

CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: Economic & International Development Department

AGENDA DATE: February 23, 2016, Consent Agenda

CONTACT PERSON/PHONE: Cary S. Westin, Managing Director, (915) 212-1614

DISTRICT(S) AFFECTED: [ALL]

SUBJECT:

Discussion and Action on a Resolution nominating The Toro Company as an Enterprise Project to the Office of the Governor of Economic Development and Tourism through the Economic Development Bank as an Enterprise Zone Project. (All Districts) [Economic & International Development Department, Cary S. Westin, Managing Director, (915) 212-1614]

BACKGROUND/DISCUSSION:

The Toro Company has requested that the City nominate their company for an Enterprise Zone Project designation as consideration for investment in their manufacturing facility in El Paso, Texas. The Toro Company meets the criteria for tax relief and other incentives adopted by the City, as its business is located in an Enterprise Zone, will retain or create jobs, and maintain economic activity and stability.

The Toro Company was established in 1914 and is headquartered in Bloomington, MN and is the global leader in turf and landscape maintenance equipment as well as irrigation equipment. The Toro Company has been operating in El Paso since 1982 and currently has 231 full-time employees. Their manufacturing facility is located at 9455 Railroad Drive and their distribution center is located at 1440 Don Haskins Drive. The Toro Company has invested approximately \$40M in the last 5 years and is planning to invest another \$5M in operation improvements at their manufacturing facility.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

No.

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

There will be no impact on the general fund

BOARD/COMMISSION ACTION:

Enter appropriate comments or N/A.

N/A

*******REQUIRED AUTHORIZATION*******

DEPARTMENT HEAD: _____

**A RESOLUTION NOMINATING THE TORO COMPANY
AS A TEXAS STATE ENTERPRISE ZONE PROJECT**

WHEREAS, the City Council of the City of El Paso (“City”) passed Ordinance No. 017116 on May 26, 2009, electing for the City to participate in the Texas Enterprise Zone Program; and

WHEREAS, the local incentives offered under this Resolution are the same on this date as were outlined in Ordinance No. 017116; and

WHEREAS, pursuant to Chapter 2303, Subchapter F of the Texas Enterprise Zone Act, Texas Government Code (“Act”), The Toro Company, has applied to the City for designation as an enterprise zone project; and

WHEREAS, the Office of the Governor Economic Development and Tourism (“EDC”) through the Economic Development Bank (“Bank”) will consider The Toro Company, as an enterprise zone project pursuant to a nomination and an application made by the City; and

WHEREAS, the City desires to pursue the creation of the proper economic and social environment in order to induce the investment of private resources in productive business enterprises located in the city and to provide employment to residents of enterprise zones and to other economically disadvantaged individuals; and

WHEREAS, the City finds that The Toro Company, meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:

1. The Toro Company is a "qualified business" under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site located inside an enterprise zone and at least twenty-five percent (25%) of the business' new employees will be residents of an enterprise zone or economically disadvantaged individuals or veterans; and
2. There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities within the area; and
3. The designation of The Toro Company as an enterprise project will contribute significantly to the achievement of the plans of the City for development and revitalization of the area.

WHEREAS, the City finds that The Toro Company meets the criteria for tax relief and other incentives adopted by the City and agrees to nominate The Toro Company for enterprise zone project status on the grounds that it will be located at the qualified business site, will create a higher level of employment, economic activity and stability; and

WHEREAS, the City finds that it is in the best interest of the City to nominate The Toro Company as an enterprise project pursuant to the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

1. That The Toro Company is a "qualified business" as defined in Section 2303.402 of the Act, and meets the criteria for designation as an enterprise project, as set forth in Section 2303, Subchapter F of the Act;
2. That the enterprise zone project shall take effect on the date of designation of the enterprise project by the agency and terminate five years after date of designation; and
3. That the City Manager or his designee be authorized to sign any and all documents required by EDC to complete the nomination process.

PASSED AND APPROVED this _____ day of _____, 2016.

CITY OF EL PASO, TEXAS

Oscar Leeser
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

Juan S. Gonzalez
Assistant City Attorney

APPROVED AS TO CONTENT:

Cary S. Westin, Managing Director
Economic & International Development