

FORM375 @ Paso Del Norte

A FORMATION PROJECT

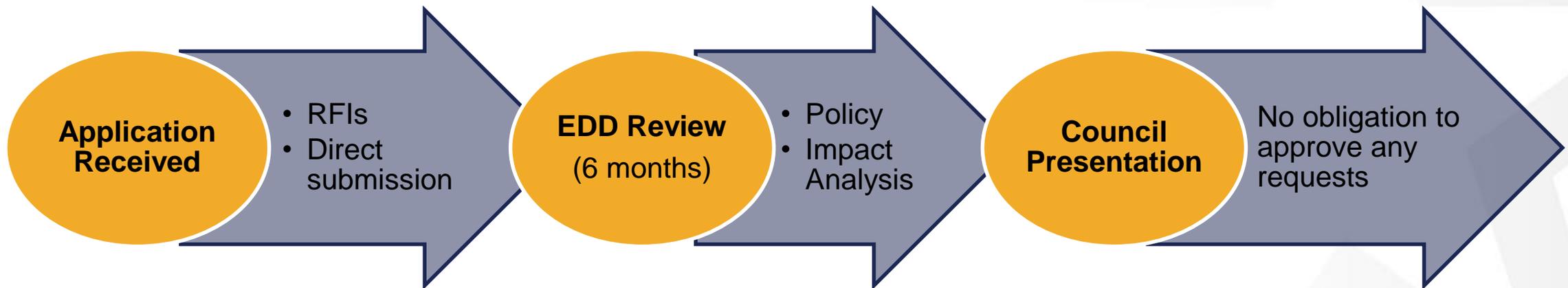


Texas Economic Development Fund Program Agreement

TED Fund Summary

- El Paso City Council approved the Texas Economic Development Incentive Program (TED Program) on January 20, 2021
- The purpose of the TED Program is to make funds available for financial incentives in the form of economic development grants and/or loans to promote economic development within El Paso Electric's Texas Service Area through various categories, including Infrastructure Development Assistance
- The TED Fund is an \$80 million fund to be funded by Sun Jupiter over a period of 15 years and administered by the City solely for the purpose of promoting economic development
 - \$31.9M received to date; Current Fund Balance of \$19.4M

TED Fund Request Process



TED Fund

Commitments

EPE Payment Income

\$31,999,998

Obligations and Commitments

Target Industry & Investment Assistance

Notes Live, Inc*

8,000,000

Advanced Manufacturing District

NCDMM

244,800

Ferveret

898,000

Rancho del Rey

2,325,000

Formation

2,000,000

Infrastructure Assistance

Schneider Electric – EV Charging

75,000

Stan Roberts Reconstruction (META)

