



CITY OF EL PASO

Notes Live Inc. Partnership

Chapter 380 Agreement and Contract of Sale for the
development of a destination entertainment venue

Previous Action

- On April 23rd, City Council approved a Term Sheet with Notes Live, Inc. for the development of a 12,500 seat amphitheater



Project Timeline



Cohen Site

- Approx. **50 acres**
- City-owned
- Located at the SEC of Gateway North and Cohen, within TIRZ #11
- Vacant since 2019



Entertainment District Master Plan

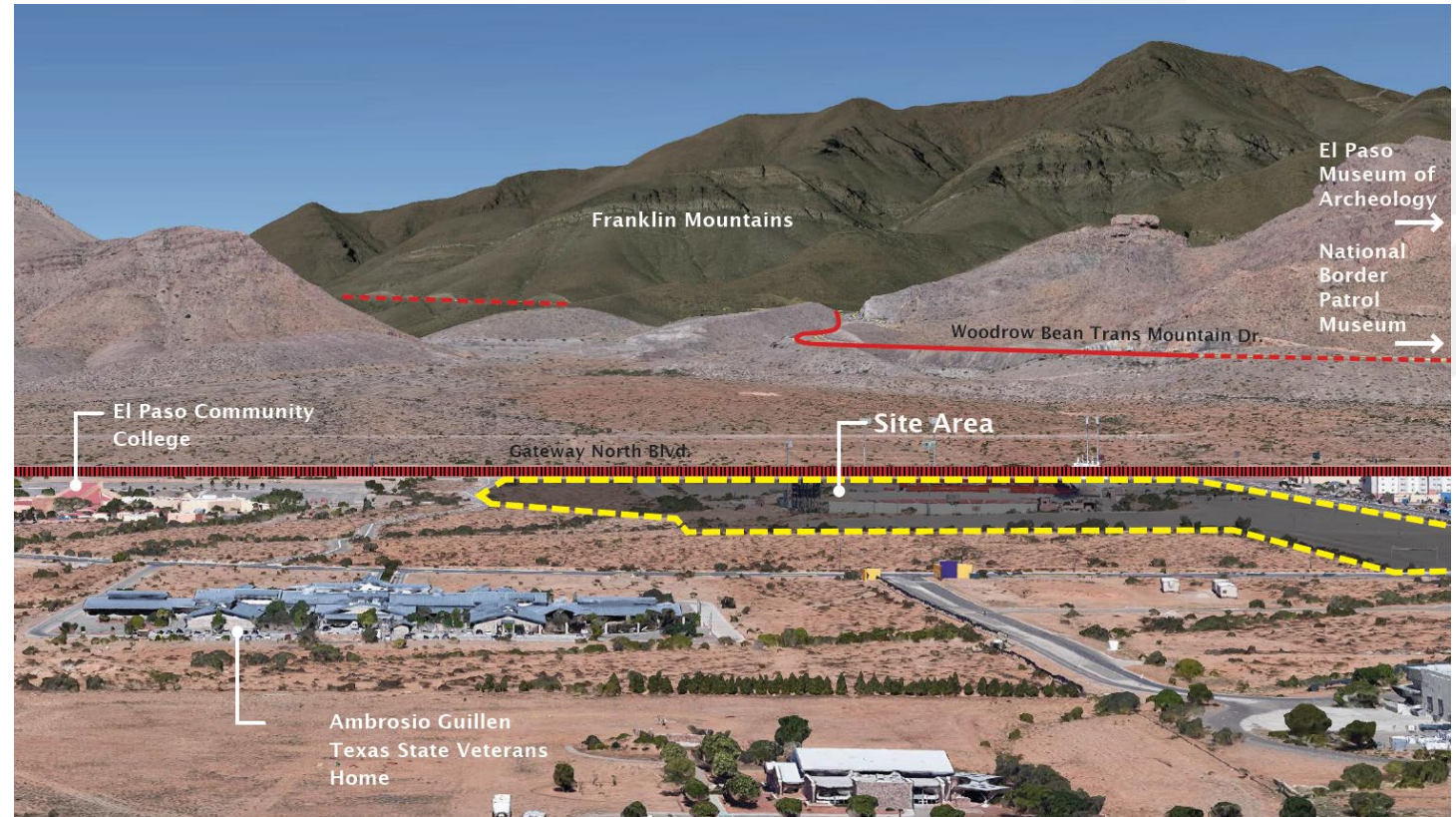
- Plan and Design Standards Adopted on August 29, 2018
- Master planned commercial development:
 - Restaurants
 - Family Entertainment
 - Retail
 - Hotel
 - Office
 - Recreational Uses



