

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

AGENDA DATE: June 7, 2022

PUBLIC HEARING DATE: N/A

CONTACT PERSON(S) NAME AND PHONE NUMBER: Mirella Craigo, 915-212-1617,
Elizabeth Triggs 915-212-1619

DISTRICT(S) AFFECTED: 7

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

SUBGOAL: Goal 1.1 Stabilize and Expand El Paso's Tax Base

SUBJECT:

A resolution authorizing the City Manager to sign a Chapter 380 Economic Development Program Agreement ("Agreement") by and between the City of El Paso ("City") and Champlain Cable Texas Corporation, a Wyoming Corporation; Champlain Cable Texas Lease Corporation, a Wyoming Corporation; and Champlain Cable Corporation, a Delaware Corporation; (jointly as "Applicant") in support of a plant expansion project located at 9600 Plaza Circle, El Paso, Texas. Over the term of the Agreement, the City shall provide economic incentives not to exceed \$285,279.00. The Agreement requires the Applicant to make a minimum investment of \$5,686,000.

BACKGROUND / DISCUSSION:

Founded in 1955, Champlain Cable designs and manufactures premium-quality wire and cable products with a special focus on developing solutions for use in extreme environmental conditions. Headquartered in Vermont, their research and development team has been leading the industry with cutting-edge technology supplying the automotive, commercial vehicle, military, data transmission and industrial markets. They established a manufacturing arm in El Paso in 2007 to optimize their supply chain with their Mexican clientele. Since then they have continued to grow and invest in El Paso. Champlain is now planning to create 29 new full-time positions in addition to maintaining at least 70 existing full-time positions. They will also invest a minimum of \$5,686,000 in machinery, computers and leasehold improvements. They are a key supplier to the advanced manufacturing industry.

Upon satisfying all contract metrics, they will be eligible to receive economic incentives not to exceed \$285,279.00 in the form of a Property Tax Rebate; a Development Fee Rebate; and a Construction Materials Sales Tax Rebate.

PRIOR COUNCIL ACTION:

10/6/2014- Chapter 380 Agreement was approved between the City of El Paso and Champlain Cable Corporation

2/14/2012- Chapter 380 Agreement was approved between the City of El Paso and Champlain Cable Corporation

3/20/2007- Chapter 380 Agreement was approved between the City of El Paso and Champlain Cable Corporation

AMOUNT AND SOURCE OF FUNDING:


480 – 2323 – 48040 – 522360 (Property Tax/Development Fees Rebates)

480 – 2323 – 48040 – 522370 (Sales Tax Rebates)

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)

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager be authorized to sign a Chapter 380 Economic Development Program Agreement ("Agreement") by and between **CITY OF EL PASO** ("City") and **CHAMPLAIN CABLE TEXAS CORPORATION**, a Wyoming Corporation; **CHAMPLAIN CABLE TEXAS LEASE CORPORATION**, a Wyoming Corporation; and **CHAMPLAIN CABLE CORPORATION**, a Delaware Corporation; (jointly as "Applicant") in support of a plant expansion project located at 9600 Pan American Boulevard, El Paso, Texas, 79927. The project includes the expansion of existing manufacturing operations. The Agreement requires the Applicant to make a minimum investment of \$5,686,000. Over the term of the Agreement, the City shall provide economic incentives not to exceed \$285,279.00 in the form of a Property Tax Rebate; a Development Fee Rebate; and a Construction Materials Sales Tax Rebate.

APPROVED this _____ day of _____, 20_____.

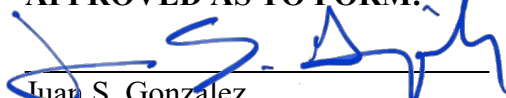
CITY OF EL PASO:

Oscar Leaser
Mayor

ATTEST:


Laura D. Prine City Clerk

APPROVED AS TO FORM:



Juan S. Gonzalez
Assistant City Attorney

APPROVED AS TO CONTENT:



Elizabeth K. Triggs, Director
Economic & Int'l Development

STATE OF TEXAS)
)
COUNTY OF EL PASO)

**CHAPTER 380 ECONOMIC DEVELOPMENT
PROGRAM AGREEMENT**

This Chapter 380 Economic Development Program Agreement (“Agreement”) is made and entered into by and between the City of El Paso, Texas, a Texas home rule municipal corporation, (the “City”) and **CHAMPLAIN CABLE TEXAS CORPORATION, a Wyoming Corporation (“CCTC”); CHAMPLAIN CABLE TEXAS LEASE CORPORATION, a Wyoming Corporation (“CCTLC”); CHAMPLAIN CABLE CORPORATION, a Delaware Corporation (“CCC”);** and jointly as (“Applicant” or “Champlain”), for the purposes and considerations stated below:

