

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

CITY CLERK DEPT.
2016 OCT 13 AM 9:30

DEPARTMENT: City Attorney's Office

AGENDA DATE: Oct. 18, 2016

CONTACT PERSON NAME AND PHONE NUMBER: Sylvia Firth, (915) 212-0033

DISTRICT(S) AFFECTED: All

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 declaring a public use and necessity to acquire fee simple title to certain parcels of land in the City of El Paso, El Paso County, Texas located in a designated area south of the El Paso Convention Center to construct, operate, maintain, and repair a multi-purpose cultural and performing arts center which will advance and achieve the public use of providing a municipally-owned performance, athletic, and recreational facility; authorizing all appropriate action by the City Manager, employees, agents and attorneys of the City of El Paso in the acquisition of fee simple property interests through negotiation; ratifying and confirming all acts and proceedings previously done or initiated by employees, agents or attorneys of the City of El Paso to acquire such property interests; authorizing the use of eminent domain, if necessary, to acquire said property interests that cannot be acquired through negotiation; and authorizing such other lawful action necessary and incidental to such acquisitions of real property.

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?

This resolution will allow the City to acquire the property identified for site of the Multipurpose Cultural and Performing Arts Center Project which was approved by the El Paso voters as a 2012 Quality of Life Bond project. As part of the acquisition process, the City will implement a relocation program for residential and commercial tenants.

PRIOR COUNCIL ACTION:

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

Nov. 6, 2012, the El Paso voters approved two Quality of Life Bond propositions, and one proposition was to construct, operate, maintain and repair a Multipurpose Cultural and Performing Arts Center.

Jan. 7, 2015, the City Council authorized the City Manager to assemble appropriate professional support including, but not limited to, real property and legal professionals for site acquisition for the Multipurpose Cultural and Performing Arts Center Project, among other projects.

June 2, 2015, the City Council authorized the City Manager to begin the process to acquire the real estate for the Multipurpose Cultural and Performing Arts Center Project, the Hispanic Cultural Center and the Children's Museum.

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?

2012 Quality of Life Bonds

BOARD / COMMISSION ACTION:

Enter appropriate comments or N/A

N/A

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

DEPARTMENT HEAD:

RESOLUTION

DECLARING A PUBLIC USE AND NECESSITY TO ACQUIRE FEE SIMPLE TITLE TO CERTAIN PARCELS OF LAND IN THE CITY OF EL PASO, EL PASO COUNTY, TEXAS LOCATED IN A DESIGNATED AREA SOUTH OF THE EL PASO CONVENTION CENTER TO CONSTRUCT, OPERATE, MAINTAIN AND REPAIR A MULTI-PURPOSE CULTURAL AND PERFORMING ARTS CENTER WHICH WILL ADVANCE AND ACHIEVE THE PUBLIC USE OF PROVIDING A MUNICIPALLY-OWNED PERFORMANCE, ATHLETIC, AND RECREATIONAL FACILITY; AUTHORIZING ALL APPROPRIATE ACTION BY THE CITY MANAGER, EMPLOYEES, AGENTS AND ATTORNEYS OF THE CITY OF EL PASO IN THE ACQUISITION OF FEE SIMPLE PROPERTY INTERESTS THROUGH NEGOTIATION; RATIFYING AND CONFIRMING ALL ACTS AND PROCEEDINGS PREVIOUSLY DONE OR INITIATED BY EMPLOYEES, AGENTS OR ATTORNEYS OF THE CITY OF EL PASO TO ACQUIRE SUCH PROPERTY INTERESTS; AUTHORIZING THE USE OF EMINENT DOMAIN, IF NECESSARY, TO ACQUIRE SAID PROPERTY INTERESTS THAT CANNOT BE ACQUIRED THROUGH NEGOTIATION; AND AUTHORIZING SUCH OTHER LAWFUL ACTION NECESSARY AND INCIDENTAL TO SUCH ACQUISITIONS OF REAL PROPERTY.