Entertainment District Master Plan

Goals

- Revitalize the Cohen Stadium site
- Provide a catalyst for development in Northeast El Paso
- Create a regional project
- Become destination point



Project Summary

- **Venu Inc.** (formerly Notes Live)
 - One of the fastest-growing entertainment and hospitality companies in the United States. El Paso selected as target market for expansion.
- **Developer Obligations:**
 - Construct a 12,500-seat luxury and hospitality venue on ±17 acres
 - Minimum \$80M investment
 - Contract with Operator for min. 40 shows per year, opening March 2026
 - Shared-use parking facilities with management exclusivity on event dates

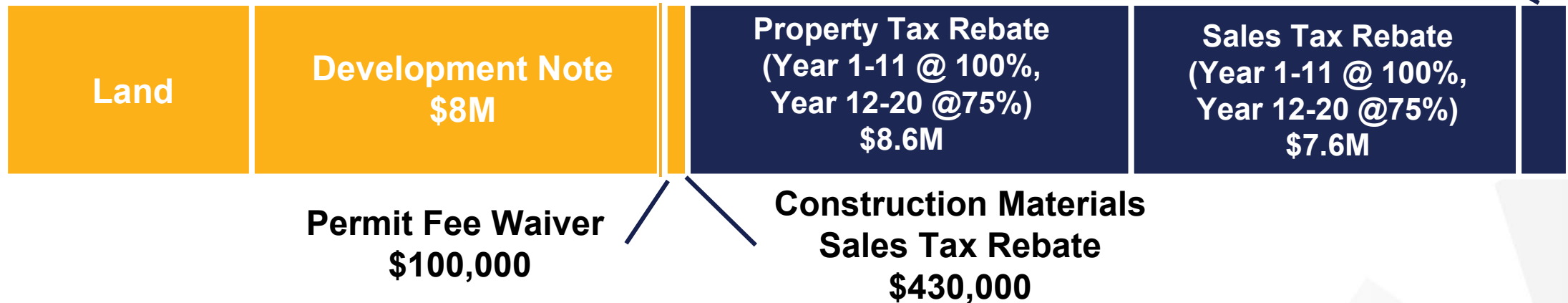
Sunset Amphitheater Model

- Broken Arrow, Oklahoma City, Colorado Springs
- \$100+ Million Investment
- Fire Pit Suite Investment Model
- 8,000 - 12,500 Seats
- Premiere, national touring acts and concerts
 - LiveNation (OK) and AEG (CO)



Key Deal Points: Proposed 20-year Incentive

Mixed Beverage Sales Tax Rebate
(Year 1-11 @ 80%, Year 12-20 @50%)
\$980,000



Total Estimated Incentive Value = \$30.9M

Key Deal Points:

Proposed Incentive Sources

Development Note

- Texas Economic Development Fund
 - Negotiated as part of IIF acquisition
 - \$80M over 15 years

Rebates

- Tax Increment Reinvestment Zone #11
 - City participates at 100% of property and sales tax increment

Infrastructure

- Cohen Site Readiness Fund

Key Deal Points:

Parking and Infrastructure

- Require 3,600 spaces for exclusive use on event days
 - Approx. 1,300 on-site, outside of Project area
 - Potential for shared-use + partner engagement
 - Flexibility to adjust over time
 - est. \$2,200/space



Key Deal Points: Land Conveyance

- Chapter 253.0125 of the Texas Local Government Code
 - Amended during 88th Texas Legislature
- Allows a municipality to convey real property with an entity that has entered into a Chapter 380 Economic Development Agreement
- Land transfer is tied to performance in 380
 - “clawback” and default provisions if development does not happen

Key Deal Points:

Noncompete Clause

Objectives:

- Ensure Development is competitive and successful
- Protect City's current and future interests in entertainment venue projects

Overview:

- Limits City's participation in "Competing Venues"
- Carve out for voter approved projects and participation in larger regional projects
- Terminates with the Agreement

Project Impact: Construction and Operations

Summary of Economic Impact during Construction

Capital Investment	\$102M
Total Construction Impact	\$184M
Local Tax Revenue Generated (Direct and Indirect)	\$1.4M
Jobs Supported	1,000+

Summary of Average Annual Impact at Full Operation

Operational Impact	\$261M
Local Tax Revenue Generated (Direct and Indirect)	\$7.3M
Jobs Supported	2,000+

**\$5.4B
Impact**

Recommendation and Action

- **APPROVAL** of Chapter 380 Program Agreement
- **APPROVAL** of Contract of Sale to convey land



MISSION



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

VISION



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



VALUES

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