WHEREAS, the City has the authority under Chapter 380 of the Texas Local Government Code (“Chapter 380”) to make loans or grants of public funds for the purpose of promoting local economic development and stimulating business and commercial activity within the City; and

WHEREAS, the City desires to provide incentives to the Applicant, pursuant to Chapter 380, for the expansion of a development located at 9600 Pan American Boulevard and 9560 Plaza Circle, El Paso, Texas, El Paso County and the Applicant wishes to receive the incentives in exchange for compliance with the obligations set forth herein; and

WHEREAS, the City and Applicant desire that development and expansion occur in the City of El Paso; and

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. DEFINITIONS.

The following words shall have the following meanings when used in this Agreement.

- A. **“Affiliate”** means with respect to any specified person or entity, any other person or entity that, directly or indirectly, controls, is under common control with, or is controlled by such specified person or entity. For purposes of this definition, the term “control” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of management, policies or activities of a person or entity, through ownership of voting securities or through partnership interest.
- B. **“Agreement”** means this Chapter 380 Economic Development Program Agreement, together with all exhibits and schedules attached and incorporated herein by reference.

- C. **“Applicant”** means Champlain Cable Texas Corporation and Champlain Cable Texas Lease Corporation; both Wyoming Corporations; and Champlain Cable Corporation, a Delaware Corporation.
- D. **“Base Year Value”** means valuation of the real and personal property by the El Paso Central Appraisal District on the rolls as of January 1st of the year of the Effective Date of this Agreement. The Base Year Value shall not be interpreted to be equivalent or determinative for appraisal purposes or used in any way to determine market value. For the purposes of this Agreement, the Base Year Value is **\$5,886,000**.
- E. **“Construction Materials Sales Tax Rebate”** means a one-time 100% rebate of the City’s 1% Sales and Use Tax from receipts for materials and labor of taxable items used in the construction of the Development. The Construction Materials Sales Rebate shall not exceed **\$3,750**.
- F. **“Development”** means the expansion as more fully described on **Exhibit A**, which is attached hereto and incorporated herein for all purposes.
- G. **“Development Fee Rebate”** means a one-time 100% rebate of certain development fees based on the fee schedule attached as Exhibit A to Ordinance 018581. The Development Fee Rebate shall not exceed **\$21,000** and will be rebated upon the Applicant’s provision of the Grant Submittal Package demonstrating that the total construction cost for the Development is greater than the Base Year Value.
- H. **“Effective Date”** means the date the El Paso City Council approves the Agreement.
- I. **“Full-Time Employment”** mean a job in El Paso, Texas that:
- a) Is created and/or retained by the Applicant, where the employee is on active status and on the payroll of the Applicant on the last day of the reporting year;
 - b) Maintains employment where an employee must work no less than 35 hours a week, calculated as Total Hours worked/Number of weeks worked = 35 or more hours worked per week; and
 - c) Has full company benefits, including company paid health insurance (Employee must not be required to pay more than fifty percent (50%) of the premium) with such jobs being located at the Development, within the City of El Paso, Texas. These requirements are more completely described in Exhibit D, which is attached hereto and incorporated herein for all purposes.
- J. **“Full-Time Employment Retention”** means the Applicant shall retain its existing workforce at its facilities at 9600 Pan American Boulevard and 9560 Plaza Circle, El Paso, Texas, which the parties agree currently represents the equivalent of a minimum **70** Full-Time Employment positions.
- K. **“Full-Time Employment Expansion”** The Applicant agrees that, in addition to maintaining at least 70 existing, Full-Time Employment positions, it shall create **29** new Full-Time positions according to the applicable Plan described in Exhibit B, and shall maintain the Full-

Time Employment positions for the Project through the entire Grant Period of the Economic Development Agreement.