WHEREAS, on November 6, 2012, the El Paso voters approved two Quality of Life Bond propositions, and one proposition was to construct, operate, maintain and repair a Multipurpose Cultural and Performing Arts Center (the "Arena Project");

WHEREAS, on January 7, 2015, the City Council authorized the City Manager to assemble appropriate professional support including, but not limited to, real property and legal professionals for site acquisition for the Arena Project, among other projects;

WHEREAS, on June 2, 2015, the City Council authorized the City Manager to begin the process to acquire the real estate for the Arena Project, the Hispanic Cultural Center and the Children's Museum;

WHEREAS, the City is an eligible central municipality under Chapter 351 of the Texas Tax Code that owns a convention center facility (the "Convention Center");

WHEREAS, the City has selected a primary site for the Arena Project to the south and within 1,000 feet of the Convention Center, being some or all of the real property bounded by West San Antonio Avenue, South Santa Fe Street, West Paisano Drive and Leon Street (collectively, the "Arena Site", further identified in the map attached hereto as Exhibit A);

WHEREAS, the City has determined that there is a public use and necessity for, and the public will be served by, the Arena Project as a municipally-owned performance, athletic, and recreational facility;

WHEREAS, it is necessary to authorize the acquisition of fee simple title for certain parcels of real property within the Arena Site by negotiation or through the exercise of eminent domain;

WHEREAS, pursuant to Chapter 251 of the Texas Local Government Code, the City has the power of condemnation for the acquisition of real property, if required, within the Arena Site for the Arena Project; and

WHEREAS, the City is registered with the Texas Comptroller as an entity with eminent domain authority;

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

That the caption and recitals are factual findings of the City Council and are hereby approved and incorporated in the text of this Resolution in their entirety as if fully restated.

That there is a public use and necessity for, and the public will be served by, the acquisition of fee simple title to certain parcels of real property within the Arena Site that are not already owned by the City (the "Properties"), together with all necessary appurtenances, additions and improvements on, over, under and through those Properties, for the purpose of constructing, operating, maintaining and repairing a municipally-owned performance, athletic, and recreational facility as allowed by law.

That the City Manager or his designee, agent and/or attorney is authorized to commence and carry out negotiations with the owners of the Properties or their agents in order to acquire the Properties.

That all acts and proceedings previously done or initiated by the City Manager or his designees, agents and/or attorneys to acquire fee simple title to the Properties are ratified and affirmed.

That the City Manager or his designee is authorized to make payment for real property acquired by any means from funds derived from the 2012 Quality of Life bonds.

That the City Manager is authorized to provide relocation assistance to landowners and tenants for displacement of persons or entities due to acquisition of real property for the Arena Project.

That the City Manager or his designee is authorized to sign all documents approved by the City Attorney's Office, to do and perform such other acts necessary to acquire fee simple title to the Properties in accordance with the recommendations made by the City's legal acquisitions team, and to make all necessary and appropriate budget transfers to consummate the purchases.

That if the City Manager or his designee, agent and/or attorney is, after making a bona fide offer in writing, unable to acquire the fee simple title to one or more of the Properties on

terms acceptable to the City Manager through negotiation, then the City Manager or his designee, in consultation with the City Attorney, is authorized to commence and carry out condemnation proceedings against the owners and/or claimants of the Properties pursuant to Chapter 21 of the Texas Property Code and any other applicable laws and regulations. All other lawful actions necessary and incidental to acquisitions or eminent domain proceedings including, but not limited to, actions to define, survey, appraise and secure the fee simple interest in the Properties are hereby authorized.

ADOPTED this ____ day of October, 2016.


