

From Odessa American Online

Eoffs to Invest in Downtown Hotel

Corey Paul | May 17, 2016

Mayor David Turner announced Odessans Sondra and Toby Eoff as the investors in the private portion of a city-backed downtown hotel and convention center during a State of Downtown Odessa Address on Tuesday.

Turner and Sondra Eoff said the deal is near finalized but firm, pending a formal contract and approval by the Odessa City Council. But the agreement represents a major step forward for the \$77 million project in the area of East Fifth Street and Texas Avenue, intended as a catalyst for a broader downtown revitalization.

“It’s been a longtime dream for a lot of people in Odessa,” Turner told reporters. “And it’s finally coming to fruition.”

The city’s portion of the project will invest about \$30.8 million in the 78,000-square-foot convention center, an open air plaza, a 300-car parking garage and a remodeled Ector Theatre. Meanwhile, plans call for the Eoffs to invest \$7 million and finance the remaining \$40 million through Prosperity Bank for a 150,000 square foot Marriott hotel with more than 200 rooms.

“The reason that we did this is we are native Odessans,” Sondra Eoff told a crowd inside the during the event. “We grew up here, we got married here, we raised our children here and we built our business here . . . We saw this venture as an opportunity to be able to give back to Odessa and be able to give some of those blessings back. Odessa is a great city with a strong caring community and with this partnership Odessa has the opportunity to be an even greater city than it already is.”

Sondra Eoff said the couple, which owned Odessa Pumps until selling it last year to National Oilwell Varco-spinoff DistributionNOW in July. In public filings, DistributionNOW reported the purchase price at about \$170 million, subject to adjustment.

But the Eoffs remained at Odessa Pumps after the deal and Sondra Eoff said her husband’s work for the company will continue. In the time since selling, Sondra Eoff said she spent more time running the couple’s property management company.

The team they worked with on the deal, which included Prosperity Bank, will also work with the couple on the hotel, Sondra Eoff said.

The plan for the hotel she said, is to rely on Aimbridge Hospitality, to manage the day-to-day operations of the Marriott.

She said city officials approached them about investing in the project around January.

“When the city came to us they had the total package,” Sondra Eoff said. “They had the architect, the developer and the



Downtown Odessa Address: Sondra Eoff comments after being announced along with her husband Toby, as the private equity partners to help finance the hotel portion of the downtown civic center project during the State of Downtown Odessa Address and fundraiser Tuesday at The Rose Building. Plans for the future of downtown were presented and awards were given to downtown businesses as part of the event. (Mark Sterkel|Odessa American)



Downtown Odessa Address: Kelsey Berry and Scott Polikov, both with Gateway Planning Group, present possible options for improvements that can be made in downtown Odessa during the State of Downtown Odessa Address Tuesday evening at The Rose Building. (Mark Sterkel/Odessa American)

management company.”

The couple expects the hotel to turn profit, Sondra Eoff said. But she said she and her husband would contribute some of the proceeds of the hotel to other downtown development.

“The downtown being the heart of the city, we just felt that this was the perfect area for us to make a greater impact for the future of Odessa and for generations to come,” Sondra Eoff said.

The mayor called the hotel and convention center “the right project at the right time for Odessa,” noting lower construction costs than during the boom but also a message of “hope to the community that we are looking forward as leaders.”

Turner also said the Eoffs involvement will assure “it’s going to be done on time, it’s going to be done with as much class as can be done and it’s going to be done in the best interest of Odessa.”

Development of the project could take more than two years before the hotel and convention center open, Turner said. But site preparation is already underway, including demolition work scheduled in the coming weeks.

The sold-out event was at the Rose Building at 415 N. Grant Ave., the former First National Bank building restored by Nelda and Jimmy Rose. Tickets sold for up to \$125 but the event, which Downtown Odessa officials say they hope to have every year, it also doubled as a fundraiser for the nonprofit arm of the organization that funds programs such as Hot Summer Nights.

In addition to the announcement of the Eoffs as the private investors of the hotel and convention center, Downtown Officials recognized new and longstanding businesses already in downtown with awards. Yana’s Bistro by Chef Erik Prado won the Best New Business Award while the Permian Basin Hamburger Company won the Legacy Award.

Planners with the city contracted firm Gateway Planning Group also outlined possibilities for how the hotel and convention center could tie in to a broader downtown revitalization, including repurposed streets, public spaces and an influx of apartments and businesses such as restaurants, retail and other small businesses.

The city council awarded Gateway Planning Group a \$165,000 contract for a Downtown Master Plan in December to develop a strategy for attracting business, along with tools such as design standards and incentives.

Kelsey Berry, an associate with the firm, said the plan is to finish a design overlay and more refined incentive policy by the end of summer. Sondra Eoff said the success of the hotel directly relates to the success of the overall revitalization effort.

Gateway Planning Group President Scott Polikov said part of that means connecting what already exists in the area and establishing a standard of quality.

“People do not want to invest in their property if what happens the block over that they don’t control does not reinforce their investment,” Polikov said. “The reason great downtowns are successful is that you don’t have to have one person own everything to ensure quality. It’s a partnership, and if you can underwrite and understand what’s going on next to you, you’ll invest.”