- L. **“Grant”** means each rebate payment made by the City to the Applicant pursuant to the terms of this Agreement. The aggregate amount that the City will provide in Grants shall not exceed **\$285,279.00**. This aggregate amount reflects the sum total of all applicable rebates.
- M. **“Grant Submittal Package”** means the documentation required to be supplied to City as a condition of receipt of any Grant, with such documentation more fully described in the Grant Submittal Package, which is attached as **Exhibit C** to this Agreement.
- N. **“Median County Wage”** means the median hourly wage established for the El Paso, Texas Metropolitan Area by the U.S. Bureau of Labor Statistics, as adjusted on January 1 of each year. The Grant Payment eligibility is based on the Median Area Wage that is the greater of: 1) the Median Area Wage established for 2022 which is \$14.71 or 2) the Median Area Wage established as of January 1 of the applicable grant year.
- O. **“Minimum Appraisal Value”** means the valuation of the Real Property appraised by El Paso Central Appraisal District during and after the construction or renovation of the Development. For the purposes of this Agreement, the Minimum Appraisal Value is **\$4,392,275**. Under no circumstances shall the Minimum Appraisal Value be interpreted to be equivalent of or determinative for appraisal purposes or to be used in any way to determine market value
- P. **“Minimum Investment”** means those costs incurred, self-performed or contracted to third parties by the Applicant over the course of the renovation or construction project or furnishing of the improvements for the Development. For purposes of this Agreement, the Minimum Investment is **\$5,686,000.00**.
- Q. **“Property Tax Rebate”** means a rebate, according to the Incremental Property Tax Rebate Table found in Exhibit D of this Agreement, of the City’s portion of the incremental ad valorem property tax revenue generated by the subject property above the Base Year Value for the Grant Period (as defined herein). For the purposes of this Agreement, the total Property Tax Rebate amount shall not exceed **\$260,529.00**.
- R. **“Qualified Expenditures”** means the monetary expenditures paid or caused to be paid by Applicant after the Effective Date for material used in constructing or renovating the Development; and labor required for the construction or renovation of the Development.
- S. **“Real Property”** means the real property leased by Applicant located at 9600 Pan American Boulevard, El Paso, Texas, El Paso County and described on Exhibit A, which is attached and incorporated by reference. The Real Property is the location for Applicant’s proposed Development.

SECTION 2. TERM AND GRANT PERIOD.

- A. This Agreement shall commence on the Effective Date and shall terminate on the first to occur of: (i) the date when the aggregate amount of Grants is paid; (ii) ten years from the Effective Date; (iii) the proper termination of this Agreement in accordance with the applicable provisions contained herein; or (iv) termination by mutual consent of the parties in writing (“Term”).
- B. Applicant’s eligibility for Grant payments shall be limited to ten consecutive years within the Term of this Agreement (the “Grant Period”). The first year of the Grant Period shall be the first tax year after the issuance of the certificate of occupancy for the Development. A temporary certificate of occupancy does not qualify as a certificate of occupancy.

SECTION 3. OBLIGATIONS OF APPLICANT.

A. DEVELOPMENT.

- (1) Applicant shall renovate or construct, at its sole cost and expense, the Development and shall expend a minimum of **\$5,686,000.00** in Qualified Expenditures to construct the Development.
- (2) Applicant shall obtain all building permits for the Development within six months after the Effective Date.
- (3) Within twelve months after the Effective Date, Applicant shall submit documentation to the City to verify the following:
 - (a) The expenditure of a minimum of **\$5,686,000.00** in Qualified Expenditures; and
 - (b) That Applicant has received a Certificate of Occupancy for the Development.
- (4) Applicant agrees that the Development shall not include the demolition of properties with a historic overlay that are deemed historic or contributing unless specifically approved by El Paso City Council.
- (5) Applicant agrees that Development shall be in accordance with the requirements and review provisions of Chapter 20.20 (Historic Landmark Preservation) of the City municipal code, where applicable.
- (6) Applicant shall diligently and faithfully in a good and workmanlike manner pursue the completion of the Development and that the construction of same will be in accordance with all applicable federal, state and local laws and regulations.

(7) Applicant agrees that during the Term of this Agreement, the Real Property shall be limited to those uses consistent with the Development.

(8) Applicant shall demonstrate, before the receipts of any Grant payments, that Applicant has incurred no delinquency taxes by providing certified city tax certificates for any parcel of property owned in the City of El Paso.

(9) Applicant agrees that during the Term of this Agreement it shall not challenge or permit anyone else to take actions on its behalf to challenge any assessments by the El Paso Central Appraisal District of \$7,059,390.00 or less. It is the intent of the parties that the assessed value of the Property on the tax rolls have a base value of \$4,392,275 during the Term of this Agreement. This property value should in no way be interpreted to affect the values set by the Central Appraisal District for tax purposes. Upon the termination of this Agreement, Applicant agrees that neither this Agreement, nor the values contained within, will be utilized to contest appraisal values or in the determination of the market value of the Development.

