


MSA Labor Force Statistics				
	Dec-21	Nov-21	Dec-20	Yearly Change
Civilian Labor Force	101,007	101,125	98,752	2,255
Employed	96,819	96,628	90,805	6,014
Unemployed	4,188	4,497	7,947	-3,759
Unemployment Rate	4.1%	4.4%	8.0%	-3.9%

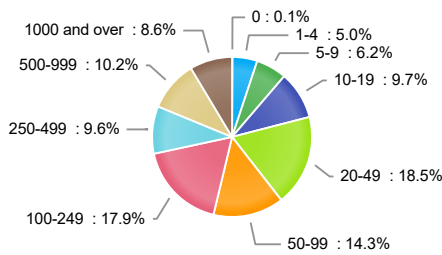
Texas Labor Force Statistics				
	Dec-21	Nov-21	Dec-20	Yearly Change
Civilian Labor Force	14,398,693	14,429,974	14,139,874	258,819
Employed	13,785,955	13,775,211	13,191,324	594,631
Unemployed	612,738	654,763	948,550	-335,812
Unemployment Rate	4.3%	4.5%	6.7%	-2.4%

US Labor Force Statistics				
	Dec-21	Nov-21	Dec-20	Yearly Change
Civilian Labor Force	161,696,000	162,099,000	160,017,000	1,679,000
Employed	155,732,000	155,797,000	149,613,000	6,119,000
Unemployed	5,964,000	6,302,000	10,404,000	-4,440,000
Unemployment Rate	3.7%	3.9%	6.5%	-2.8%

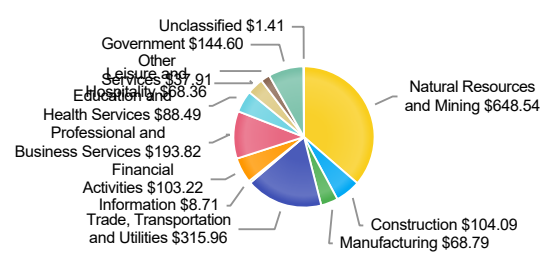
Historical Unemployment Rates



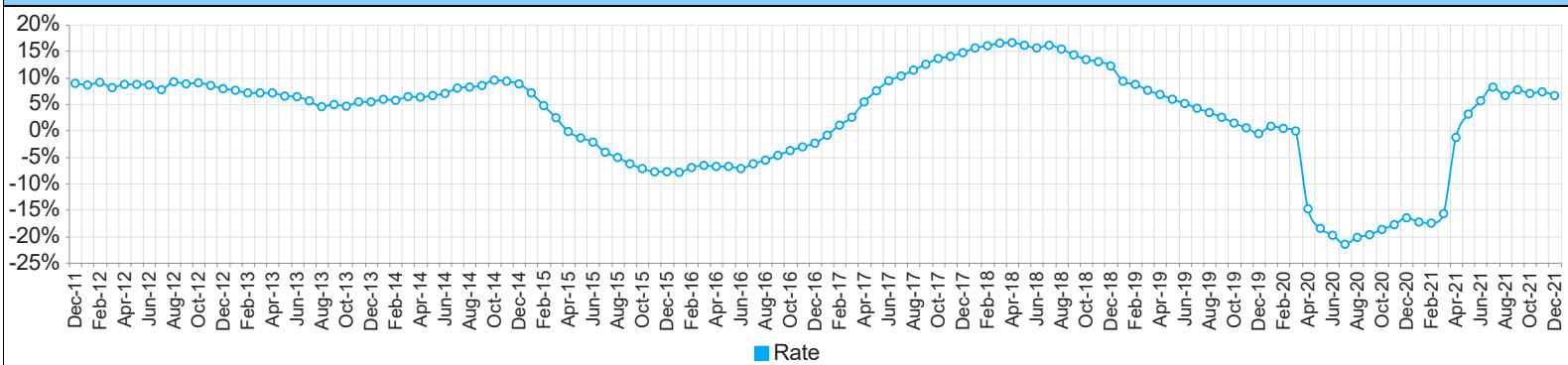
Employment by Size Class (2nd Quarter 2021)



Wages by Industry (in millions) (2nd Quarter 2021)



