

**HUSCH BLACKWELL**

# Worldwide LLC Data Center Economic Development Review

City of El Paso, April 13, 2026  
Open Session  
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Ben Stephens

## Today's Questions:

- Are the City's agreements with Wurldwide enforceable?
- Can the City terminate those agreements for cause?
- What happens if the City terminates anyway?

# 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
- Remedies available only after an event of default, notice, and opportunity to cure

# 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
- No termination for convenience clause or global non-appropriation clause

# 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
- No termination for convenience clause or global non-appropriation clause

# Potential Issues

- Litigation and Possible
- Lost Tax Revenue
- Third Party Complaints