(10) Applicant, during normal business hours, at its principal place of business in El Paso, shall allow the City or its agents reasonable access to operating records, accounting books, and any other records related to the economic development considerations and incentives described herein, which are in Applicant's possession, custody, or control, for purposes of verifying the Qualified Expenditures and for audit, if so requested by the City. The confidentiality of such records will be maintained in accordance with all applicable laws.

B. EMPLOYMENT POSITIONS

(1) Applicant agrees that it shall create, staff, and maintain the Full-Time Employment positions described in Exhibit E for the Development as of December 31 of the applicable year, and shall maintain the Full-Time Employment positions for the Development through the entire Grant Period of this Agreement. Applicant shall maintain the Full-Time Employment positions for each quarter of each fiscal year with the total per day hours worked averaged over each fiscal quarter. The transfer of an existing Full-Time Employment position from Applicant's existing business site to Applicant's new Development does not qualify as creating and staffing a Full-Time Employment position for purposes of this Agreement.

(2) Applicant shall provide the City with an annual report by **May 24** of each year during the Term of this Agreement, certifying the status of compliance through the preceding year. Such annual report shall include the number of new jobs created and retained for the Development, information on any new investments in the Development, and any other information relevant to the Development and the City's economic development goals. Documentation for jobs may be in the form of quarterly IRS 941 returns, or Texas Workforce Commission Employer Quarterly Reports, or employee rosters that show the hours worked and the positions filled. Applicant shall also provide the City with such other reports as may reasonably be required.

C. **GRANT SUBMITTAL PACKAGE.**

In order to receive the disbursement of the Grant, the Applicant must submit a Grant Submittal Package, as specified below.

- (1) The Applicant shall annually submit one Grant Submittal Package which shall be in the form provided in Exhibit C, together with the requisite documentation. The Applicant shall submit to the City the initial Grant Submittal Package on **May 24, 2023**, or within 30 business days after this date. Thereafter, the Applicant's annual Grant Submittal Package must be submitted on or within 30 business days after **May 24** of each year. A failure by the Applicant to timely submit a Grant Submittal Package in accordance with this paragraph is a waiver by the Applicant to receive a Grant payment for that Grant year.
- (2) Concurrent with the submittal of a Grant Submittal Package, the Applicant will submit to the City documentation as may be reasonably necessary to verify the expenditure to date of the Minimum Investment, which has not otherwise been verified as part of a prior submittal. The City will provide to the Applicant a written explanation for any Minimum Investment that the City determines cannot be verified. The Applicant may submit additional documentation to the City in order to obtain verification.
- (3) The City's determination of the amount of the Grant payment due to the Applicant is final.

SECTION 4. OBLIGATIONS OF THE CITY.

During the Term of this Agreement, and so long as an Event of Default has not occurred and Applicant is in compliance with the Agreement, the City agrees as follows:

- A. The City agrees to provide a Construction Materials Sales Tax Rebate not to exceed **\$3,750.00** in accordance with the terms and provisions of this Agreement.
- B. The City agrees to provide a Development Fee Rebate not to exceed **\$21,000.00** in accordance with the terms and provisions of this Agreement.
- C. The City agrees to provide a Property Tax Rebate not to exceed **\$260,529.00** in accordance with the terms and provisions of this Agreement.
- D. The City will process any eligible Grant payment within 90 days after receipt of the Applicant's annual Grant Submittal Package.

SECTION 5. EVENTS OF DEFAULT.

Each of the following Paragraphs A through D shall constitute an Event of Default:

- A. **Failure to Comply.** Applicant's failure to comply with, or to perform any obligation or condition of this Agreement or in any related documents, or Applicant's failure to comply

with or to perform any obligation or condition of any other agreement between the City and Applicant.