CITY OF EL PASO

Oscar Leeser
Mayor

ATTEST:

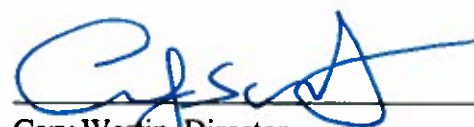
Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Theresa Cullen
Deputy City Attorney

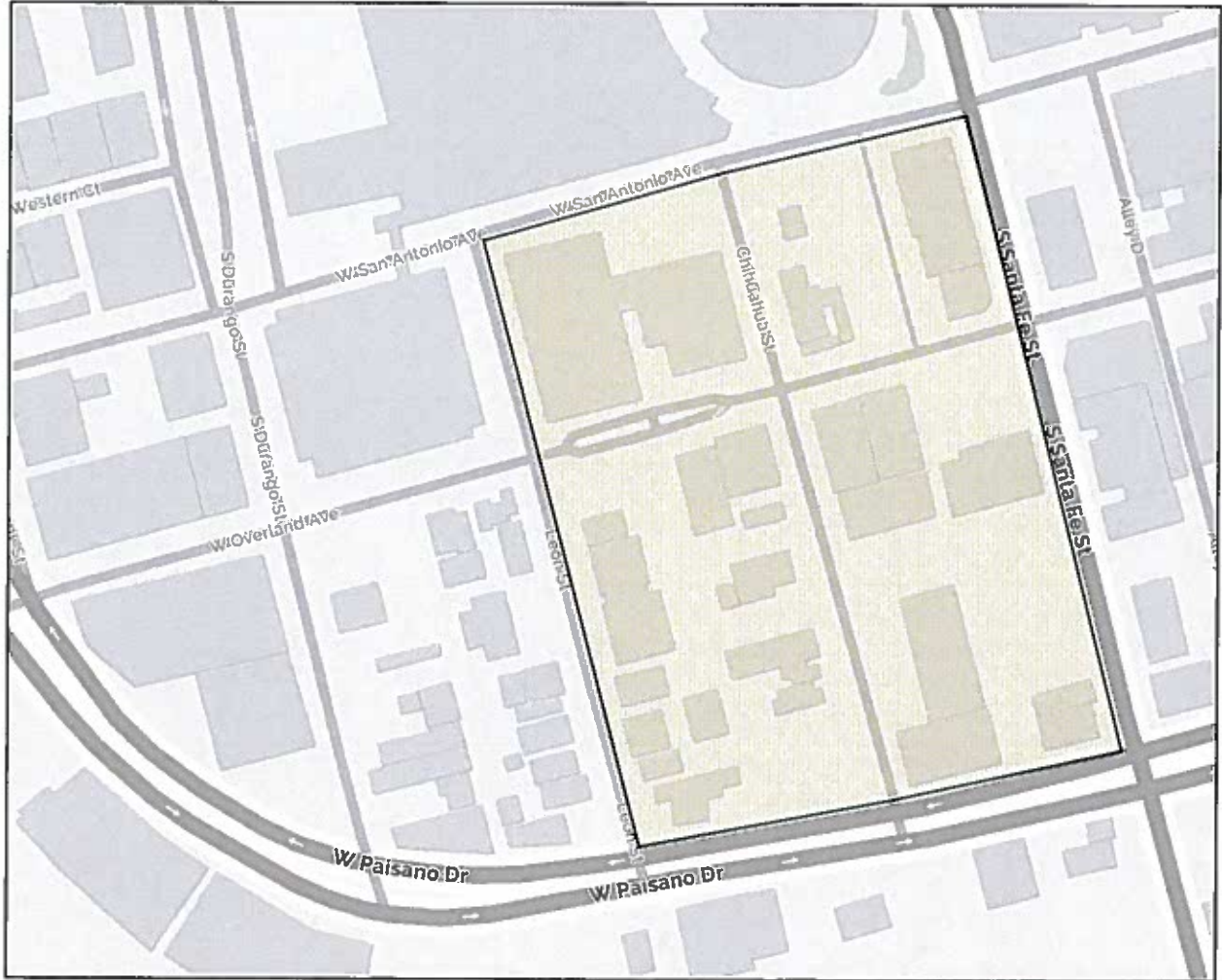
APPROVED AS TO CONTENT:



Cary Westin, Director
Economic & International Development

CITY CLERK DEPT.
2016 OCT 13 AM 9:30

EXHIBIT A
Map of Arena Site



Quality of Life Projects: Arena Project

CITY OF EL PASO

October 18, 2016

CITY ATTORNEY PRESENTATION

2012 Quality of Life Bonds Signature Projects

**Approved by voters in November, 2012 by 72%
\$205 million for Signature Projects**

- **CHILDREN'S MUSEUM**
 - Land under contract / Greyhound to move its maintenance facility to Sun Metro site
 - Development Agreement with EPC is being negotiated
- **HISPANIC CULTURAL CENTER**
 - Partnership with Convention Center
 - Additional funds identified
- **MULTIPURPOSE CULTURAL AND PERFORMING ARTS CENTER (ARENA PROJECT)**
 - World class arena in the heart of beautiful Downtown El Paso
 - Venue for athletic, performance, cultural, and recreational events
 - Cultural Site selected
 - Smallest area possible within the footprint for the project

ARENA PROJECT

Project Team

- **PROJECT TEAM**

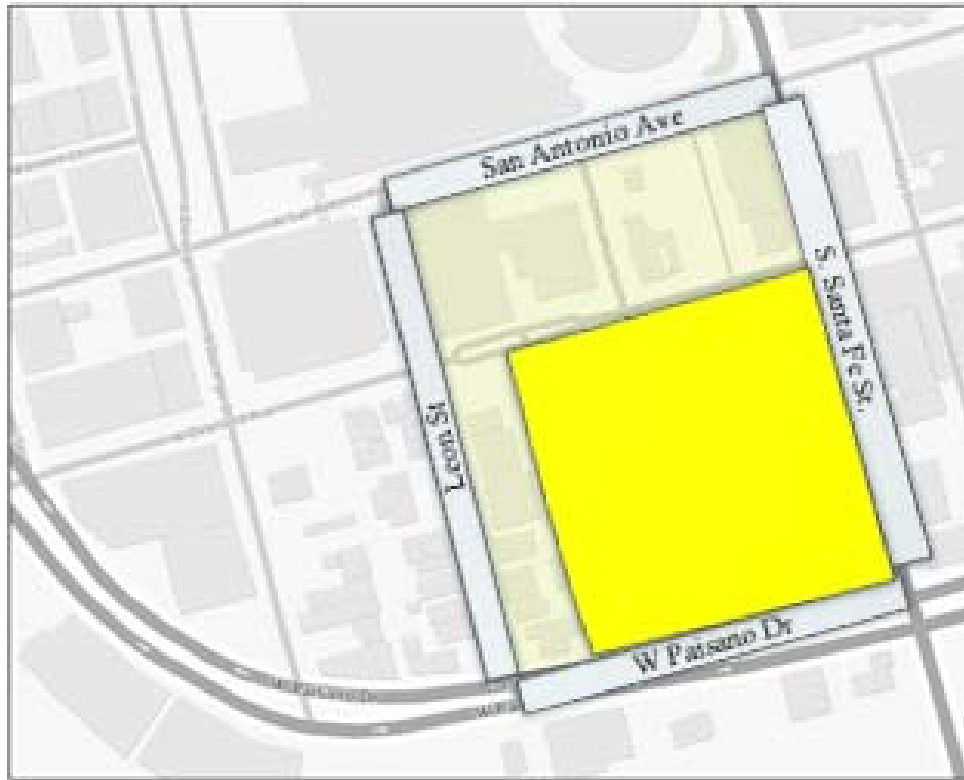
- City Staff
 - City Manager
 - Economic & International Development
 - Public Works
 - City Engineer
 - City Finance
 - City Attorney
- Owner's Representative
- Counsel
- *Design (A&E) – December 2016*
- *Operator – January 2017*
- *Construction Manager – March 2017*

