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

AGENDA DATE: November 7, 2023 **PUBLIC HEARING:** November 21, 2023

CONTACT PERSON(S) NAME AND PHONE NUMBER: Karina Brasgalla, (915) 212 - 1570

Elizabeth Triggs, (915) 212- 0094

DISTRICT(S) AFFECTED: District 4

STRATEGIC GOAL: Goal 1 - Create an Environment Conducive to Strong, Sustainable Economic

Development.

SUBJECT:

An ordinance designating a certain area as a reinvestment zone for commercial/industrial tax abatement in the City of El Paso, Texas, to be known as City of El Paso Reinvestment Zone No. 1; establishing the boundaries thereof; and providing for an effective date.

BACKGROUND / DISCUSSION:

The proposed ordinance would create a municipal reinvestment zone under Chapter 312 (Tax Abatement Act). The zone would comprise approximately 1,000 acres of City-owned property in the Northeast adjacent to Stan Roberts.

While similarly named, this is different than a Tax Increment Reinvestment Zone, or TIRZ, created under Chapter 311. Tax Abatement Zones designate an area that is eligible for Tax Abatement Agreements. An Abatement Zone can be placed on an area that:

- a) contributes to the retention or expansion of primary employment; or
- b) attracts major investment in the zone that would benefit the property included in the zone and would contribute to the economic development of the city.

The Zone expires after five years and may be renewed for another five years each time it expires. Biennial reports are due to the State Comptroller and are available to the public.

Any Abatement Agreements would need to comply with the adopted Guidelines and Criteria along with applicable City policies. Agreements would require separate approval by City Council subject to specific notice and hearing requirements.

PRIOR COUNCIL ACTION:

On October 24, 2023, the City Council adopted the Guidelines and Criteria governing Tax Abatement Agreements.

AMOUNT AND SOURCE OF FUNDING:

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DEPARTMENT HEAD:

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

Revised 04/09/2021

AN ORDINANCE DESIGNATING A CERTAIN AREA AS A REINVESTMENT ZONE FOR COMMERCIAL/INDUSTRIAL TAX ABATEMENT IN THE CITY OF EL PASO, TEXAS, TO BE KNOWN AS CITY OF EL PASO REINVESTMENT ZONE NO. 1; ESTABLISHING THE BOUNDARIES THEREOF; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone for commercial tax abatement, as authorized by the Chapter 312 of the Texas Tax Code, as amended ("the Act"); and

WHEREAS, on October 24, 2023, the City Council authorized the continuation of its participation in tax abatement and established the Guidelines and Criteria governing tax abatement agreements to be entered into by the City; and

WHEREAS, on November 21, 2023, the City Council held a public hearing, such date being at least seven (7) days after the date of publication of the notice of such public hearing and the delivery of written notice to the respective presiding officers of each taxing entity which includes within its boundaries real property that is to be included in the proposed reinvestment zone; and

WHEREAS, the City, at such public hearing, invited any interested person to appear and speak for or against the creation of the reinvestment zone and whether all or part of the territory described should be included in the proposed reinvestment zone, and to raise any concerns regarding the offering of tax abatement incentives; and

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

SECTION 1. That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2. That the City, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

- a) That the public hearing for adoption of City of El Paso Reinvestment Zone No. 1 has been properly called, held and conducted and that notice of such hearing has been published as required by law and mailed to the respective presiding officers of the governing bodies of all taxing units overlapping the territory inside the proposed reinvestment zone.
- b) That the boundaries of City of El Paso Reinvestment Zone No. 1 shall be the area as described in the metes and bounds attached hereto as Exhibit A.

- c) That creation of the proposed City of El Paso Reinvestment Zone No. 1 will result in benefits to the City and to the land included in the zone and that the improvements sought are feasible and practical.
- d) That City of El Paso Reinvestment Zone No. 1 meets the criteria for the creation of a reinvestment zone as set forth in the Act, as amended, in that it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract investment in the zone that would be a benefit to the property and that would contribute to the economic development of the City.

