



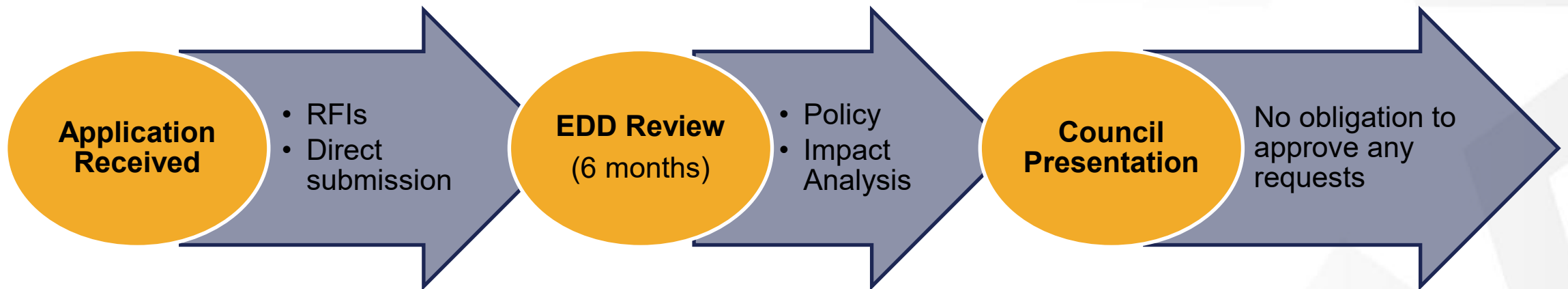
Rancho del Rey Logistics Park

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

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

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

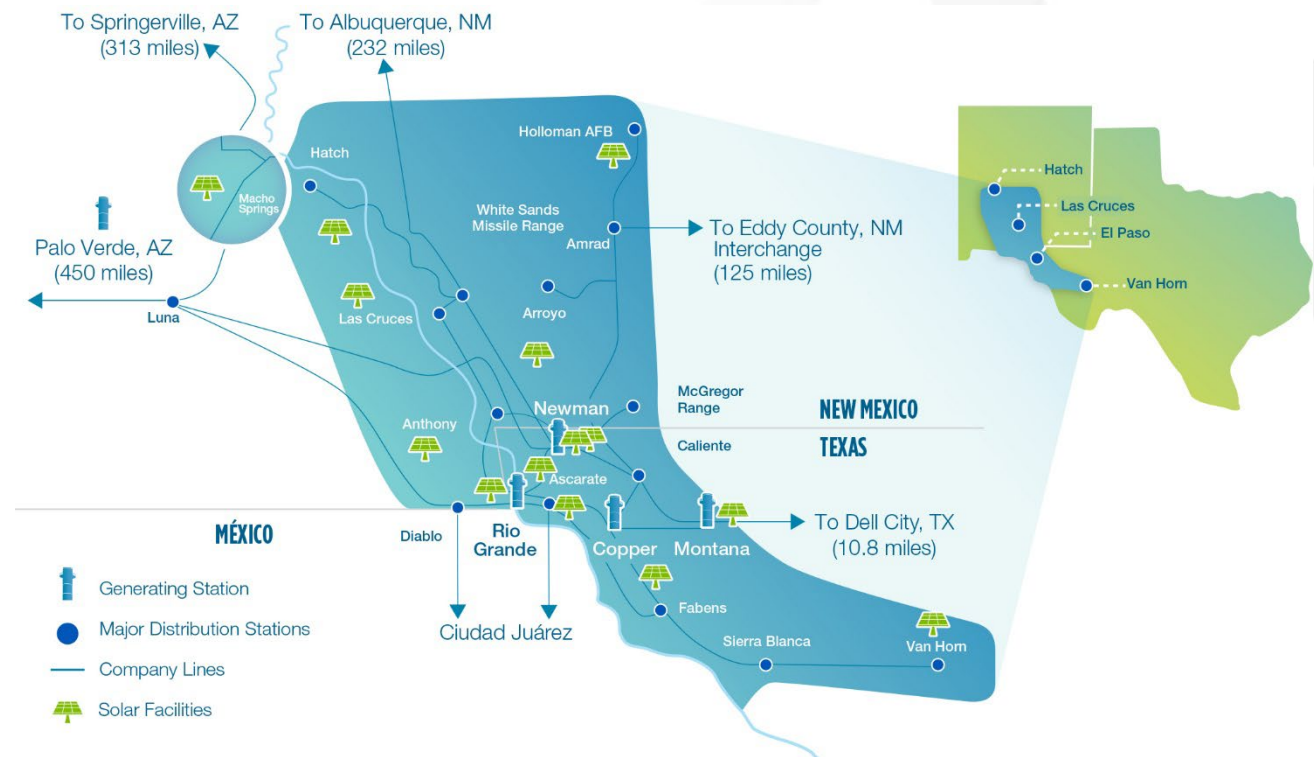
5,000,000

Total Obligations to date

29,292,800

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

Rancho del Rey

- **Applicant:** Raith Capital Partners and Sansone Group
- **Project Summary:**
 - Construction of a regional drainage retention pond and associated drainage channel infrastructure to serve the multi-phase development, encompassing over 400 acres and 5 million square feet of industrial space.
- **Project Cost:** \$3,047,000
- **TED Fund Request:** \$2,325,000

Reimbursement	Year 1	Year 2	Year 3	Year 4	Year 5
75% over 5 years	\$465,000	\$465,000	\$465,000	\$465,000	\$465,000

Project Overview

Rancho Del Rey

- \$775M investment across six phases
- 16 buildings totaling 5M+ square feet of industrial space
- 2,000 FTEs plus 8,300 temporary construction jobs
- Current home of Bosch
 - automotive electronics manufacturing and assembly operations



Project Overview

Rancho Del Rey

Projected Impact:

- Allow Rancho del Rey to proceed to next phase of development
 - Increase competitiveness of City by adding new industrial and warehouse space near the Ysleta Port of Entry
- Improve long-term regional storm water management and resiliency
 - Prevent flooding impacts on surrounding properties and infrastructure as area transitions from agricultural to industrial uses
 - Additional access to Americas 10 Dam for de-silting efforts
- Over \$100M in regional tax benefit

Project Overview

Rancho Del Rey

Grant disbursement is tied to successful delivery of performance metrics:

- Meet development milestones – “time is of the essence”
- 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

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
- \$775 million investment and 2,000 net-new 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