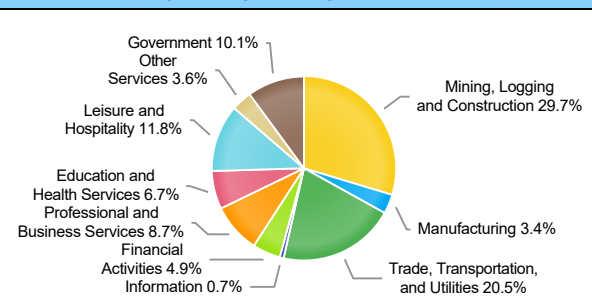
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (December 2021)

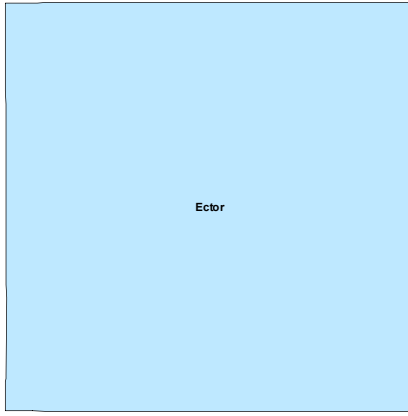
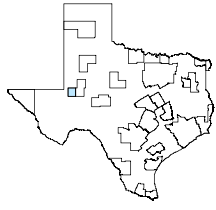
Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	100,700	0.3%	6.6%
Mining, Logging and Construction	29,900	0.3%	12.8%
Manufacturing	3,400	0.0%	6.2%
Trade, Transportation, and Utilities	20,600	1.0%	3.0%
Information	700	0.0%	0.0%
Financial Activities	4,900	0.0%	6.5%
Professional and Business Services	8,800	0.0%	-1.1%
Education and Health Services	6,700	1.5%	-2.9%
Leisure and Hospitality	11,900	0.0%	24.0%
Other Services	3,600	0.0%	2.9%
Government	10,200	-1.0%	-3.8%

Employment by Industry (December 2021)



Odessa MSA

December 2021

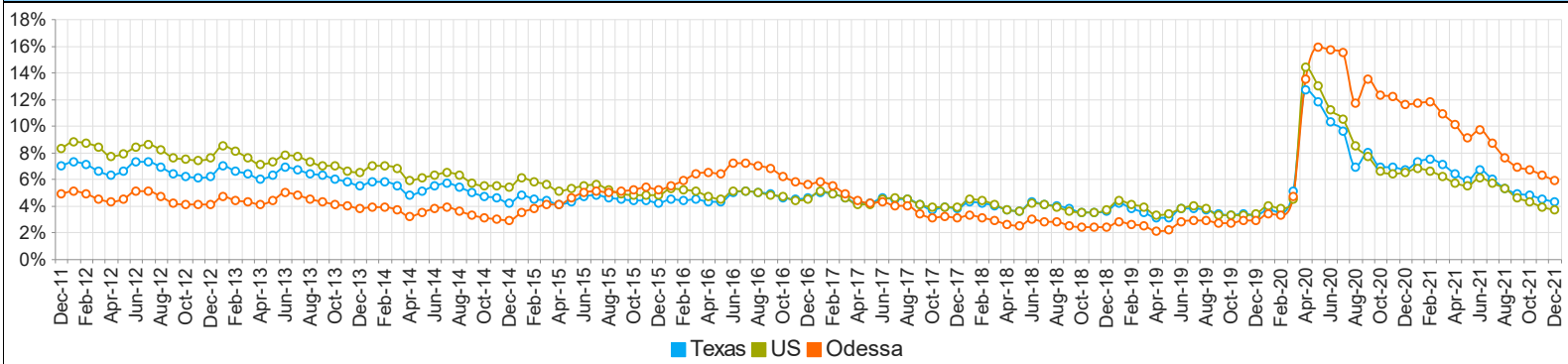


MSA Labor Force Statistics				
	Dec-21	Nov-21	Dec-20	Yearly Change
Civilian Labor Force	80,246	80,324	80,798	-552
Employed	75,508	75,265	71,447	4,061
Unemployed	4,738	5,059	9,351	-4,613
Unemployment Rate	5.9%	6.3%	11.6%	-5.7%

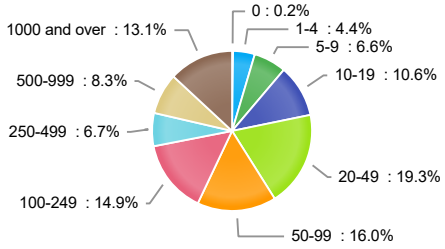
Texas Labor Force Statistics				
	Dec-21	Nov-21	Dec-20	Yearly Change
Civilian Labor Force	14,398,693	14,429,974	14,139,874	258,819
Employed	13,785,955	13,775,211	13,191,324	594,631
Unemployed	612,738	654,763	948,550	-335,812
Unemployment Rate	4.3%	4.5%	6.7%	-2.4%

