

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

DEPARTMENT: Economic & International Development Department

AGENDA DATE: August 9, 2016, Consent Agenda

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

DISTRICT(S) AFFECTED: [8]

SUBJECT:

Discussion and Action on a Resolution nominating El Paso Healthcare System, LTD., 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. (District 8) [Economic & International Development Department, Cary S. Westin, Managing Director, (915) 212-1614]

BACKGROUND/DISCUSSION:

Las Palmas Healthcare Medical Center, which is located at 1801 N. Oregon, has requested that the City nominate their company for an Enterprise Zone Project designation as consideration for investment in their hospital facility in El Paso, Texas. Las Palmas Healthcare Medical Center 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.

Las Palmas Healthcare Medical Center offers comprehensive services and special expertise in Emergency Room Medicine (Level III Trauma), Cardiology, Women's Services, Labor & Delivery, Neonatal Intensive Care, and Pediatric care. Oncology Services, Neuroscience, and Wound Care Management are also part of Las Palmas' comprehensive care list. Las Palmas Healthcare Medical Center currently employs 1,025 individuals and is proposing to create 25 new positions. In addition to creating 25 new positions, the applicant will be investing \$63million for a 90,000 sq. ft. expansion of their 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 EL PASO HEALTHCARE SYSTEM, LTD.
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"), Las Palmas Medical Center ("LPMC"), 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 El Paso Healthcare System LTD., 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 El Paso Healthcare System LTD., meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:

1. El Paso Healthcare System LTD. 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; 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 El Paso Healthcare System LTD. 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 El Paso Healthcare System LTD. meets the criteria for tax relief and other incentives adopted by the City and agrees to nominate El Paso Healthcare System LTD. 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 El Paso Healthcare System LTD. 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 El Paso Healthcare System LTD., to be known as Las Palmas Medical Center, 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 her 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

ATTEST:

Oscar Leaser
Mayor

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

El Paso Healthcare System, LTD.

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XXII. FULL-TIME JOBS FOR BENEFIT

☒ **New Jobs**

Attach a breakdown of types of new jobs to be created by six-digit Standard Occupational Code and/or title, and the salary range or hourly rate for each (Tab 14)

Total Number of New Full-Time Jobs to be Created 25

Total Amount of Annual Payroll for New Jobs \$1,556,256.00

☒ **Retained Jobs** (check only if for benefit)

Attach a breakdown of types of jobs to be retained for benefit by six-digit Standard Occupational Code and/or title, and the salary range or hourly rate for each (Tab 15)

Total Number of Jobs to be Retained for Benefit 475


Total Amount of Annual Payroll for Retained Jobs \$36,423,323.64

Choose **all** that apply and include backup documentation

- ☐ Permanent employees will be permanently laid off (Chapter 2303.406(a)(4)(A))
- ☐ Business will permanently close down (Chapter 2303.406(a)(4)(B))
- ☐ Business will relocate out of Texas (Chapter 2303.406(a)(4)(C))
- ☒ Business is able to employ individuals in accordance with Section 2303.402 (Chapter 2303.406(a)(4)(D))
- ☐ Business facility has been legitimately destroyed or impaired due to fire, flood, tornado, hurricane, or any other natural disaster (Chapter 2303.406(a)(4)(E))

I have reviewed the request for the retained job benefit under the Texas Enterprise Zone Program, and verify that it meets the criteria outlined above, as required by statute. The backup documentation has been placed under Tab 14 of this application.

Signature


(Governing Body Liaison)

Date

August 11, 2016

Printed Name

Eddie Garcia

Title

Econ. Dev. Manager

El Paso Healthcare System, LTD.

XXX. CERTIFICATION OF APPLICATION

Governing Body Liaison

Prefix Mr. First Name Eddie Last Name Garcia

Title Economic Development Manager

Organization City of El Paso, Economic Development

Street Address 801 Texas Avenue, City 3

Mailing Address 801 Texas Avenue, City 3

City El Paso State TX Zip 79901 -

Phone Number 915-212-1570 Fax Number

Email Address GarciaEZ2@elpasotexas.gov

Community Website <https://www.elpasotexas.gov/>

To the best of my knowledge and belief, the information contained in this Enterprise Project Application is true and correct and I have read the Texas Enterprise Zone Act and the Enterprise Zone Program Rules and am familiar with the provisions contained therein, as evidenced by my signature below.

Signature

Eddie Garcia
(Governing Body Liaison)

Date

August 1, 2016

Printed Name

Eddie Garcia

Title

Econ. Dev. Manager

GIVEN under my hand and seal of office this

1ST

day of

August

2016

(Notary Seal)



Armida R. Martinez
Notary Public, State of Texas

My commission expires

January 22, 2019