- **ACQUISITION TEAM**

- City Staff
 - City Manager
 - Economic & International Development
 - Real Estate
 - City Attorney
 - City Finance
- Acquisition Specialists
- Title Company
- Surveyor
- Appraisers
- Environmental Consultants
- Counsel

ARENA PROJECT

Cultural Site

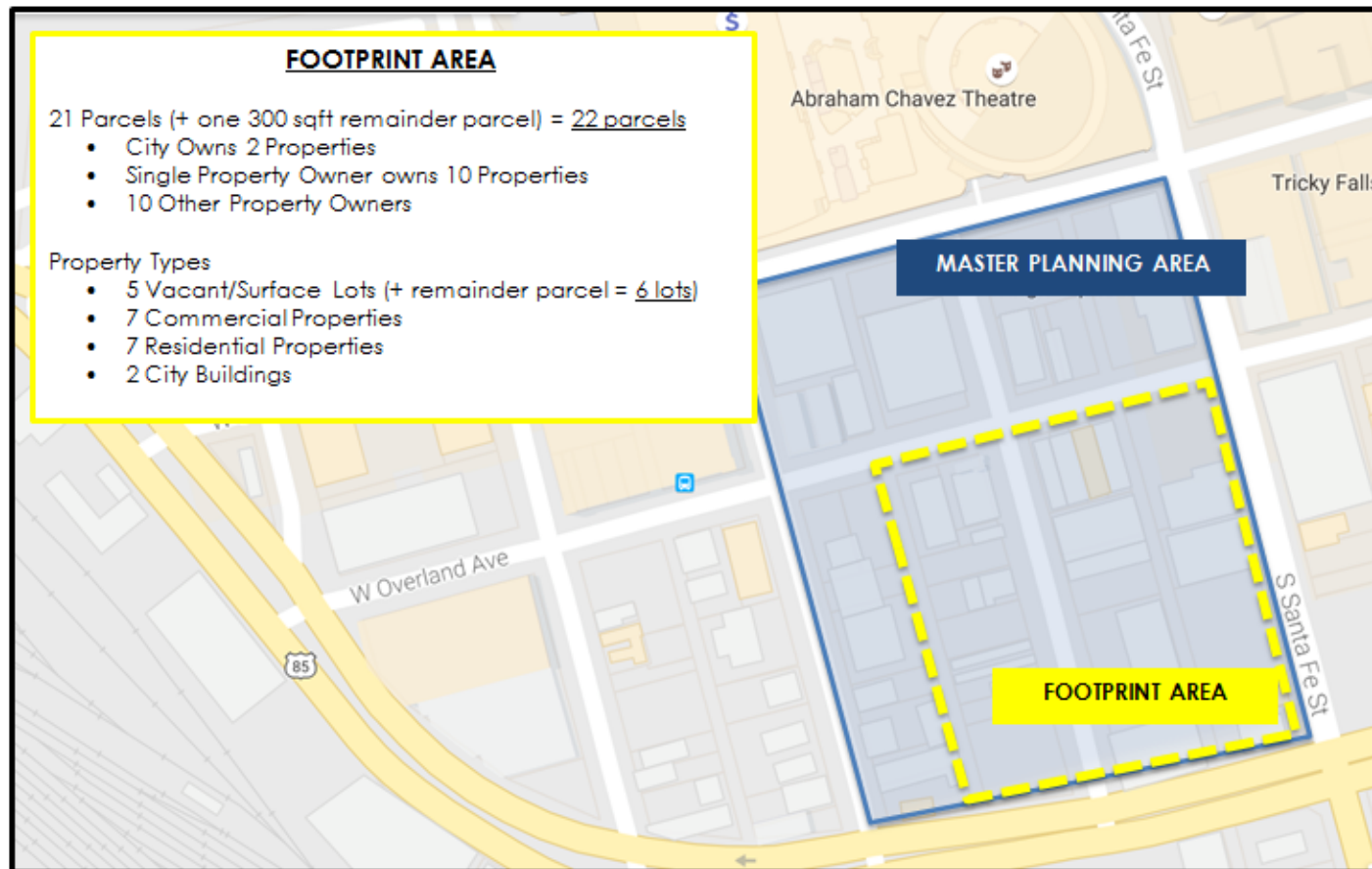


Site Selection Goals:

- Impact fewest number of properties
- Support vibrancy of downtown / Masterplan surrounding area
- Avoid demolishing tax improved projects
- Keep acquisition costs low

ARENA PROJECT

Cultural Site



ARENA PROJECT

Site Specifics – Footprint Area



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ARENA PROJECT

Site Specifics – Footprint Area



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ARENA PROJECT

Site Specifics – Footprint Area



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ARENA PROJECT

Site Specifics – Footprint Area



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ARENA PROJECT

Site Specifics – Footprint Area



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ARENA PROJECT

Site Specifics – Footprint Area



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ARENA PROJECT

Site Specifics – Footprint Area



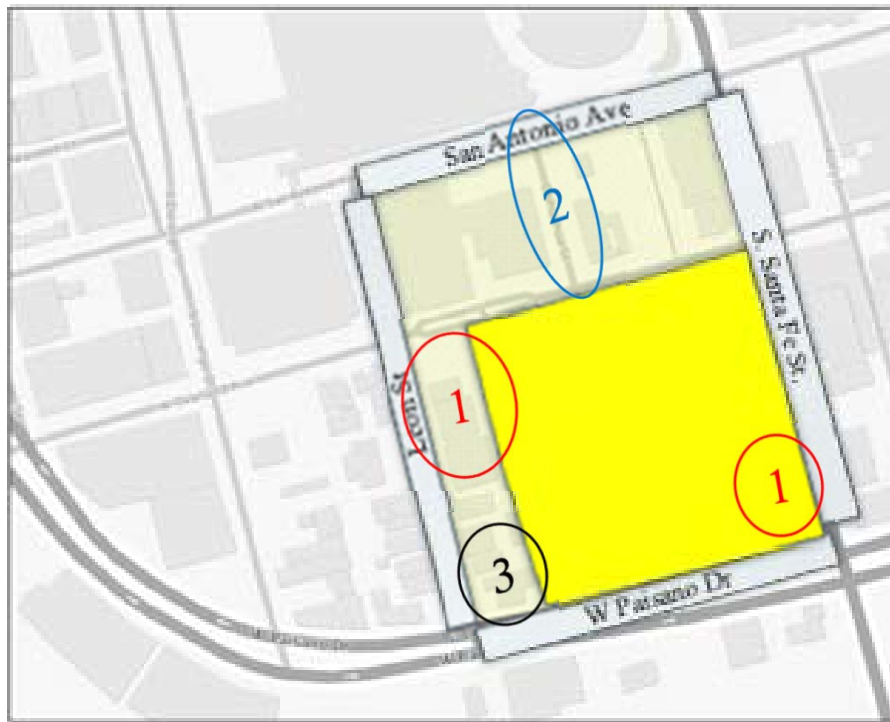
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ARENA PROJECT

Cultural Site - Opportunities



SITE OPPORTUNITIES:

1. Incorporate fire stations & Memorial Park into design, rather than demolish (Active fire station will remain open and operational.)
2. Create pedestrian space from convention center to arena
3. Keep the gas station

ARENA PROJECT

Land Acquisition

CITY RESOLUTION TO BEGIN PROPERTY ACQUISITION

- Comply with statutory and other legal requirements to begin a structured negotiation process with established protections for and disclosures to property owners
- Tax and other benefits available to landowners and tenants

BASIC STEPS

- Initial notice/contact
- Appraisals and surveys of properties
- Negotiation & purchase
 - Initial and final offers
 - Goal to negotiate with property owners and reach agreement
- Relocation program