US Labor Force Statistics				
	Dec-21	Nov-21	Dec-20	Yearly Change
Civilian Labor Force	161,696,000	162,099,000	160,017,000	1,679,000
Employed	155,732,000	155,797,000	149,613,000	6,119,000
Unemployed	5,964,000	6,302,000	10,404,000	-4,440,000
Unemployment Rate	3.7%	3.9%	6.5%	-2.8%

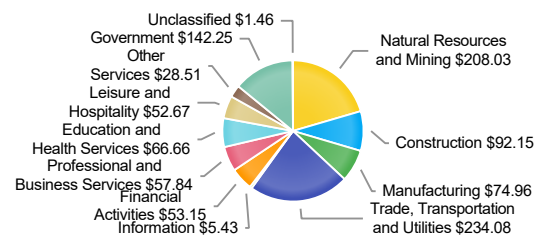
Historical Unemployment Rates



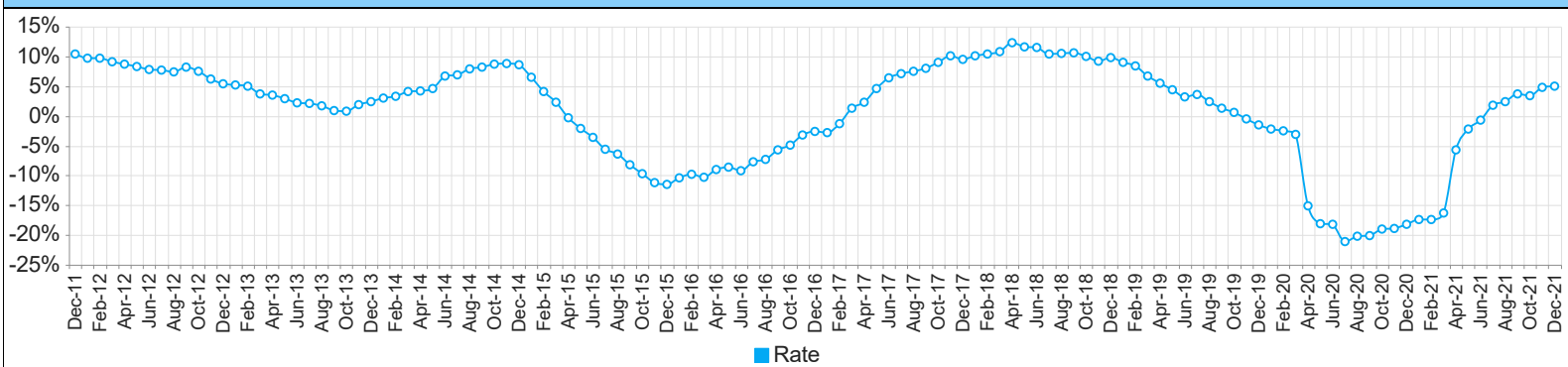
Employment by Size Class (2nd Quarter 2021)



Wages by Industry (in millions) (2nd Quarter 2021)



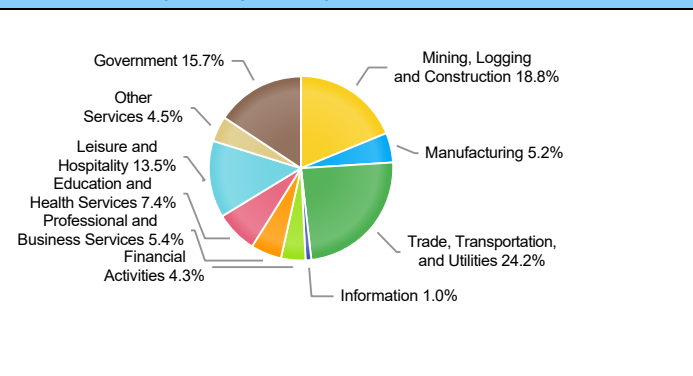
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (December 2021)