12,500,000

International Border Crossing Study*

150,000

Traffic Calming Implementation

100,000

Ysleta POE Feasibility & Design

5,000,000

Van Horn 3rd Water Zone

600,000

Total Obligations to date

31,892,800

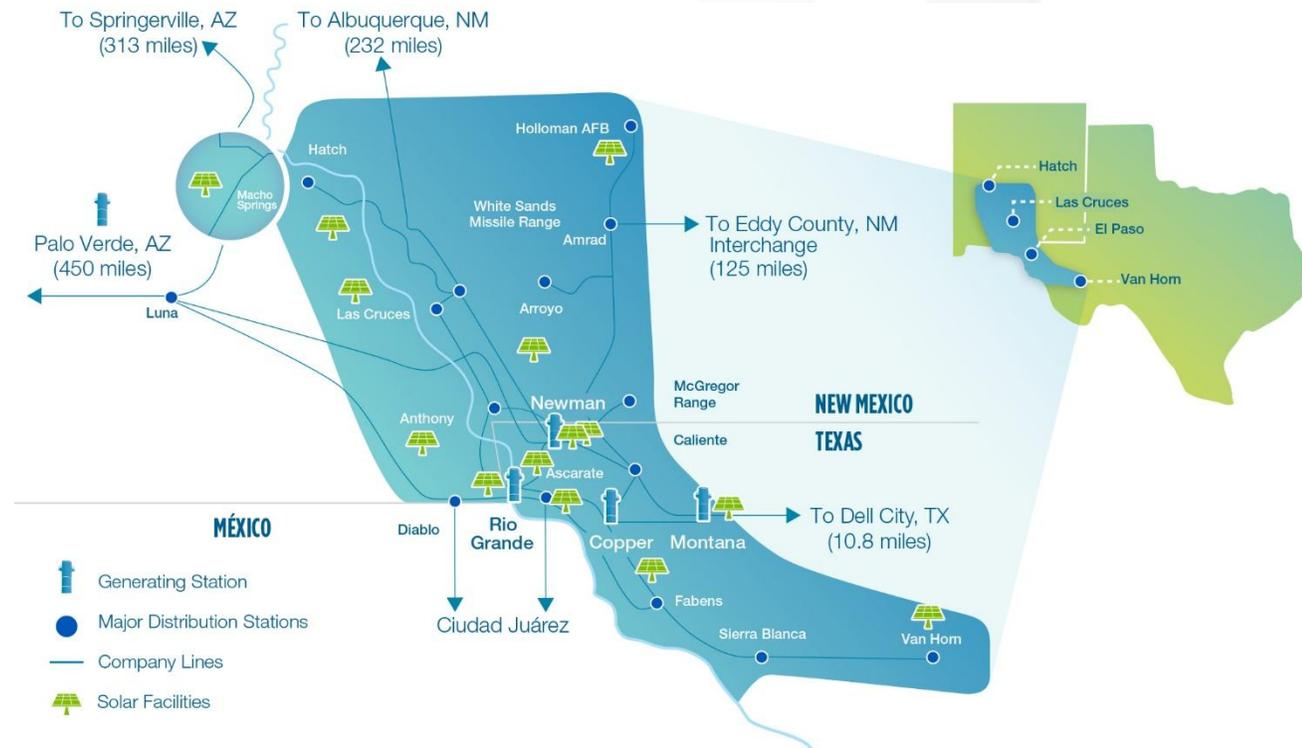
TED Fund

Programming and Priorities

- **Ports, Trade, and Logistics - \$7.5M**
 - Ysleta POE Expansion Feasibility and Design Study, EPMPO International Border Crossing Study (PDN/Stanton), Rancho Del Rey Logistics Park
- **Leverage City-owned Land and Support Industry Site Readiness - \$13.2M**
 - Stan Roberts Reconstruction, Northwestern Drive Traffic Calming Implementation, Schneider Electric Sustainability Grant
- **AMD + Aerospace and Defense Cluster - \$2.3M**
 - DIBBs Readiness Grant Program, Ferretet, NCDMM
- **Destination Entertainment - \$8M**
 - VENU Sunset Amphitheater

TED Fund Investment Assistance

“Financial support to companies expanding or establishing operations within El Paso Electric’s (EPE) Texas Service Area. The assistance offsets costs, such as job training for new hires, building retrofitting, equipment relocation, and real property acquisition. However, it does not cover costs related to generating or providing electric service...”



TED Fund

Investment Assistance

- **Target Industry:**
 - life/biomedical sciences; data processing, hosting, and related services; tourism; business support services; defense and aerospace; advanced manufacturing; and advanced logistics.
- **Jobs/Investment:**
 - Projects must be essential for the location or expansion of businesses that meet specific eligibility criteria and are located within the EPE Service Area.
 - Minimum \$10 million investment and 100 net-new jobs.
- **Local Match Requirement:**
 - Projects outside city limits must secure a 100% funding match from the political subdivision where the project will occur.

Project Overview

FORM375

- \$83.6M investment
- 4 buildings totaling over 800,000+ square feet of manufacturing space
- 340 FTEs plus 300 temporary construction jobs
- Large cross-dock building expected to attract a major manufacturing tenant; smaller buildings likely for manufacturing, 3PL, or freight-forwarding tied to cross-border trade



Project Overview

FORM375

Projected Impact:

- Increase competitiveness of City by adding new warehouse and manufacturing space near the Ysleta Port of Entry
- 340 jobs averaging \$75K generate ~\$25.5M in annual local wages
- Construction activity will support direct jobs, wages, and indirect economic activity for local businesses
- Projected to generate \$57.5M in additional tax revenue over 25 years compared to the current existing vacant land

Project Overview

FORM375

Grant disbursement is tied to successful delivery of performance metrics:

- Must complete construction of the improvements prior to the City's issuance of the Grant Funds
- Annual reporting on development progress and impact, including tenant commitments, job creation, infrastructure and investment
- Coordinate with the City and other partner entities on related projects to ensure consistency of infrastructure
- Remain in good standing with all permitting entities
- The City reserves the right to terminate for convenience up to the point that construction activities have commenced

TED Fund

Policy Compliance

✓ Target Industry:

- life/biomedical sciences; data processing, hosting, and related services; tourism; **business support services**; defense and aerospace; **advanced manufacturing**; and **advanced logistics**.

