



CITY OF EL PASO

# Schneider Electric USA, Inc.

Chapter 380 Strategic Program Agreement for  
Expansion of Existing Operation in Northwest El Paso

# Background:

## Policy Alignment

- Project aligns with the City's 380 Incentive Policy, including capital investment, quality job creation/retention, **target industry** (advanced manufacturing + energy and sustainability), **supply chain** (eMobility, Aerospace, Information & Technology Services).
- After incentive value and the cost of government services, the project's expansion provides a **net benefit to the City**.
- **Recommendation:** Move forward with the Chapter 380 Agreement

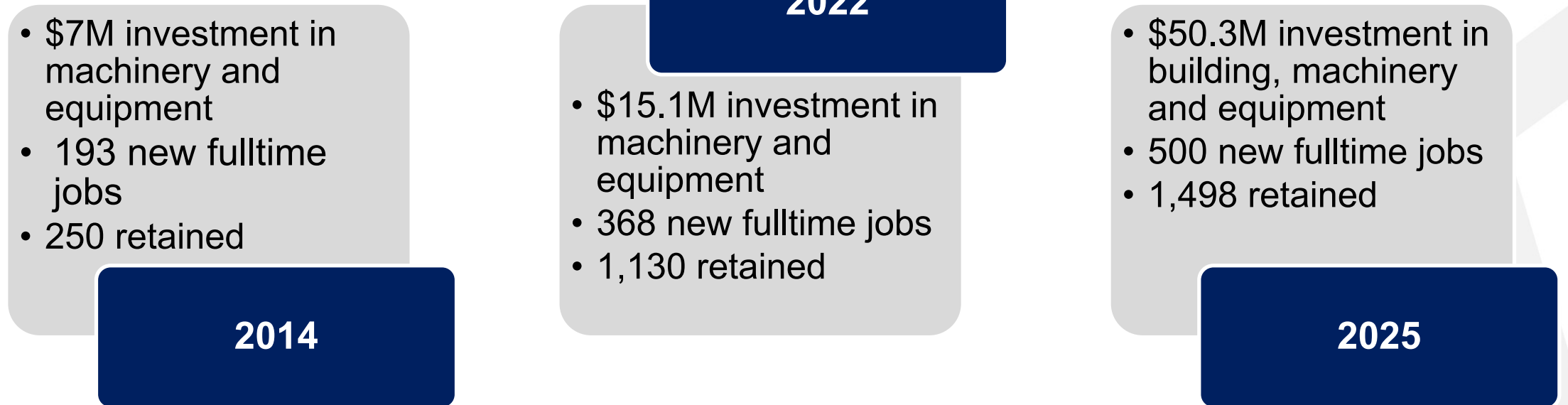
# Background:

## Company Overview

- Manufacturer of electronic switch gear to support electrical infrastructure to support demand for data center solutions
- \$47B in global revenue in FY2023
- \$140M to be invested in the US in 2024, announced \$85M in Tennessee
- Company currently has multiple locations in El Paso, and is looking to expand again

# Background: Previous Action

Over the past 10 years, company will have invested **\$77.6M+** and directly created **1,998 jobs**



# Proposed Expansion: Project Location



Proposed  
Expansion Location  
Corner of Resler &  
Northern Pass

# Proposed Expansion: Project Description

## **\$50,333,000 Minimum Capital Investment:**

- New Building Construction: \$25,733,000
- Personal Property: \$24,600,000

## **Full-time Jobs Retained & Created:**

- Retain 1,498 full-time jobs
- Create 500 full-time positions over 3 years (\$20 million annual payroll)
- \$39,000 average salary vs. \$36,005 for the El Paso County annual median wage rate (bls.gov)

# Proposed Expansion: Local Incentive

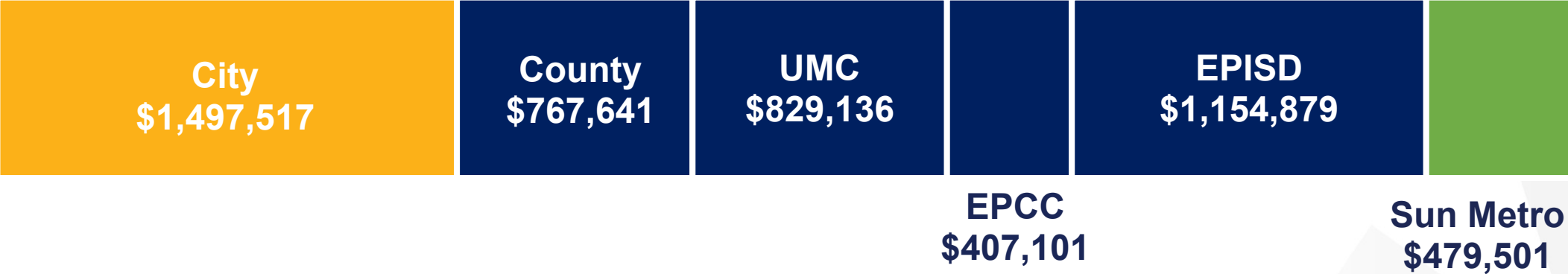
Proposed City Incentive - \$2,010,775



**Total Proposed Local Incentive - \$3,008,608 (5.9% of Investment)**

# Proposed Expansion: Community Tax Benefit

\*Over 10-year Incentive Period



**Total Net Tax Benefit = \$5,577,231**



# Recommendation and Action

- **APPROVAL** of Chapter 380 Economic Development Program Agreement by and between the City of El Paso and Schneider Electric USA, Inc. in support of the expansion of its El Paso operations.



## 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,  
**A**ccountability, **P**eople