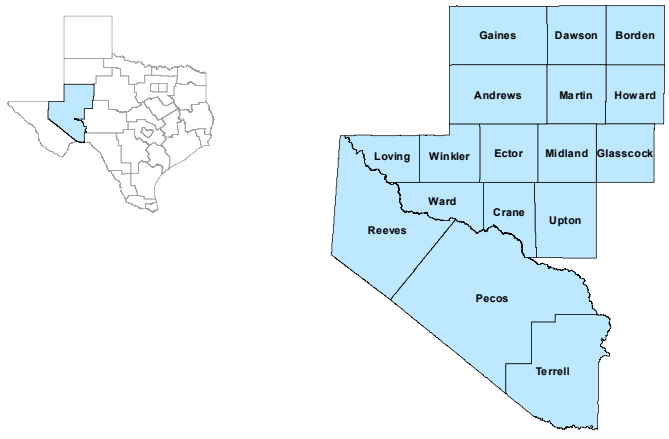
Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	71,800	0.6%	5.0%
Mining, Logging and Construction	13,500	1.5%	4.7%
Manufacturing	3,700	0.0%	0.0%
Trade, Transportation, and Utilities	17,400	3.0%	4.2%
Information	700	0.0%	16.7%
Financial Activities	3,100	0.0%	3.3%
Professional and Business Services	3,900	-2.5%	0.0%
Education and Health Services	5,300	0.0%	3.9%
Leisure and Hospitality	9,700	0.0%	16.9%
Other Services	3,200	0.0%	3.2%
Government	11,300	-1.7%	1.8%

Employment by Industry (December 2021)



Permian Basin Workforce Development Area

December 2021



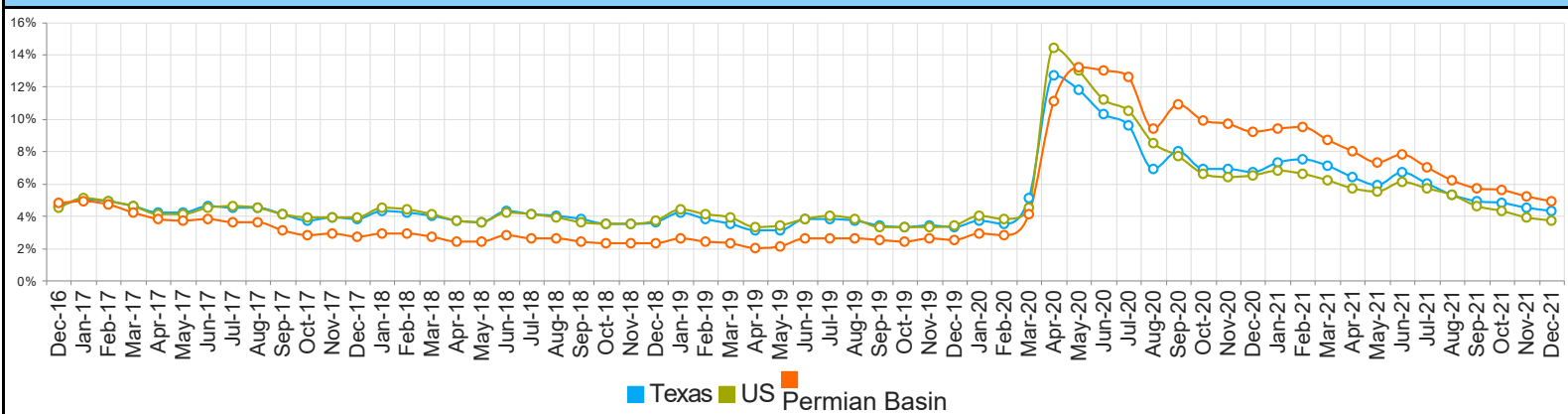
WDA Labor Force Statistics				
	Dec-21	Nov-21	Dec-20	Yearly Change
Civilian Labor Force	244,036	244,693	246,264	-2,228
Employed	232,011	231,854	223,585	8,426
Unemployed	12,025	12,839	22,679	-10,654
Unemployment Rate	4.9%	5.2%	9.2%	-4.3%

