

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

DEPARTMENT: Airport

AGENDA DATE: December 12, 2023

PUBLIC HEARING DATE:

CONTACT PERSON NAME AND PHONE NUMBER: David Panko, 915-212-0480

DISTRICT(S) AFFECTED: 6

STRATEGIC GOAL: 1

Cultivate an environment conducive to strong, economic development.

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:

490 A Bill Burnett Road, El Paso County, Texas 79928 which is Building 1 of the new Constellation Development Industrial Park (approximately 25 acres).

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 County (Precinct 3), El Paso Community College (District 7), the Socorro Independent School District (District 4), and the El Paseo Municipal Utility District (District 1).

The City of El Paso has a grant authority to establish, operate, and maintain FTZ 68 in the El Paso County. The City of El Paso 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.

Kuehne + Nagel, Inc. is a global freight forwarder who 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. 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.

El Paso City Council approves the minor boundary modification, as the Grantee owner of FTZ 68. Once the El Paso City Council approves moving forward with this resolution, 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 El Paso County, El Paso Community College, the Socorro Independent School District, and the El Paseo Municipal Utility 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:

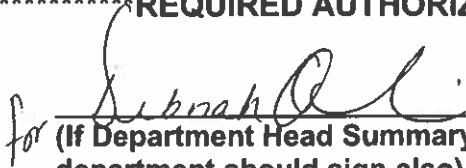
The Council has approved multiple Minor Boundary Modifications in the past for other companies and locations in the city of El Paso.

AMOUNT AND SOURCE OF FUNDING:

Not applicable.

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

DEPARTMENT HEAD:

for  _____

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

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; and

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

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 to delete an identified site which is no longer suitable for use in Foreign-Trade Zone No. 68; 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 parcel:

490 A Bill Burnett, City of El Paso, El Paso County, Texas 79925 which is Building 1 of the new Constellation Development Industrial Park (approximately 25 acres).

APPROVED this _____ day of _____, 2023.

THE CITY OF EL PASO:

ATTEST:

Oscar Leeser, Mayor


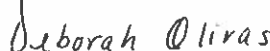
Laura D. Prine, City Clerk

APPROVED AS TO FORM:



Leslie Jean-Pierre
Assistant City Attorney

APPROVED AS TO CONTENT:


for _____
Samuel Rodriguez, P.E
Director of Aviation


Attachment B – Parcel to be added (red lined) 490-A Bill Burnett Drive, 25 Acres



Attachment C – Parcel to be added (red lined) 490-A Bill Burnett Drive - 25 Acres

