

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

DEPARTMENT: Aviation

AGENDA DATE: August 21, 2018

CONTACT PERSON/PHONE: David R. Panko, (915) 212-0480

DISTRICT(S) AFFECTED: District 3

STRATEGIC GOAL: NO. 1

Create an Environment Conducive to Strong Sustainable Economic Development.

SUBJECT:

That the Director of Aviation or designee be authorized to submit a minor boundary modification application and all supporting documents and coordination with taxing entities for letters of support, to the U.S. Foreign-Trade Zones board, which will modify the boundaries of Foreign-Trade Zone No. 68 to include the following:

- (1) Adding Lots 1 TO 7 AND REPLAT OF A PORTION OF LOT 8, BLOCK 13, EASTSIDE INDUSTRIAL DIST, City of El Paso, El Paso County, Texas (653749 SQ FT) (total of 15.1 AC), commonly known as 1000 Hawkins Blvd, El Paso, TX 79915
- (2) Deleting TRACT 6, BLOCK 24, San Elizario, El Paso County, Texas (25.52 AC), commonly known as 12183 Alameda Avenue, El Paso, Texas 79836.

Brokers Logistics is a company that plans to expand their distribution operations in the FTZ No. 68 by activating in the Foreign-Trade Zone to grow their business.

BACKGROUND / DISCUSSION:

The City of El Paso has a grant authority to establish, operate, and maintain FTZ No. 68. It is known as the Grantee and Operator of FTZ No. 68, which is operated through the Aviation Department's FTZ Administrative office. The zone helps expedite and encourage foreign commerce in the El Paso region and desires to perform a standard land swap (minor boundary modification) of 2 parcels; one parcel currently in FTZ No. 68 boundaries for one parcel not currently within FTZ No. 68 boundaries.

Brokers Logistics, is a company that plans to expand their distribution operations in the FTZ No. 68 by activating in the Foreign Trade Zone to grow their business. They provide logistics and distribution services for many companies in El Paso. They expect to hire numerous additional people to handle the FTZ operations.

PRIOR COUNCIL ACTION:

None

AMOUNT AND SOURCE OF FUNDING:

Not Applicable

BOARD / COMMISSION ACTION:

Not Applicable

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

DEPARTMENT HEAD:



RESOLUTION

WHEREAS, the City of El Paso, as recipient of a grant of authority from the U.S. Foreign-Trade Zones Board, is authorized to establish, operate, and maintain Foreign-Trade Zone No. 68;

WHEREAS, the City of El Paso, by and through its Department of Aviation, has established and owns, operates, and maintains Foreign-Trade Zone No. 68 in order to expedite and encourage foreign commerce in the El Paso region;

WHEREAS, as a part of operating and maintaining Foreign-Trade Zone No. 68, the City of El Paso conducts minor boundary modifications by which it deletes parcels of land no longer suitable for use in Foreign-Trade Zone No. 68 and adds new parcels of land suitable for use therein;

WHEREAS, the City of El Paso now desires to perform a minor boundary modification to Foreign-Trade Zone No. 68, to add a parcel of land suitable for use in Foreign-Trade Zone No. 68 and to delete a parcel of land no longer suitable for use in Foreign-Trade Zone No. 68;

WHEREAS, one (1) location has been identified to be added to Foreign-Trade Zone No. 68, which will be used primarily for distribution operations and one (1) location has been identified to be deleted from Foreign Trade Zone No. 68, to add a parcel of land suitable for use in Foreign-Trade Zone No. 68;

WHEREAS, the City of El Paso would like this application to be subject to the activation limit under the traditional site framework,

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

That the Director of Aviation or designee be authorized to execute and submit a minor boundary modification application and all supporting documents and to coordinate with taxing entities for letters of support to add, into Foreign Trade Zone No. 68, one (1) parcel which is located in El Paso County, Texas and which is described as follows:

Legal description - Lots 1 TO 7 AND REPLAT OF A PORTION OF LOT 8,
BLOCK 13, EASTSIDE INDUSTRIAL DIST, City of El Paso, El Paso County,
Texas (653749 SQ FT) (total of 15.1 AC), commonly known as 1000 Hawkins
Blvd., El Paso, Texas 79915

and to delete from Foreign-Trade Zone No. 68 the following parcel which is located in El Paso County, Texas and which is described as follows:

Legal description – TRACT 6, BLOCK 24, San Elizario, El Paso County, Texas
(25.52 AC), commonly known as 12183 Alameda Avenue, El Paso, Texas 79836

and to perform all other actions necessary to effectuate this boundary modification.