Texas Labor Force Statistics				
	Dec-21	Nov-21	Dec-20	Yearly Change
Civilian Labor Force	14,398,693	14,429,974	14,139,874	258,819
Employed	13,785,955	13,775,211	13,191,324	594,631
Unemployed	612,738	654,763	948,550	-335,812
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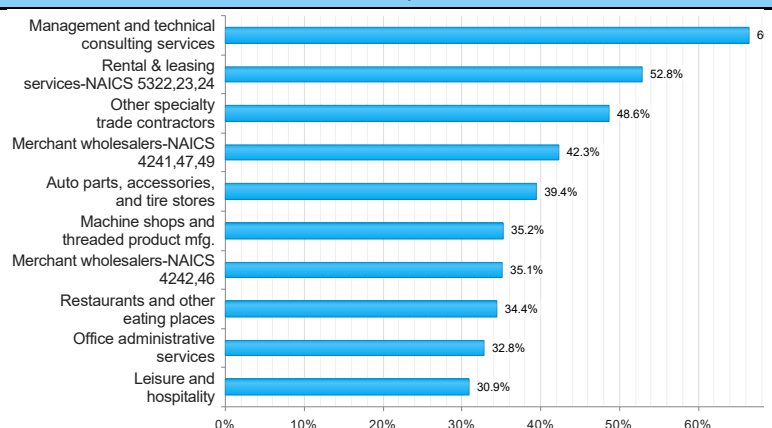
US Labor Force Statistics				
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Civilian Labor Force	161,696,000	162,099,000	160,017,000	1,679,000
Employed	155,732,000	155,797,000	149,613,000	6,119,000
Unemployed	5,964,000	6,302,000	10,404,000	-4,440,000
Unemployment Rate	3.7%	3.9%	6.5%	-2.8%

Continued Claims for the Week of the 12th				
	Dec-21	Nov-21	Dec-20	Yearly Change
WDA	1,123	1,229	6,452	-5,329
Texas	80,731	84,722	244,808	-164,077

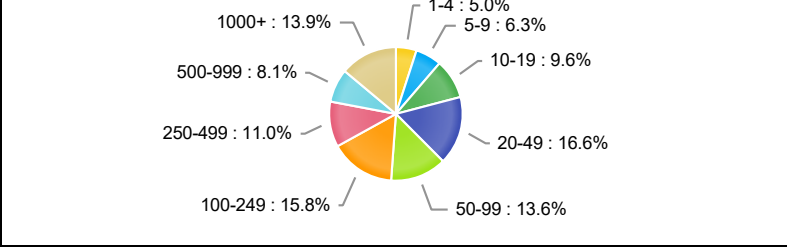
Historical Unemployment Rates



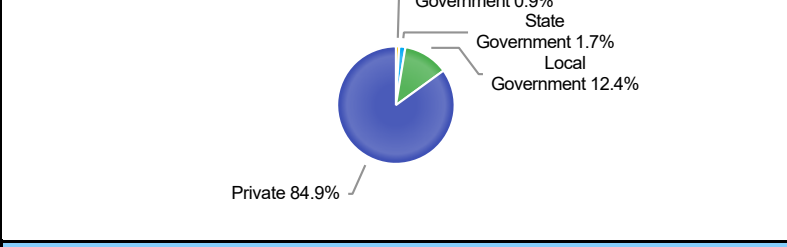
Projected Top Ten Fastest Growing Industries in WDA (% Growth 2018-2028)



Employment by Size Class (2nd Quarter 2021)



Employment by Ownership (2nd Quarter 2021)



Average Weekly Wage (2nd Quarter 2021)					
	Q2 2021	Q1 2021	Q2 2020	Quarterly Change	Yearly Change
WDA	\$1,247	\$1,331	\$1,231	-\$84	\$16
Texas	\$1,210	\$1,259	\$1,156	-\$49	\$54
US	\$1,241	\$1,288	\$1,188	-\$47	\$53

Employment by Industry (2nd Quarter 2021, Percent Change)

Industry	Employment	% of Total	% Quarterly Change	% Yearly Change
Natural Resources and Mining	42,428	19.3%	4.8%	0.2%
Construction	15,969	7.3%	1.7%	-8.9%
Manufacturing	9,103	4.1%	4.3%	-0.6%
Trade, Transportation and Utilities	48,207	21.9%	1.9%	1.4%
Information	1,771	0.8%	19.5%	26.5%
Financial Activities	9,860	4.5%	3.2%	2.1%
Professional and Business Services	16,399	7.4%	3.6%	5.9%
Education and Health Services	38,283	17.4%	-1.6%	6.8%
Leisure and Hospitality	24,427	11.1%	7.3%	21.0%
Other Services	6,452	2.9%	3.1%	2.2%
Public Administration	7,295	3.3%	-0.7%	0.3%

Employment by Industry (2nd Quarter 2021)

