

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

**DEPARTMENT:** Economic & International Development Department

**AGENDA DATE:** CCA Regular, November 26, 2019

**CONTACT PERSON/PHONE:** Jessica Herrera, Director, (915) 212-1624

**DISTRICT(S) AFFECTED:** All

**SUBJECT:**

That the City Manager is authorized to sign a termination agreement, or other similar instrument, terminating the Ground Lease with GWR El Paso Property Owner, LLC, dated October 25, 2018. (All) [Economic & International Development Department, Jessica Herrera, Director, (915) 212-1624]

**BACKGROUND/DISCUSSION:**

In order to be included for consideration under the newly adopted Texas House Bill 4347, all documents associated with the GWR EL PASO PROPERTY OWNER LLC 380 will have to reflect an effective date that comes after September 1, 2019. The subject Ground Lease is a GWR EL PASO PROPERTY OWNER LLC 380-associated document and so the City now desires to activate a new Ground Lease between the City and GWR EL PASO PROPERTY OWNER LLC to reflect the necessary post-September 1, 2019 effective date. To effect this change, the October 25, 2018 Ground Lease must first be terminated, to then allow for the activation of a new lease, which will reflect an updated post-September 1, 2019 effective date.

**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?**

N/A

**BOARD/COMMISSION ACTION:**

**Enter appropriate comments or N/A.**

N/A

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

*For*  
**DEPARTMENT HEAD:** *Elbio Garcia*

**RESOLUTION**

**WHEREAS**, the City of El Paso ("City") entered into a Chapter 380 Economic Development Program Agreement ("Agreement") on October 25, 2018 with GWR El Paso Property Owner, LLC ("GWR"), in support of the development, construction, and operation of a new Convention Center and Convention Center Hotel to be located in El Paso, Texas; and

**WHEREAS**, contemporaneously with the Agreement, the City entered into a Ground Lease with GWR in connection with the development, construction, and operation of the new Convention Center and Convention Center Hotel; and

**WHEREAS**, the State of Texas, 86<sup>th</sup> Legislature, through House Bill 4347 amended portions of the Texas Tax Code relating to the authority of certain municipalities to use certain tax revenue for hotel and convention center projects and other qualified projects; and

**WHEREAS**, the amendments made by House Bill 4347 affected certain provisions in both the Agreement and the Ground Lease; and

**WHEREAS**, on October 28, 2019, the City terminated the Agreement and approved a new Chapter 380 Economic Development Program Agreement between the parties; and

**WHEREAS**, the City and GWR now desire to terminate the Ground Lease and enter into a new ground lease agreement that reflects the changes made by House Bill 4347.

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

That the City Manager is authorized to sign a termination agreement, or other similar instrument, terminating the Ground Lease with GWR El Paso Property Owner, LLC, dated October 25, 2018.

**PASSED AND APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF EL PASO**

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

**ATTEST:**

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

**APPROVED AS TO FORM:**

*Roberta Brito*  
\_\_\_\_\_  
Roberta Brito  
Assistant City Attorney

**APPROVED AS TO CONTENT:**

*Jessica Herrera*  
\_\_\_\_\_  
For Jessica Herrera, Director  
Economic & Int'l Development