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

**DEPARTMENT:** Airport

AGENDA DATE: March 28, 2023

**PUBLIC HEARING DATE:** 

CONTACT PERSON NAME AND PHONE NUMBER: David Panko, FTZ Manager (915)-212-0480

**DISTRICT(S) AFFECTED:** District 6

STRATEGIC GOAL 1: Cultivate an environment conducive to strong, economic development.

SUBGAL: N/A

### **SUBJECT:**

That the Director of Aviation or designee be authorized to submit a minor boundary modification application and all supporting documents and coordination with taxing entities for letters of support, to the U.S. Foreign Trade Zones Board, which will modify the boundaries of Foreign Trade Zone (FTZ) 68 to include the following parcel:

Legal description – 1 AMERICAS BUSINESS PARK ELY PT OF 1 BEG 87.96 FT NWLY OF SE COR (IRREG ON SLY-1164.47 FT ON WLY-1139.69 FT ON ELY) (12.6613 AC), City of El Paso, El Paso County, Texas, commonly known as **12291 Gateway Blvd.**, **El Paso, Texas 79936**.

### **BACKGROUND / DISCUSSION:**

Foreign Trade Zone 68 currently has 3448 acres designated as FTZ authorized land in the City of El Paso. These are parcels of land that are strategically located throughout El Paso covering industrial parks and stand-alone facilities.

The Minor Boundary Modification will add the above listed parcel of land to the FTZ designated boundaries for the City of El Paso. This location is not currently in the FTZ 68 designated boundaries, so we will submit a standard Minor Boundary Modification/Sub Zone Expansion to the Foreign Trade Zones Board, US Department of Commerce, Washington, D.C., for their approval. This parcel is located in El Paso City (District 6), El Paso County (Precinct 1), El Paso Community College (District 6), and the Socorro Independent School District (District 5).

The City of El Paso has a grant authority to establish, operate, and maintain FTZ 68. It is known as the Grantee of FTZ 68, which is operated through the Aviation Department's FTZ Administrative office. The zone helps expedite and encourage foreign commerce in the El Paso region and desires to add these parcels into FTZ boundaries through a minor boundary modification process with the US Foreign Trade Zones Board, US Department of Commerce.

Pegasus Logistics Group facilitates storage and movement of both raw materials for manufacturing and finished goods for clients in the Juarez/El Paso markets. This facility will serve as our primary trans-border operation in the market. Clients handled here include Microsoft, Wywinn, NCR, HPE and GE Medical. Generally, the raw materials will move into Juarez and the finished goods will come to this facility for routing and distribution across the US. There will be some export from here as well.

The Minor Boundary Modification is a standard process for the City of El Paso and the Foreign Trade Zones Board to keep the FTZ designated boundaries viable for industry, trade, and commerce. We have performed this process multiple times over the past few years.

Once the El Paso City Council approves the minor boundary modification, we will secure supporting letters from each of the taxing entities and US Customs and Border Protection. Once coordination with the affected taxing entities, FTZ 68 will submit the MBM application to the Foreign Trade Zones Board in Washington, D.C. for final approval. The taxing entities are the City of El Paso (approved via this Resolution), El Paso County, El Paso Community College, and the Socorro Independent School District.

Attachment B shows the location of the parcel in relation to other FTZ 68 boundaries. Attachment C shows the location of the parcel with its associated streets. (No attachment A)

### **PRIOR COUNCIL ACTION:**

The Council has approved multiple Minor Boundary Modifications in the past for other companies and locations in the city of El Paso.

AMOUNT AND SOURCE	OF FUNDING:	
Not applicable.		
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DEPARTMENT HEAD:	21/ fm	
	Sam Rodriguez, Aviation Director	

### RESOLUTION

WHEREAS, the City of El Paso, as recipient of a grant of authority from the U.S. Foreign Trade Zones Board, is authorized to establish, operate, and maintain Foreign Trade Zone No. 68;

WHEREAS, the City of El Paso, by and through its Department of Aviation, established and owns, operates, and maintains Foreign Trade Zone No. 68 in order to expedite and encourage foreign commerce in the El Paso region;

WHEREAS, the City of El Paso desires to submit a minor boundary modification application to the U. S. Foreign Trade Zone Board to modify the boundaries of Foreign Trade Zone No. 68 to include a new site which will be used primarily for distribution operations; and

WHEREAS, the City of El Paso desires the minor boundary application be subject to the activation limit under the traditional site framework.

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

That the Director of Aviation or designee be authorized to submit a minor boundary modification application, including all supporting documents and coordination with taxing entities for letters of support, to the U.S. Foreign Trade Zone Board, which will modify the boundaries of Foreign Trade Zone No. 68 to include the following:

1 AMERICAS BUSINESS PARK ELY PT OF 1 BEG 87.96 FT NWLY OF SE COR (IRREG ON SLY-1164.47 FT ON WLY-1139.69 FT ON ELY) (12.6613 AC), City of El Paso, El Paso County, Texas, commonly known as 12291 Gateway Blvd., El Paso, Texas 79936.

CITY OF EL PASO

Foreign Trade Zone Manager

# ATTEST: Laura D. Prine City Clerk APPROVED AS TO FORM: APPROVED AS TO CONTENT: Ignacio Troncoso Assistant City Attorney APPROVED AS TO CONTENT: Samuel Redriguez, P.E. Director of Aviation D.R. Panko David R. Panko

Attachment B - Parcel to be added (red-outlined)12291 Gateway Blvd. (12.6613 acres)



FTZ General-Purpose

Attachment C - Parcel to be added (red-outlined) 12291 Gateway Blvd. (12.6613 acres)

