

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

CITY CLERK DEPT.  
2018 APR 25 PM 3:25

DEPARTMENT: Economic and International Development Department

AGENDA DATE: CCA Consent May 1, 2018

CONTACT PERSON/PH. No.: Jessica Herrera, Director 915-212-1624

DISTRICT(S) AFFECTED: District 8

**SUBJECT:**

**APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.**

A Resolution of the City Council of El Paso nominating Hunt Companies, Inc. to the Office of the Governor Economic Development and Tourism ("OOGEDT") through the Economic Development Bank ("Bank") for designation as a qualified business and enterprise project ("Project") under the Texas Enterprise Zone Program under the Texas Enterprise Zone Act, Chapter 2303, Texas Government Code ("Act").

**BACKGROUND / DISCUSSION:**

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

The Texas Enterprise Zone Program is an economic development tool that allows the City of El Paso to collaborate with the State of Texas to encourage job creation and capital investment in economically distressed areas. In this case, the City of El Paso is nominating Hunt Companies, Inc. located at 601 N. Mesa Street as an Enterprise Project to the Office of the Governor of Economic Development and Tourism. Once nominated by the City of El Paso, the applicant is eligible to apply for state Sales and use tax refunds on qualified expenditures. Incentives provided by the State depend on the capital investment and jobs created at the site submitted for incentives.

Hunt Companies, Inc. will be investing \$85M at their El Paso facility for operation improvements and will be retaining 170 full-time employees.

Economic Development Staff is recommending approval as this will encourage increased economic development in the City of El Paso.

**PRIOR COUNCIL ACTION:**

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

Yes, May 16, 2017 – Phelps Dodge Refining Corporation

August 22, 2017 – Tenet Hospitals Limited – The Hospitals of Providence, Sierra Campus

November 14, 2017 – Tenet Hospitals Limited – East Campus

**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:**

  
For: Jessica Herrera

**A RESOLUTION OF THE CITY COUNCIL OF EL PASO NOMINATING HUNT COMPANIES, INC. TO THE OFFICE OF THE GOVERNOR ECONOMIC DEVELOPMENT AND TOURISM ("OOGEDT") THROUGH THE ECONOMIC DEVELOPMENT BANK ("BANK") FOR DESIGNATION AS A QUALIFIED BUSINESS AND ENTERPRISE PROJECT ("PROJECT") UNDER THE TEXAS ENTERPRISE ZONE PROGRAM UNDER THE TEXAS ENTERPRISE ZONE ACT, CHAPTER 2303, TEXAS GOVERNMENT CODE ("ACT").**

**WHEREAS**, the City Council of the City of El Paso ("City") has previously passed Ordinance No. 017116 on May 26, 2009, electing to participate in the Texas Enterprise Zone Program, and 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"), Hunt Companies, Inc. has applied to the City for designation as an enterprise zone project; and

**WHEREAS**, the Office of the Governor Economic Development and Tourism ("OOGEDT") through the Economic Development Bank ("Bank") will consider Hunt Companies, Inc. as an enterprise 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, veterans and to other economically disadvantaged individuals; and

**WHEREAS**, this Resolution will reflect the determination, according to the OOGEDT's online mapping tool, that Hunt Companies, Inc. is located inside an enterprise zone; and

**WHEREAS**, the City finds that Hunt Companies, Inc. meets the criteria for Designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:

1. Hunt Companies, Inc. 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 individual; 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 Hunt Companies, Inc. 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 Hunt Companies, Inc. meets the criteria for tax relief and other incentives adopted by the City and nominates Hunt Companies, Inc. for enterprise 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 Hunt Companies, Inc. as an enterprise project with Designation status pursuant to the Act.

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

1. That Hunt Companies, Inc. 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 Director for Economic and International Development or her designee be authorized to sign any and all documents required by OOGEDT to complete the nomination process.

*[Signatures begin on the following page]*

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

CITY CLERK DEPT.  
2018 APR 25 PM3:25

THE CITY OF EL PASO

\_\_\_\_\_  
Dee Margo  
Mayor

ATTEST:

\_\_\_\_\_  
Laura D. Prine  
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Roberta Brito  
Roberta Brito  
Assistant City Attorney

J. Higgins  
for: Jessica Herrera, Director  
Economic & International Development

(SEAL)