

HUSCH BLACKWELL

Worldwide LLC Data Center Economic Development Review

City of El Paso, June 9, 2026
Open Session
Sandy Hellums-Gomez

Current Contracts

- Purchase and Sale Agreement of 1000 Acres
- Chap. 312 Agreement 10 yr/80% Abatement
- Chap. 380 Agreement 15 yr/80% Property Tax Reimbursement
- Completion Deadline 7 years from Commencement

Current Status

- Property Sold 4/18/24
- Construction Commencement 4/9/2025
- City approvals obtained 5/2/2025
- Vertical Construction Expected April 2026
- Vertical Construction begins 7-year completion timing
- City staff closely monitoring all requirements

The Purchase and Sale Agreement is Enforceable

- Company purchased land and must develop within five years
- Breach for failure to develop
- If Company breaches, City may elect to:
 - repurchase property; or
 - recover liquidated damages of \$5m
- Required Termination for Cause

The Chapter 312 Tax Abatement Agreement is Enforceable

- Company agrees to expend \$800m in construction/equipment costs, plus minimum 50 full-time jobs
- City abates 80% of taxes on real & personal property
- City may terminate, after notice and opportunity to cure, if:
 - Company does not meet investment/employment/construction benchmarks
 - Company tax defaults
 - Company utilizes undocumented workers
- Required Termination for Cause

The Chapter 380 Economic Development Agreement is Enforceable

- Company agrees to construction benchmarks and development goals, plus minimum 50 full-time jobs and construct certain improvements
- City agrees to provide reimbursement equal to 80% of property tax revenue
- City may terminate, after notice and opportunity to cure, if:
 - Company does not meet investment/employment/construction benchmarks
 - Company tax defaults
 - Company utilizes undocumented workers
- Required Termination for Cause

Potential Claims and Risks

- Litigation and Possible Damages
 - Cost to Repurchase \$8.5m
 - Actual Damages \$370-760m
 - Consequential Damages \$Market Value
 - Tort Damages \$Undetermined
 - Attorneys' Fees \$Undetermined
- Lost Tax Revenue
- Third Party Complaints