

October 11, 2022



Item 58

Schneider Electric USA Inc.

Chapter 380 Economic Development Program
Agreement for the Expansion of existing operations

Goal 1: Create an Environment Conducive to Strong, Sustainable Economic Development. 1.1 Stabilize and expand El Paso's tax base



Schneider Electric: Requested Action

Authorize the City Manager to sign a **Chapter 380 Economic Development Program Agreement** by and between the CITY OF EL PASO, and **SCHNEIDER ELECTRIC USA, INC.** in support for the expansion of its operations of its existing facility located at 1601 and 1701 Northwestern Dr to include a minimum **\$15,064,000** capital investment, the creation of **368** new full-time positions and the retention of its existing **1,130** full time positions.

Schneider Electric

Project Summary

Schneider Electric

- Manufacturer of electronic switch gear
- Looking to buy or lease a new 160,000 sq. ft. facility

Property Address: Corner of Northwestern Dr. and Northern Pass Dr.

Investment:

Real Property:	\$9,735,000
<u>Personal Property:</u>	<u>\$5,329,000</u>
Total Investment:	\$15,064,000

Net New Employment: 368 FTEs

Employees Retained: 1,130 FTEs

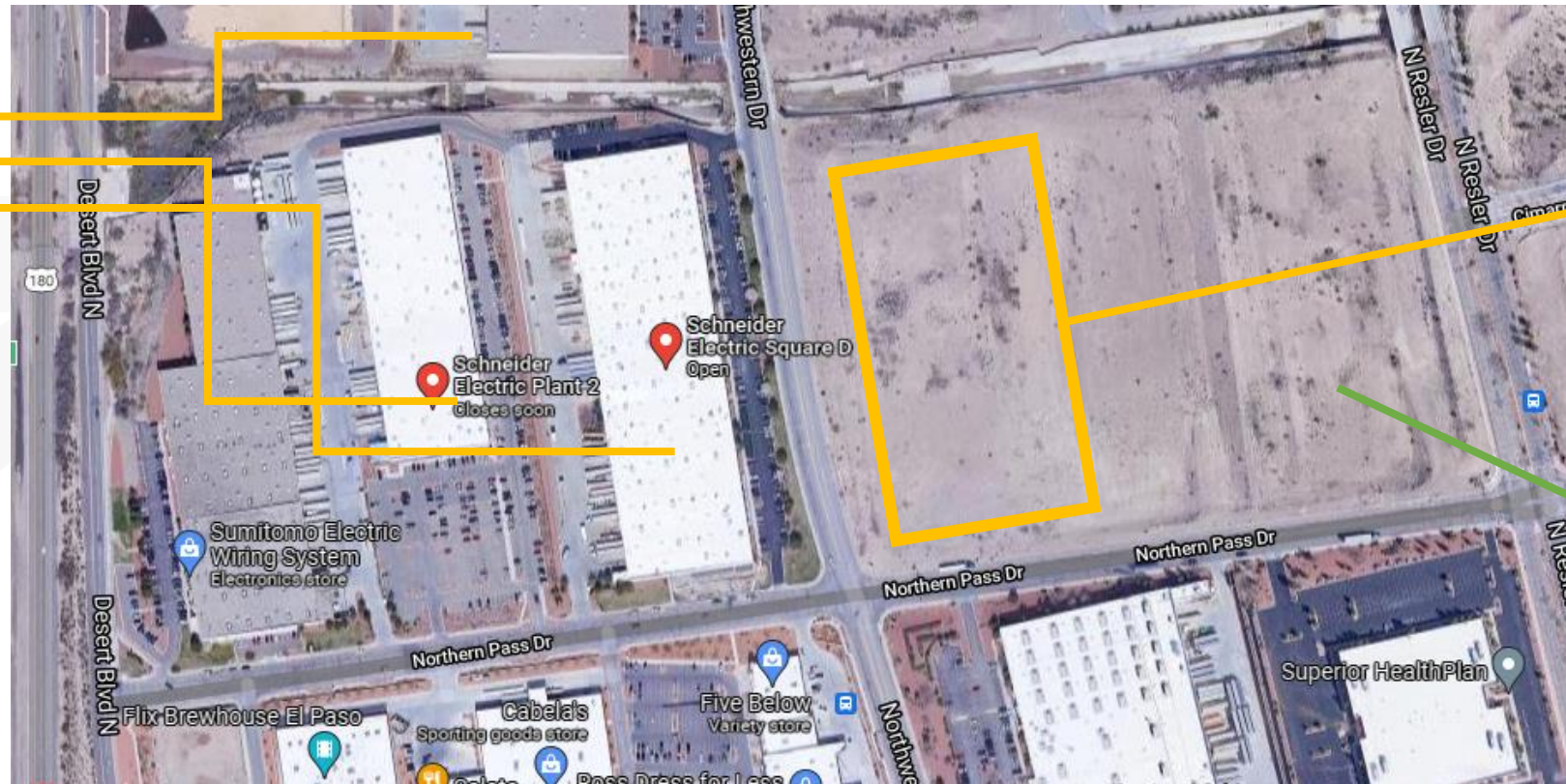
Total Employment After Expansion: 1,498 FTEs

District: 1



Site Location : Corner of Northwestern Dr. & Northern Pass Dr.

Existing
Facilities



New
Proposed
Location

Space for
Future
Supplier

Schneider Electric: Proposed Local Incentive

City Incentive (82%)
\$1,477,000

County Incentive (18%)
\$326,000

Total Local Incentive = \$1,803,000 (11.9% of Investment)

Schneider Electric: Proposed City Incentive

		Sustainability Grant \$75,000	Permit Fee Rebate \$30,000
Property Tax Rebate (*10 Years) \$715,000	Public Improvement Grant for Safety Improvements \$600,000		
		Construction Materials Sales Tax Rebate (1%) \$57,000	

Total Proposed City Incentive = \$1,477,000 (9.8% of Investment)

Schneider Electric: Community Tax Benefit

New Property Tax Revenue over Agreement Term

City
\$136,157



EPCC
\$126,421

Total Property Tax Benefit = \$2,205,166

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Mission

Deliver exceptional services to support a high quality of life and place for our community



Values

Integrity, **R**espect, **E**xcellence,
Accountability, **P**eople



Vision

Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government

