

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

CITY CLERK DEPT.  
07 APR 11 PM 5:20

**DEPARTMENT:** Community and Human Development

**AGENDA DATE:** April 17, 2007

**CONTACT PERSON/PHONE:** Bill Lilly, Director - 541-4241

**DISTRICT(S) AFFECTED:** District 8

**SUBJECT:**

Authorize the City Manager to sign a contract between the City of El Paso and Centro Del Obrero Fronterizo, Inc. d/b/a La Mujer in an amount, not to exceed \$100,000, for planning services in order to develop an economic feasibility and proposed impact study of the Plan Mayachen with emphasis on the Plaza Mayachen

**BACKGROUND / DISCUSSION:**

La Mujer Obrera is a 25-year old 501(c)3 non-profit corporation providing educational, community economic development and advocacy programs for and with low-income women workers and their families in the El Paso, Texas region, with a particular emphasis on the South Central neighborhood. La Mujer Obrera is developing a comprehensive economic revitalization plan for an area within the City of El Paso, which will promote women workers' participation in creating jobs, training, businesses, services and educational opportunities. The centerpiece of the Plan Mayachen is the development of the Plaza Mayachen, which includes the Mayachen Mercado, Cultural Plaza, Museum and Media Center. As part of this Plan, the City desires that it include the planning services as described in the contract in order to determine the economic feasibility and proposed impact of the Plan.

**PRIOR COUNCIL ACTION:**

**Has the Council previously considered this item or a closely related one?**

On August 7, 2006 the City Council approved seed funding for Plan Mayachen with an initial amount not to exceed \$100,000 and with a total commitment not to exceed \$250,000, depending on the results of the feasibility study and the commitment of matching funds.

**AMOUNT AND SOURCE OF FUNDING:**

**How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?**

Funds in the amount of \$100,000 have been budgeted. (01101-99010273-505200)

**BOARD / COMMISSION ACTION:**

**Enter appropriate comments or N/A**

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**LEGAL:** (if required)  **FINANCE:** (if required) \_\_\_\_\_

**DEPARTMENT HEAD:** \_\_\_\_\_

(Example: if RCA is initiated by Purchasing, client department should sign also)  
*Information copy to appropriate Deputy City Manager*

**APPROVED FOR AGENDA:** \_\_\_\_\_

**CITY MANAGER:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**RESOLUTION**

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

**THAT** the City Manager be authorized to sign a contract for planning services between the City of El Paso and Centro Del Obrero Fronterizo, Inc. d/b/a La Mujer Obrera and any other related documents and/or revisions thereto or necessitated thereby so that La Mujer Obrera may develop an economic feasibility and proposed impact study of the Plan Mayachen, an economic revitalization plan for an area within the City of El Paso, with emphasis on the Plaza Mayachen.

ADOPTED this 17th day of April 2007.

**THE CITY OF EL PASO**

\_\_\_\_\_  
John F. Cook,  
Mayor

**ATTEST:**

\_\_\_\_\_  
Richarda Duffy Momsen  
City Clerk

**APPROVED AS TO FORM:**

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
Marie A. Taylor,  
Assistant City Attorney

\_\_\_\_\_  
William L. Lilly, Director  
Community and Human Development

STATE OF TEXAS )  
 )  
COUNTY OF EL PASO )

AGREEMENT STAMP APR 13 PM 4:52

THIS AGREEMENT is entered into by and between the CITY OF EL PASO, a municipal corporation organized and existing under the laws of the State of Texas (hereinafter referred to as "City"), and CENTRO DEL OBRERO FRONTERIZO, INC. DBA LA MUJER OBRERA, a non-profit corporation organized under the laws of the State of Texas and pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code (hereinafter referred to as "La Mujer Obrera").