- B. **False Statements.** Any representation or statement made or furnished to the City by Applicant pursuant to this Agreement or any document(s) related hereto, that is/are false or misleading in any material respect; or if Applicant obtains actual knowledge that any such representation or statement has become false or misleading after the time that it was made, and Applicant fails to provide written notice to the City of the false or misleading nature of such representation or statement within 10 days after Applicant learns of its false or misleading nature.
- C. **Insolvency.** Applicant files a voluntary petition in bankruptcy, a proceeding in bankruptcy is instituted against the Applicant and the Applicant is thereafter adjudicated bankrupt, a receiver for the Applicant's assets is appointed, or any assignment of all or substantially all of the assets of Applicant for the benefit of creditors of Applicant.
- D. **Property Taxes.** If Applicant allows its personal or real property taxes owed to the City to become delinquent and fails to timely and properly follow the legal procedures for protest and/or contest of such taxes and to cure such failure or post a satisfactory bond within 30 days after written notice thereof from the City and/or El Paso Central Appraisal District.
- E. **Notice and Opportunity to Cure.** If an Event of Default occurs, the City will provide Applicant with written notice of the default and Applicant shall have 30 days from the receipt of said notice to cure the default (the "Cure Period"). If the default cannot be remedied within the Cure Period but the Applicant has made a diligent effort to effect a cure, the Cure Period may be extended at the City's sole discretion for a reasonable time. The City, in its sole discretion, shall determine what constitutes "a reasonable time" and what constitutes "a diligent effort" for purposes of this provision. If the City agrees to extend the Cure Period past the 30 days, the City shall notify the Applicant, in writing, of the expiration date of the extended cure period.
- F. **Failure to Cure.** If an Event of Default occurs and, after receipt of written notice and opportunity to cure as herein provided, the Applicant fails to cure the default in accordance with the provisions herein, then this Agreement may be terminated by the City by written notice to the Applicant at which time the City's obligations hereunder will end and the City may exercise any other right or remedy available at law or in equity.

SECTION 6. RECAPTURE.

Should the Applicant default under Section 4 of this Agreement and provided that the cure period for such default has expired, all Grants previously provided by the City pursuant to this Agreement shall be recaptured and repaid by Applicant within 60 days from the date of such termination.

SECTION 7. TERMINATION OF AGREEMENT BY CITY WITHOUT DEFAULT.

The City may terminate this Agreement without an event of default and effective immediately if any state or federal statute, regulation, case law, or other law renders this Agreement ineffectual, impractical or illegal.

SECTION 8. MISCELLANEOUS PROVISIONS.

- A. **Amendments.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by both parties.
- B. **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in El Paso County, Texas. Venue for any action arising under this Agreement shall lie in the state district courts of El Paso County, Texas.
- C. **Applicant's Sale or Transfer of the Development.** Prior to any sale or other transfer of ownership rights in the Development, Applicant shall notify the City in writing of such sale or transfer 30 business days before the effective date of such sale or transfer.
- D. **Assignment.** Applicant understands and agrees that the City expressly prohibits Applicant from selling, transferring, assigning or conveying in any way any rights to receive the Grant or Grants that are subject of this Agreement without the City's consent to assignment. Any such attempt to sell, transfer, assign or convey without the City's prior written consent is void and may result in the immediate termination of this Agreement and recapture of the taxes rebated prior to the attempted transfer.
- E. **Binding Obligation.** This Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. City warrants and represents that the individual executing this Agreement on behalf of City has full authority to execute this Agreement and bind City to the same. Applicant warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind Applicant to the same.
- F. **Confidentiality Obligations.** The confidentiality of records related to the City's economic development considerations and incentives provided herein will be maintained in accordance with and subject to all applicable laws, including the Public Information Act, Chapter 552, Texas Government Code. To the extent permitted by state or federal law, the City shall maintain the confidentiality of any proprietary information and shall not copy any such information except as necessary for dissemination to the City's agents or employees and agrees that, as required by the Public Information Act, it will notify Applicant if a request relating to such proprietary information is received. Applicant represents that it understands that the Public Information Act excepts disclosure of trade secret and confidential commercial information and that it will need to assert the proprietary interest of Applicant as a basis for nondisclosure.

