

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

AGENDA DATE: May 24, 2022

PUBLIC HEARING DATE: N/A

CONTACT PERSON(S) NAME AND PHONE NUMBER: Kelly Kotlik, 915-212-1616
Elizabeth Triggs, 915-212-1619

DISTRICT(S) AFFECTED: 7

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 El Paso nominating El Paso Healthcare System, LTD as a Texas State Enterprise Zone Project.

BACKGROUND / DISCUSSION:

The Texas Enterprise Zone Program is an economic development tool that allows the City of El Paso to collaborate with the State of Texas to encourage job creation and capital investment in economically distressed areas. Texas communities must nominate companies in their jurisdiction to receive Enterprise Zone designation and thus be eligible to receive state sales and use tax refunds on qualified expenditures. The City of El Paso is nominating El Paso Health Care System, LTD. ("Las Palmas Del Sol Healthcare) located at 10301 Gateway Boulevard West as an Enterprise Project to the Office of the Governor Economic Development and Tourism. Once nominated by the City of El Paso, 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 metrics.

PRIOR COUNCIL ACTION:

August 30, 2021 – Charter Communications, Inc. TEZ Designation.
August 20, 2019 – Western Refining Company, L.P. TEZ Designation

AMOUNT AND SOURCE OF FUNDING:

N/A. Texas Enterprise Zone designation enables business to receive only state sales and use tax refunds.


HAVE ALL AFFECTED DEPARTMENTS BEEN NOTIFIED? X YES NO

PRIMARY DEPARTMENT: Economic and International Development

SECONDARY DEPARTMENT: N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:



(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., a Texas Domestic Limited Partnership, 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. 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. 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. 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. 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. meets the criteria for tax relief and other incentives adopted by the City and nominates El Paso Healthcare System, Ltd. 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. 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. is a "qualified business" as defined in Section 2303.402 of the Act, and El Paso Healthcare System, Ltd. 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.

APPROVED this ____ day of _____, 2022.

ATTEST:

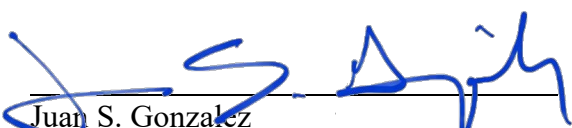
THE CITY OF EL PASO:

Laura Prine
City Clerk

Oscar Leaser
Mayor

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:



Juan S. Gonzalez
Senior Assistant City Attorney



Elizabeth Triggs, Director
Economic & International Development

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