**WITNESSETH:**

WHEREAS, La Mujer Obrera desires to develop the Plan Mayachen, an economic revitalization plan for an area within the City of El Paso (hereinafter referred to as "Plan" or "the Plan"); and

WHEREAS, the City desires that the development of the Plan include the planning services as specified in Exhibit "A" in order to determine the economic feasibility and proposed impact of the Plan; and

WHEREAS, the City, in accordance with Tex.Loc.Gov't Code § 252.022(a)(4), desires to contract with La Mujer Obrera for planning services; and

WHEREAS, City Council took action on August 7, 2006 to authorize seed funding for a feasibility study for the Plan in an amount not to exceed \$100,000.00; and

WHEREAS, City Council concurrently authorized an expenditure of up to an additional \$150,000.00 in funding if La Mujer Obrera is able to provide the commitment of non-City matching funds and the initial feasibility study finds that the Plan is economically viable and fiscally sustainable; and

WHEREAS, La Mujer Obrera has indicated receipt of funds in the amount of \$300,000.00 from Wells Fargo Community Development Bank program, such funds to be used to develop the basis for the Plan to include the components of the Mayachen complex; and

WHEREAS, it is agreed by both City and La Mujer Obrera (hereinafter together referred to as "Parties" or "the Parties") that the selection of a consultant firm (hereinafter "Consultant") to complete the feasibility study will be a joint effort and that the City retains the right to ultimately approve the Consultant; and

**WHEREAS**, it is agreed to by the Parties that the Consultant selected to complete the feasibility study shall complete such study in the manner described in Exhibit "A".

**NOW, THEREFORE**, in consideration of the promises and mutual agreements hereinafter set forth, the Parties hereto do mutually agree as follows:

**1. SCOPE OF SERVICES**

La Mujer Obrera agrees to hire an impartial third party as Consultant. La Mujer Obrera agrees that the City shall approve Consultant and that City shall participate in the selection process. La Mujer Obrera shall contract with Consultant to provide the services as specifically set forth in the scope of services attached hereto as **Exhibit "A"** incorporated herein for all purposes.

**2. TERM**

The term of this Agreement shall begin upon execution. The Parties agree that the Consultant hiring process will be completed within ninety (90) days after Council approves this Agreement. The feasibility study as described in Exhibit "A" shall be completed as to all information and findings required pursuant to Exhibit "A" and delivered to City in ten (10) copies within nine (9) months following the hiring of the Consultant.

**3. CONSIDERATION**

In exchange for La Mujer Obrera providing a feasibility study in a form and manner as set forth in the Scope of Services within the Term period, the City agrees to pay, and La Mujer Obrera agrees to accept, Consultant's fee for completion of the feasibility study or \$100,000.00, whichever amount is less. It is understood that the City will pay such amount in five (5) installments of twenty (20) percent of the total payment amount upon completion of each of the five major components of the feasibility study as specified in Exhibit "A" to the City's satisfaction, with the final payment due upon receipt of a feasibility study compliant with this Agreement.

**4. QUALIFICATIONS OF AND HIRING OF FEASIBILITY STUDY CONSULTANT**

City, by and through its City Manager or that person's designee and La Mujer Obrera, by and through its Executive Director, agree to solicit proposals in a manner approved by the City Manager or designee for the feasibility study and to jointly agree on which Consultant is hired. La Mujer Obrera expressly agrees that any contract entered into with the Consultant hired shall require that such Consultant provide the information and findings required in Exhibit "A." City shall not be responsible for providing office space, equipment, supplies, or any other resources that may be necessary to complete the feasibility study.

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**5. INDEPENDENT CONTRACTOR**

It is expressly understood and agreed by and between the Parties that La Mujer Obrera is engaged as an independent contractor and is not an officer, agent or employee of the City.

**6. TERMINATION**

Either party may terminate this Agreement, with cause, upon thirty (30) days' notice to the other party. In the event of termination, City shall be entitled to reimbursement for any amounts already provided pursuant to Section 3.

**7. NOTICES**

All notices, communications and reports under this Agreement shall be either hand-delivered or mailed, postage prepaid in the United States Postal Service, to the respective Parties at the respective addresses shown below, unless and until either party is otherwise notified in writing:

CITY: City Manager  
City of El Paso  
#2 Civic Center Plaza  
El Paso, Texas 79901-1196

LA MUJER OBRERA: Irma Montoya, Executive Director  
La Mujer Obrera  
2000 Texas Avenue  
El Paso, Texas 79901

**8. INDEMNIFICATION**

The City shall not be subject to any obligations or liabilities of La Mujer Obrera incurred in the performance of this Agreement. La Mujer Obrera expressly agrees to indemnify and hold harmless the City from any and all liabilities and obligations incurred due to its negligent acts or any omission to act, any actions outside its scope of authority under this Agreement, or any breach of contract.