- G. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute the same document.
- H. **Employment of Undocumented Workers.** During the term of this Agreement, Applicant agrees not to knowingly employ any undocumented workers as defined in Texas Government Code Section 2264.001. If convicted of a violation under 8 U.S.C. Section 1324a(f), Applicant shall repay the amount of the Grant payments received by Applicant from the City as of the date of such violation not later than one hundred twenty (120) days after the date Applicant is notified by City of a violation of this section, plus interest from the date the Grant payment(s) was paid to Applicant, at the rate of seven percent (7%) per annum. The interest will accrue from the date the Grant payment(s) were paid to Applicant until the date the reimbursement payments are repaid to City. City may also recover court costs and reasonable attorney's fees incurred in an action to recover the Grant payment(s) subject to repayment under this section. Applicant is not liable for a violation by its subsidiary, affiliate, or franchisee, or by a person which whom Applicant contracts.
- I. **Force Majeure.** The parties agree that if the performance of any obligations hereunder is delayed by reason of war, civil disturbance, acts of God, inclement weather, fire or other casualty, natural disaster, strike, lockout, national or regional emergency, or other similar events beyond the control of the delayed part, that is not the result of negligence or intentional act or misconduct, or court injunction, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or requirement shall be extended for a period of time equal to the period such party was delayed.
- J. **Headings.** The section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
- K. **No Joint Venture.** The parties acknowledge and agree that the terms hereof are not intended to and shall not be deemed to create any partnership or joint venture between the parties. The City, its past, present and future officers, elected officials, employees and agents of the City, do not assume any responsibilities or liabilities to any third party in connection with the Development or the design, construction, or operation of the Development, or any portion thereof.
- L. **Notices.** All notices required to be given under this Agreement shall be given in writing and shall be effective when (i) actually delivered or when deposited in the United States mail, first class, postage prepaid, addressed to the party to whom the notice is to be given at the addresses shown below; (ii) sent via electronic transmission to the email addresses set forth below; or (iii) when delivered by hand-delivery. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, each party agrees to keep the other informed at all times of its current address. Applicant shall provide all required Grant Submittal Packages and other required

documentation to City electronically at the following address:
EDcompliance@elpasotexas.gov.

APPLICANT: Champlain Cable Corporation
9560 Plaza Circle
El Paso, Texas 79927

CCTC: Champlain Cable Texas Corporation
9560 Plaza Circle
El Paso, Texas 79927

CCTLCL: Champlain Cable Texas Lease Corporation
9560 Plaza Circle
El Paso, Texas 79927

CITY: City of El Paso
City Manager
P.O. Box 1890
El Paso, Texas 79950-1890

Copy To: City of El Paso
Economic and Int'l Development
Department Director
P.O. Box 1890
El Paso, Texas 79950-1890

- M. **Ordinance Applicability.** The signatories hereto shall be subject to all ordinances of the City, whether now existing or in the future arising.
- N. **Severability.** In the event any provision of this Agreement shall be determined by any court of competent jurisdiction to be invalid or unenforceable, the Agreement shall, to the extent reasonably possible, remain in force as to the balance of its provisions as if such invalid provision were not a part hereof.

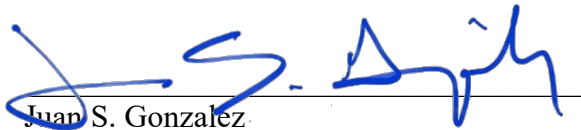
[Signatures begin on the following page.]

IN WITNESS WHEREOF, the parties hereby execute this Agreement this _____, day
of _____, 20____.

CITY OF EL PASO:


Tomás González
City Manager

APPROVED AS TO FORM:



Juan S. Gonzalez
Assistant City Attorney

APPROVED AS TO CONTENT:



Elizabeth Triggs, Director
Economic & International Development

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF EL PASO §

This instrument was acknowledged before me on the _____ day of _____,
2022, by Tomás González as City Manager of the City of El Paso, Texas, on behalf of the
City of El Paso, Texas.

Notary Public, State of Texas

My Commission Expires:

[Signatures continue on the following page]

APPLICANT:
CHAMPLAIN CABLE TEXAS
CORPORATION,
a Wyoming Corporation
("CCTC")

Timothy A. Lizotte
Name: TIMOTHY A. LIZOTTE
Title: CFO

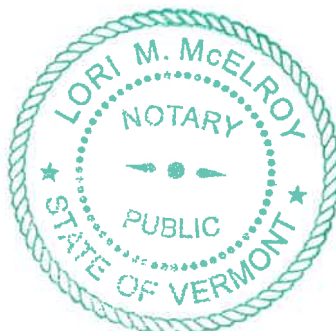
ACKNOWLEDGMENT

STATE OF §
COUNTY OF §
§

This instrument was acknowledged before me on the 26th day of May,
20 22, by Timothy Lizotte, as CFO of Champlain Cable Texas
Corporation, a corporation formed under the laws of Wyoming (APPLICANT).