PASSED AND APPROVED THIS _____ DAY OF _____ 2018.

CITY OF EL PASO

Dee Margo, Mayor

ATTEST:

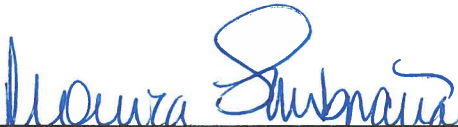
Laura D. Prine
City Clerk

APPROVED AS TO FORM:

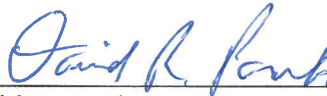


Josette Flores
Senior Assistant City Attorney

APPROVED AS TO CONTENT:



Monica Lombraña, A.A.E., Managing
Director of Aviation and International
Bridges



David R. Panko
Foreign Trade Zone Manager

FTZ Minor Boundary Modification – Brokers Logistics

Executive Summary

The proposed Resolution is to authorize that the Director of Aviation or designee be authorized to submit a minor boundary modification application, including all supporting documents and coordination with taxing entities for letters of support, to the U.S. Foreign Trade Zone Board, which will modify the boundaries of Foreign Trade Zone No. 68 to include the following:

- (1) Adding Lots 1 TO 7 AND REPLAT OF A PORTION OF LOT 8, BLOCK 13, EASTSIDE INDUSTRIAL DIST, City of El Paso, El Paso County, Texas (653749 SQ FT) (total of 15.1 AC), commonly known as 1000 Hawkins Blvd, El Paso, TX 79915; and**
- (2) Deleting TRACT 6, BLOCK 24, San Elizario, El Paso County, Texas (25.52 AC), commonly known as 12183 Alameda Avenue, El Paso, Texas 79836**

The Foreign Trade Zone No. 69 currently has 3448 acres designated as FTZ authorized land in the City of El Paso. These are parcels of land scattered throughout El Paso covering industrial parks and stand-alone facilities.

The Minor Boundary Modification will swap a parcel of land that is currently in the FTZ designated boundaries for a parcel of land that is not currently in the FTZ designated boundaries.

Brokers Logistics is a third party logistics firm that operates a distribution center at 1000 Hawkins. They have an immediate need for the Foreign Trade Zone program for their customers that import and export product through their facility. By utilizing the FTZ program, they will be able to attract more customers and provide a more cost effective solution for their current customers.

This location is not currently in the FTZ 68 designated boundaries, so we will submit a standard Minor Boundary Modification to Washington DC, to the Foreign-Trade Zones Board, US Department of Commerce for their approval.

The parcel to be moved out of the FTZ designated boundaries is a parcel of land that will not see any industrial warehouse or manufacturing growth. It is located in an El Paso suburb, which today is farmland, located at 12183 Alameda Avenue. This parcel is better suited for farming or residential space, and as such, will not be viable for FTZ usage.

The Minor Boundary Modification is a standard process for the City of El Paso and the Foreign-Trade Zones Board to keep the FTZ designated boundaries viable for industry, trade, and commerce. The deleted parcel must be equal or more acreage than the added parcel.

Once the El Paso City Council approves the minor boundary modification, the supporting letters from each taxing entity will be secured, then application made to the Foreign-Trade Zones Board in Washington, D.C. for final approval to modify the FTZ No. 68 boundaries.

Brokers Logistics
Minor Boundary Modification - 2018
Foreign-Trade Zone 68