ARENA PROJECT

Relocation Program

- **GUIDING PRINCIPLES**

- Respect residents and businesses that have made downtown their homes
 - Keep small businesses and residents downtown
- Recognize individual needs and goals
 - Individualized plans / Custom solutions
- Just compensation / meaningful assistance
- Build partnerships to create solutions

EL PASO VALUES

- Integrity
- Respect
- Excellence
- Accountability
- PEOPLE

ARENA PROJECT

Next Steps

- MEETINGS

- Property Owners / Tenants
- Neighborhood Groups
- Stakeholders

DISCUSSION & INFORMATION

- Timing
- Process
- Incorporation of local facilities/facades
- Impact
- Master planning

ARENA PROJECT FAQ

- Is it possible to incorporate Fire Station #11 into the Arena design?
 - YES. The design contract contemplates the incorporation of both the active fire station and Fire Station #11 into the design.



ARENA PROJECT FAQ

- What is the plan for parking?
 - The draft design contract contemplates limited parking will be incorporated into the site. The bulk of the parking will be handled in offsite garage and surface lots.
 - Allows the City to share parking resources
 - Encourages commercial activity in the area as attendees walk to their cars

ARENA PROJECT FAQ

- Is the Arena going to be located in the El Paso Downtown Arts District?
 - No. The Arena is located just outside of the Arts District, but the multicultural performances that will occur in the Arena will compliment the goals of the Arts District.



ARENA PROJECT FAQ

- Have the property owners and stakeholders been contacted by the City?
 - Today's action is the kick-off for the City in accepting this proposed site. If the Council approves the resolution, the City staff and consultants will immediately begin meetings with all of the property owners and stakeholders.
 - Where property owners have reached out to the City, the consultant team has had initial conversations about acquisition, master planning, etc.

ARENA PROJECT FAQ

- Will the demolition wipe out federally-funded improvements to streets and sidewalks, the recently built firehouse and memorial?
 - No. The operational fire station and Memorial Park are not part of the footprint site, but are part of the design plan to be protected and incorporated into the Arena design. The related federally funded improvements to streets and sidewalks are also not part of the Arena footprint.
 - Similarly, the Arena project will compliment, not demolish the trolley line.

ARENA PROJECT FAQ

- How will the Arena plan impact heritage tourism?
 - The City's plan is that Arena design will honor El Paso's heritage and compliment plans for heritage tourism. By incorporating existing fire station buildings at either corner of the Arena and utilizing existing facades, the Arena design has an opportunity to make a strong statement about El Paso's heritage.

ARENA PROJECT

FAQ

- Why didn't the City select an alternative site?
 - The City has been working on site selection for the past couple of years. Other sites were thoroughly vetted, but the proposed location ultimately made the most sense in light of the City's goals.

Site Selection Goals

- **Impact the fewest number of sites**
 - Narrowed the plan to 21 sites
- **Support the vibrancy of downtown**
 - Promotes a walkable plan from the Convention Center and the Arts District
 - Serves residents and visitors
- **Avoid demolishing tax improved projects**
 - Best site for protecting City buildings
- **Keep acquisition costs low**
 - Direct and indirect costs (indirect costs includes things like rail road crossing closings)

ARENA PROJECT FAQ

- Is this a “1970’s-style urban renewal project involving mass demolition”?
 - No. This question seems to ask whether the City is wiping out an entire “old” neighborhood to replace it with something new. This project is being designed to fit in the smallest footprint possible, incorporate existing facilities, and create foot traffic to support local businesses.

ARENA PROJECT

FAQ

- What does it mean to “relocate” residents and businesses?
 - There are very specific guidelines under state and federal law directing how governments relocate businesses and residents. The City will follow those rules and we will take care of those who have chosen this neighborhood and love this community. Our goal is to keep anyone who wants to stay downtown in the downtown area.
 - In terms of timing, relocation happens last. We have a lot to do before this becomes an issue.
 - El Paso’s values will guide our efforts: Integrity, Respect, Excellence, Accountability, and People