Lori M. McElroy
Notary Public, State of Vermont

My Commission Expires: 1/31/23



APPLICANT:
CHAMPLAIN CABLE TEXAS LEASE
CORPORATION,
a Wyoming Corporation
("CCTL")

Timothy A. Luzzo
Name: TIMOTHY A. LUZZO
Title: CFO

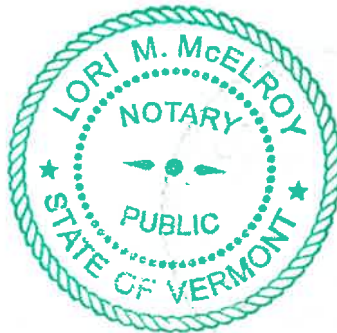
ACKNOWLEDGMENT

STATE OF §
COUNTY OF §
§

This instrument was acknowledged before me on the 20th day of May,
2022, by Timothy Luzzo, as CFO of Champlain Cable Texas
Lease Corporation, a corporation formed under the laws of Wyoming (APPLICANT).

Lori M. McElroy
Notary Public, State of Vermont

My Commission Expires: 1/31/23



APPLICANT:
CHAMPLAIN CABLE
CORPORATION,
a Delaware Corporation
("CCC")

Timothy A. Uzome
Name: TIMOTHY A. UZOME
Title: CFO

ACKNOWLEDGMENT

STATE OF §
COUNTY OF §
§

This instrument was acknowledged before me on the 26th day of May,
20 22, by Timothy A. Uzome, as CFO of Champlain Cable
Corporation, a corporation formed under the laws of Delaware (APPLICANT).

Lori M. McElroy
Notary Public, State of Vermont

My Commission Expires: 1/31/23

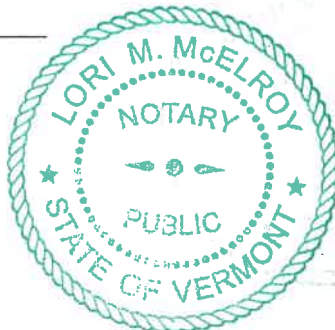


EXHIBIT A

Location of the Property to be Developed

9600 Pan American Boulevard, El Paso, Texas 79927, El Paso County

6 PAN AM CENTER FOR INDUSTRY 1 TO 3 & 4 PAN AM CENTER FOR IND #3 RPL A
BLK 6 & 1 PAN AM CENTER FOR IND #3 RPL B BLK 8

Parcel of land contains approximately 38.2 acres (1665193.9 sq. ft.) of land.

EXHIBIT B

Description of Development

The proposed Development is an expansion of existing manufacturing operations of the Applicant. The incremental real property component will be developed by the Applicant's landlord and operated under lease. The Development presently occupies approximately 116,850 square feet of an existing industrial building and expand an additional 62,000 square feet. Applicant estimates it will invest a minimum of \$5,686,000.00 into leasehold improvements and personal property at the overall Development.

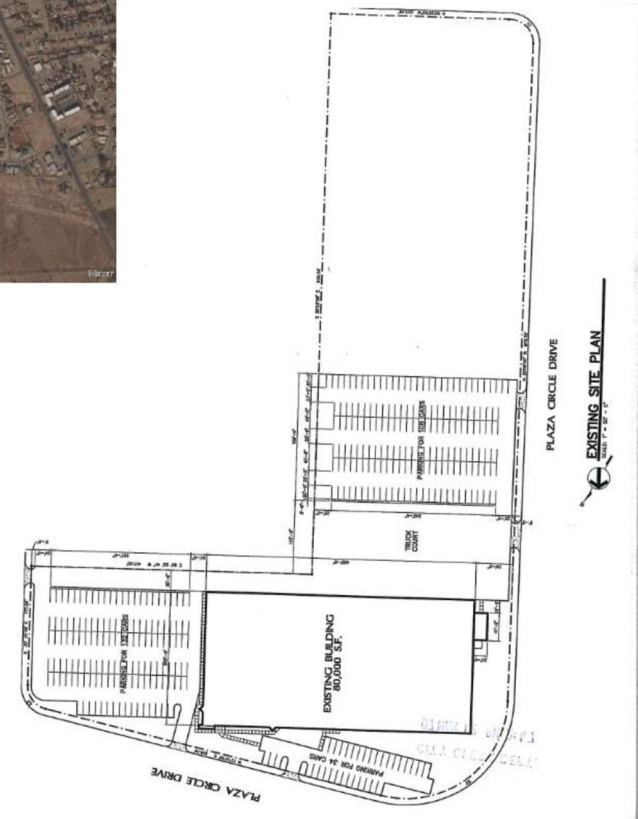


EXHIBIT C
Grant Submittal Package Form

Champlain / Applicant, believes that it has substantially met its obligations under the Chapter 380 Agreement dated the ____ day of _____, 20__ and signed by ____ of _____. Pursuant to the Agreement, Champlain / Applicant submits this Grant Submittal Package Form in compliance with the Agreement and in anticipation of receiving the Grant payments referenced in the Agreement in consideration for its obligations met under the Agreement.