✓ Jobs/Investment:

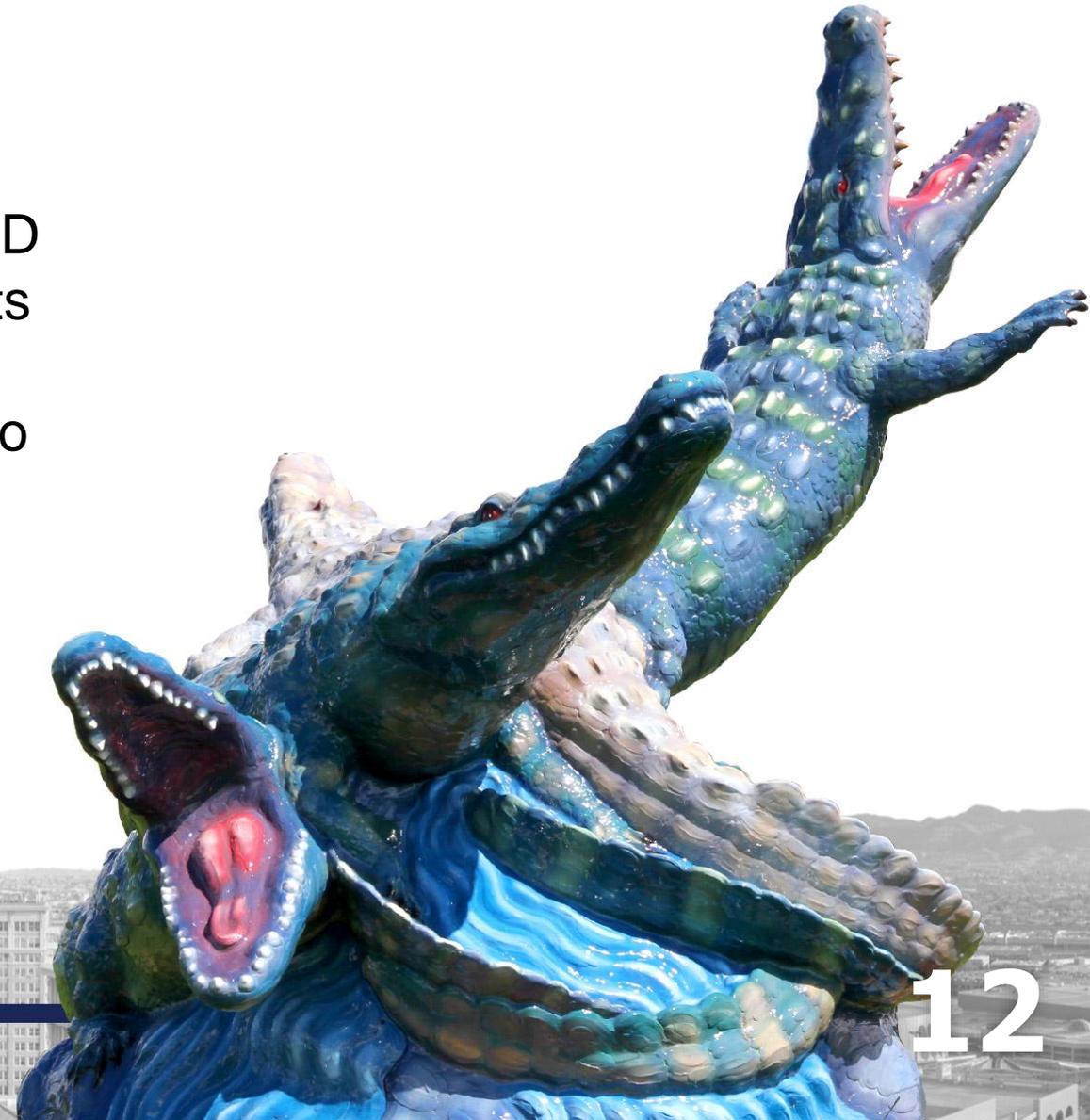
- Project is essential for location and expansion of businesses
- \$83.6 million investment and 340 direct jobs

✓ Local Match Requirement:

- N/A

Recommendation and Action

Recommend **APPROVAL** of the proposed TED Fund Program Agreement as the project meets the requirements of the TED Policy, demonstrates a sufficient net positive impact to EPE Texas Service Area, and increases the City's competitiveness in the key industries of trade and logistics.



MISSION



Deliver exceptional services to support a high quality of life and place for our community.

VISION



Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government.



VALUES

Integrity, **R**espect, **E**xcellence,
Accountability, **P**eople