SECTION 3. That pursuant to the Act, as amended, the City hereby creates a reinvestment zone for commercial tax abatement encompassing only the property area described in Exhibit A (Metes and Bounds) and such reinvestment zone is hereby designated and shall hereafter be referred to as the "City of El Paso Reinvestment Zone No. 1."

SECTION 4. That City of El Paso Reinvestment Zone No. 1 shall take effect on November 21, 2023, and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of designation.

SECTION 5. That if any section, paragraph, clause or provision of this ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 6. That it is hereby found, determined and declared that a sufficient notice of the date, hour, place and subject of the meeting of the City Council at which this ordinance was adopted was posted at a place convenient and readily accessible at all times as required by the Texas Open Meetings Act, as amended, and that a public hearing was held prior to the designation of such reinvestment zone and that proper notice of the hearing was published in the official newspaper of the City seven days prior to the hearing, and furthermore, such notice was in fact delivered to the presiding officer of each affected taxing entity as prescribed by the Act.

SECTION 7. That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of El Paso, and it is accordingly so ordained.

[SIGNATURES BEGIN ON THE FOLLOWING PAGE]

ADOPTED this day of	, 2023.
	CITY OF EL PASO:
ATTEST:	Oscar Leeser, Mayor
Laura D. Prine, City Clerk	
APPROVED AS FOR FORM:	APPROVED AS TO CONTENT:
Juan S. Gonzalez Senior Assistant City Attorney	Elizabeth K. Triggs, Director Economic & International Development

Exhibit "A" Metes and Bounds

Being a tract of land situated in Section 3, Block 80, Township 1, Texas and Pacific Railroad Survey, Abstract No. 2381 and Section 4, Block 80, Township 1, Texas and Pacific Railroad Survey, Abstract No. 9862, City of El Paso, El Paso County, Texas further being portions of tracts of land described in deeds to City of El Paso recorded in Volume 1176, Page 504, and Volume 1186, Page 178, Deed Records, El Paso County, Texas and being more particularly described by metes and bounds as follows:

COMMENCING at a 2 inch pipe found in concrete marking the common corner of Section 3, 4, 9, and 10, Block 80, Township 1, Thence, North 02 degrees 06 minutes 58 seconds East, along the common line of said Sections 3 and 4, a distance of 220.30 feet to a 1/2 inch capped iron rod found (unreadable) for corner on the North right-of-way line of Stan Roberts Sr. Avenue (Farm to Market Road 2529) (variable width right-of-way), said corner being THE POINT OF BEGINNING;

Thence North 86 degrees 45 minutes 26 seconds West, along the South line of the herein described tract and said North right-of-way line of Stan Roberts Sr. Avenue (Farm to Market Road 2529), a distance of 5,279.75 feet to a 1/2 inch iron rod found for the Southwest corner of the herein described tract, called to be on the West line of said Section 4 and the East line of Section 5, Block 80, Township 1;

Thence North 02 degrees 06 minutes 25 seconds East, along the West line of the herein described tract and the common line of said Section 4 and Section 5, a distance of 4,894.97 feet to a 5/8 inch iron rod found for the Northwest corner of the herein described tract and the Southwest corner of a called 36.3628 acre tract within said Section 4 described in a deed to El Paso Electric Co., recorded in Volume 1226, Page 0532, Deed Records, El Paso, Texas;

Thence South 87 degrees 08 minutes 05 seconds East, along the North line of the herein described tract and the South line of said 36.3628 acre tract a distance of 5,279.39 feet to a 5/8 inch iron rod found on the called common line of said Sections 3 and 4 and being the Southeast corner of said 36.3628 acre tract in said Section 4 and the Southwest corner of a 36.4457 acre tract within said Section 3 to said El Paso Electric Co. recorded in said Volume 1226, Page 0532;

Thence along the North line of the herein described tract and a South line of said 36.4457 acre tract the following (3) three courses and distances;