As required by the Agreement, the following information is submitted.

1. **[DUE WITHIN 12 MONTHS OF AGREEMENT EXECUTION]** Copies of all applicable approvals and permits.
2. **[INITIAL GRANT SUBMITTAL ONLY]** Documentation to evidence the amount of development fees paid as a result of the Development.
3. **[INITIAL GRANT SUBMITTAL ONLY]** Documentation to evidence minimum expenditures amounting to **\$5,686,000** including but not limited to
 - a. Stamped **PAID** invoices
 - b. Copies of checks proving payment – corresponding to paid invoices
 - c. Receipts for purchase of construction materials (must show amount of taxes paid)
 - d. Bank statements (in the event a transaction was paid with a credit or debit card)
 - e. Contractor pay applications, notarized with lien releases
4. **[INITIAL GRANT SUBMITTAL ONLY]** Documentation evidencing the materials and labor of Taxable Items used in the construction of the Development eligible for rebate to Applicant under the Construction Materials Sales Tax Rebate.
5. **[INITIAL GRANT SUBMITTAL ONLY]** Copy of Certificate of Occupancy in accordance with the requirements provided in Section 3(A)(4)(B).
6. Property tax payment receipts showing proof of payment for tax year _____.
7. Job Certification Annual Report plus attachments (all attachments as referenced within the Agreement).

It is understood by the Applicant that the City of El Paso has up to **90 days** to process this request and reserves the right to deny the Grant claim if the Applicant has failed to comply with the terms of the Agreement.

By the signature of the Applicant below, the Applicant hereby certifies that: (1) the copies of the receipts attached to this Grant Submittal Package Form represent Qualified Expenditures incurred in the improvements and new construction to the Development; (2) the Applicant has paid or

caused to be paid the City's local sales and use taxes associated with the Qualified Expenditures; and (3) that the copies of the receipts and copies of the permits attached herein are true and correct.

It is understood by Champlain / Applicant that the City of El Paso has up to ninety (90) days to process this request and reserves the right to deny the Grant claim if the terms of the Agreement have not been complied with.

Champlain / Applicant:

Name: _____
Title: _____

ACKNOWLEDGMENT

STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____,
20_____, by _____, as _____ of _____
_____, a corporation formed under the laws of Wyoming (APPLICANT).

Notary Public, State of _____

My Commission Expires:

EXHIBIT D

Property Tax Rebate Table

| Incremental Property Tax Rebate Schedule | |
|--|--------------|
| Years 1 - 5 | Years 6 - 10 |
| 75% | 50% |

EXHIBIT E

Employment Requirements & Grant Payment Eligibility

SECTION 1. MINIMUM JOB CREATION AND RETENTION REQUIREMENTS.

In order to be eligible for any Grant Payments, Applicant is required to retain its current **70** full-time equivalent jobs and create and maintain at a minimum **29** additional jobs that comply with the Full Time Employment requirements of this Agreement. For purposes of this requirement, the 29 additional jobs requirement will only be deemed to be met if the total number of full-time jobs and full-time contract employees exceed the number in existence as of the effective date of this Agreement by 29.

SECTION 2. ELIGIBILITY FOR GRANT PAYMENTS.

The Applicant's eligibility for Grant Payments and any subsequent Grant Payments made by the City to the Applicant shall be determined pursuant to and in accordance with the following:

Grant Payments shall be made equivalent to at least fifty percent (50%) of the total value of the CITY's portion of the incremental ad valorem property tax revenue generated by the subject property above the Base Year Value for the Development for the given tax year during the Grant Period, upon Applicant's certification of at least eighty percent (80%) of the new jobs required herein for which wages are at or above the Median County Wage for the year covered by the Grant Submittal Package.

SECTION 3. MEDIAN COUNTY WAGE.

The Median Area Wage is the median hourly wage established for the El Paso, Texas Metropolitan Area by the U.S. Bureau of Labor Statistics, as adjusted on January 1 of each year. The Grant Payment eligibility is based on the Median Area Wage that is the greater of: 1) the Median Area Wage established for 2022 which is \$14.71 or 2) the Median Area Wage established as of January 1 of the applicable grant year.