

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

**AGENDA DATE:** November 22, 2022

**PUBLIC HEARING DATE:** N/A

**CONTACT PERSON(S) NAME AND PHONE NUMBER:** Bill Allen,915-212-1619  
Elizabeth Triggs, 915-212 - 0094

**DISTRICT(S) AFFECTED:** 8

**STRATEGIC GOAL:** Goal 1: Create an Environment Conducive to Strong, Sustainable Economic Development.

**SUBGOAL:** 1.1 Stabilize and expand El Paso's tax base

**SUBJECT:**

Discussion and action on a resolution of the City Council of the City of El Paso nominating El Paso Healthcare System, Ltd.(Las Palmas Medical Center) as a Texas State Enterprise Zone Project. If designated, El Paso Healthcare System, Ltd will invest over \$6 million to update the primary surgery unit, cardiology department, and nursing department at its Las Palmas Medical Center facility located at 1801 North Oregon St., El Paso, Texas 79902; and retain 503 full-time positions and create an additional 10 full-time positions at that location over the term of the project's designation.

**BACKGROUND / DISCUSSION:**

The Texas Enterprise Zone Program is a State funded economic development tool that allows the City of El Paso to collaborate with the State of Texas to encourage job creation and retention and capital investment in economically distressed areas of the state. Through the program, Texas communities may nominate companies in their jurisdiction to receive Enterprise Zone designation, a designation that allows qualifying projects to collect state sales and use tax refunds or rebates on qualified expenditures made by the company. The City of El Paso is nominating El Paso Healthcare System, Ltd. for its expansion of the Las Palmas Medical Center facility located at 1801 N. Oregon St., El Paso, Texas, 79902 as an Enterprise Zone Project to the Office of the Governor Economic Development and Tourism. Once nominated by the City of El Paso and designated by the State, the business is eligible to apply for state sales and use tax refunds on qualified expenditures provided that they satisfy capital investment and job creation and retention metrics. Las Palmas Medical Center currently employs 501 full-time positions as defined by the Texas Enterprise Zone Act and commits to retaining those positions during the term of its designation, and will additionally add 10 full time positions and invest more than \$6 million to update its existing facility.

**PRIOR COUNCIL ACTION:**

August 30, 2022 – Phelps Dodge Refining Corp., TEZ Designation  
May 24, 2022 – El Paso Healthcare Systems, LTD – Del Sol Medical Center, TEZ Designation  
August 30, 2021 – Charter Communications, Inc. TEZ Designation  
August 20, 2019 – Western Refining Company, L.P. TEZ Designation

**AMOUNT AND SOURCE OF FUNDING:**

Texas Enterprise Zone designation enables business to receive only state sales and use tax refunds – there is no impact to local tax revenue.

**HAVE ALL AFFECTED DEPARTMENTS BEEN NOTIFIED?   X   YES    NO**

**PRIMARY DEPARTMENT:** Economic and International Development

Revised 04/09/2021

SECONDARY DEPARTMENT: N/A

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\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

DEPARTMENT HEAD:



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

**A RESOLUTION NOMINATING EL PASO HEALTHCARE SYSTEM, LTD.  
AS A TEXAS STATE ENTERPRISE ZONE PROJECT**

**WHEREAS**, the City Council of the City of El Paso (“City”) has previously passed Ordinance No. 017116 on May 26, 2009, electing to participate in the Texas Enterprise Zone Program; and

**WHEREAS**, the local incentives offered under this Resolution are the same on this date as were outlined in Ordinance No. 017116; and

**WHEREAS**, pursuant to Chapter 2303, Subchapter F of the Texas Enterprise Zone Act, Texas Government Code (“Act”), El Paso Healthcare System, Ltd. (Las Palmas Medical Center) has applied to the City for designation as an enterprise zone project; and

**WHEREAS**, the Office of the Governor Economic Development and Tourism (“EDC”) through the Economic Development Bank (“Bank”) will consider El Paso Healthcare System, Ltd. (Las Palmas Medical Center) as an enterprise project pursuant to a nomination and an application made by the City; and

**WHEREAS**, the City desires to pursue the creation of the proper economic and social environment in order to induce the investment of private resources in productive business enterprises located in the city and to provide employment to residents of enterprise zones and to other economically disadvantaged individuals; and

**WHEREAS**, the City finds that El Paso Healthcare System, Ltd., (Las Palmas Medical Center) meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:

1. El Paso Healthcare System, Ltd., (Las Palmas Medical Center) is a "qualified business" under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site located inside an enterprise zone and at least twenty-five percent (25%) of the business' new employees will be residents of an enterprise zone, economically disadvantaged individuals, or veterans; and
2. There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities within the area; and
3. The designation of El Paso Healthcare System, Ltd., (Las Palmas Medical Center) as an enterprise project will contribute significantly to the achievement of the plans of the City for development and revitalization of the area.

**WHEREAS**, the City finds that El Paso Healthcare System, Ltd., (Las Palmas Medical Center) meets the criteria for tax relief and other incentives adopted by the City and nominates El Paso Healthcare System, Ltd. (Las Palmas Medical Center) for enterprise project status on the

grounds that it will be located at the qualified business site, will create a higher level of employment, economic activity and stability; and

**WHEREAS**, the City finds that it is in the best interest of the City to nominate El Paso Healthcare System, Ltd., (Las Palmas Medical Center) as an enterprise project pursuant to the Act.

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

1. That El Paso Healthcare System, Ltd., (Las Palmas Medical Center) is a "qualified business" as defined in Section 2303.402 of the Act, and El Paso Healthcare System, Ltd. (Las Palmas Medical Center) meets the criteria for designation as an enterprise project, as set forth in Section 2303, Subchapter F of the Act;
2. That the enterprise zone project shall take effect on the date of designation of the enterprise project by the agency and terminate five years after date of designation; and
3. That the City Manager or his designee be authorized to sign any and all documents required by EDC to complete the nomination process.

**PASSED** and **APPROVED** this \_\_\_\_ day of \_\_\_\_\_, 2022.

**ATTEST:**

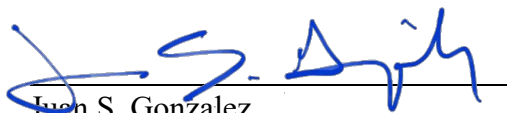
**THE CITY OF EL PASO:**

\_\_\_\_\_  
Laura Prine  
City Clerk

\_\_\_\_\_  
Oscar Leeser  
Mayor

**APPROVED AS TO FORM:**

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
Juan S. Gonzalez  
Senior Assistant City Attorney

  
\_\_\_\_\_  
Elizabeth Triggs, Director  
Economic & International Development