South 87 degrees 07 minutes 56 seconds East, a distance of 5,179.86 feet to a El Paso Electric marker in concrete found for corner;

South 51 degrees 37 minutes 43 seconds East, a distance of 124.06 feet to a 5/8 inch iron rod found for an ell corner of the herein described tract and Southeast corner of said El Paso Electric Co. tract;

North 02 degrees 08 minutes 29 seconds East, passing through at a distance of 72.13 feet a 3/4 inch iron pipe found for reference, passing through a 2 inch iron pipe found at a distance of 372.37 feet, a total distance of 373.43 feet to a point for corner on the called Texas and New Mexico State Line and the South right-of-way line of State Line Drive for the most Northerly Northwest corner of the herein described tract, and the Northeast corner of said 36.4457 acre tract;

Thence South 87 degrees 10 minutes 50 seconds East, along a North line of the herein described tract and in the called Texas and New Mexico State Line, along the South right-of-way line of said State Line Drive, a distance of 18.23 feet to a 1/2 inch iron rod found for the Northeast corner of the herein described tract and being the Northwest corner of a tract of land described in a deed to El Paso Electric Company, recorded in Volume 1314, Page 1466, said Deed Records;

Thence South 02 degrees 19 minutes 11 seconds West, along the common line of called Section 2 and said Section 3, a distance of 2,736.66 feet to a 1/2 inch iron rod found for the most Easterly Southeast corner of the herein described tract and the Northeast corner of a tract of land described in a deed to Samuel A. Mendoza, recorded in Document Number 20180001261, Official Public Records, El Paso County Texas from which a 5/8 inch iron rod found bears South 03 degrees 34 minutes 10 seconds East, a distance of 5.70 feet;

Thence North 87 degrees 05 minutes 39 seconds West, along a South line of the herein described tract and the North line of said Mendoza Tract, a tract of land to the Mullen Family Limited Partnership, recorded in Document Number 20160048262, said Official Public Records, and Bernard A. Goldberg and E. Molly Goldberg Trustees, recorded in 20050055318, said Official Public Records, a distance of 2,644.56 feet to a 1/2 inch iron rod found for an ell corner of the herein described tract and the Northwest corner of said Goldberg Tract, from which a 1/2 inch iron rod found for reference bears North 22 degrees 48 minutes 51 seconds East, a distance of 10.30 feet;

Thence South 02 degrees 13 minutes 07 seconds West, along an East line of the herein described tract and the West line of the said Goldberg Tract and said Mullen Tract, a distance of 2,095.99 feet to a 1/2 inch iron rod found for the North most Southeast corner of the herein described tract and the Northeast corner of a called 1.054 acre tract described in a deed to El Paso Electric Co., recorded in Volume 1043, Page 100 of said Deed Records;

Thence North 86 degrees 43 minutes 50 seconds West, along a South line of the herein described tract, and the North Line of said El Paso Electric Co. tract, a distance of 417.18 feet to an iron rod with cap (unreadable) found for an ell corner of the herein described tract and the Northwest corner of said El Paso Electric Tract;

Thence South 02 degrees 09 minutes 10 seconds West, along an East line of the herein described tract, passing at a distance of 110.57 feet to a 2 inch Epeco Aluminum cap found for the Northwest corner of a tract of land described in a deed to the El Paso Electric Co., recorded in Volume 1338, Page 506, said Deed Records, continuing along said course for a total distance of 417.68 feet to a 5/8 inch iron rod with cap stamped "Olsson" set in the North right-of-way line of said Stan Roberts Sr. Avenue for a South most Southeast corner of the herein described tract;

Thence North 86 degrees 45 minutes 16 seconds West, along the South line of the herein described tract and the North Right-of-way Line of said Stan Roberts Sr. Avenue, passing through at a distance of 675.59 feet, a 1/2 inch iron rod found, continuing along said course for a total distance of 2,222.58 feet to the POINT OF BEGINNING, containing 45,256,585 Square Feet or 1,038.948 Acres of Land.