**9. LIABILITY INSURANCE**

La Mujer Obrera shall file a Certificate of Liability Insurance that is satisfactory to the City from an insurance company licensed to do business in Texas, which refers to this Agreement by date, certifying that such insurance coverage is in effect and naming La Mujer Obrera as the insured and the City of El Paso as an additional insured. Minimum coverage provided by such policy shall be \$250,000.00 for each person and \$500,000.00 for each occurrence for bodily injury or death and

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\$100,000.00 per occurrence for damage to property. Such policy shall contain a provision that it shall not be canceled without notice to the City of El Paso.

**10. REGULATIONS**

Both Parties hereto agree and recognize that laws, rules and regulations related to this Agreement and performance by either party are subject to change. As such, both Parties specifically agree that any of the provisions in this Agreement may be changed to bring the services provided hereunder into compliance with such laws, rules, and regulations. Notice of such change will be given to the other party as soon as notice is received by either party of the changes in applicable laws, rules, and regulations; however, any such changes which must take effect to bring the services provided hereunder into compliance with such changes will take effect as soon as is needed to comply with such changes in the laws, rules, and regulations.

**11. COVENANTS BY LA MUJER OBRERA**

A. NO ASSIGNMENT

La Mujer Obrera shall not assign, delegate, or attempt to so convey an interest in this Agreement. In the event La Mujer Obrera does attempt to so convey an interest in this Agreement, said Agreement shall be terminable, at the discretion of City, without notice to La Mujer Obrera.

B. COMPLIANCE WITH LAWS

La Mujer Obrera shall comply with all applicable federal, state and local law including all City ordinances, codes and regulations. In particular, La Mujer Obrera must file the Assurance required under the City's ordinance to prohibit discrimination against disabled persons. Failure to do so in any manner that materially impairs the quality of performance hereunder, or affects the administration of the funds provided hereunder, shall constitute a material breach of this Agreement.

C. PROHIBITED ACTS

(1) Conflict of Interest: La Mujer Obrera covenants that it has had no interest in, and shall not acquire any interest, direct or indirect, in any contract or subcontract which will conflict in any manner or degree with the performance of the services performed under this contract. Any violation of this paragraph, with knowledge express or implied, by the La Mujer Obrera shall render this Agreement voidable by the City Manager of the City of El

Paso or by the El Paso City Council and shall entitle City to reimbursement of all monies expended.

(2) Discrimination: La Mujer Obrera covenants that no person in the United States has been or will be, on the grounds of race, creed, color, national origin or sex, excluded from participation in, denied the benefits of, or subject to discrimination under, any program or activity funded in whole or in part with funds made available to La Mujer Obrera pursuant to the terms of this Agreement.

(3) Discriminatory Criteria: La Mujer Obrera may not utilize criteria or methods of administration which have the effect of subjecting individuals to discrimination on the basis of race, creed, color, sex or national origin, or of defeating or substantially impairing the creation of an objective project feasibility study funded pursuant to this contract.

D. NON-RELIGIOUS ACTIVITIES

La Mujer Obrera will provide the feasibility study in a manner that is exclusively non-religious in nature and scope. There will be no religious services, proselytizing, instruction, or any other religious influences in connection with the feasibility study or any action taken pursuant thereto.

E. ACCESSIBILITY STANDARDS:

La Mujer Obrera must file the Assurance required under City Ordinance 9779, prohibiting discrimination against disabled persons. Failure to do so in any manner that impairs the quality of performance hereunder, or affects the administration of the funds provided hereunder shall constitute a breach of this contract. La Mujer Obrera will comply with any federal law that applies to grantees of the City.

F. SUBCONTRACTORS

La Mujer Obrera shall be fully responsible to the City for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them.

**12. ENTIRE AGREEMENT**

This Agreement constitutes and expresses the entire agreement of the Parties in reference to the feasibility study to be provided by La Mujer Obrera to the City, all promises, representations, and understandings relative hereto being herein merged.

(SIGNATURES TO FOLLOW ON NEXT PAGE)

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**IN WITNESS WHEREOF**, the Parties have executed this Agreement in the City of El Paso, El Paso County, State of Texas on the \_\_\_<sup>th</sup> day of \_\_\_\_\_, 2007.

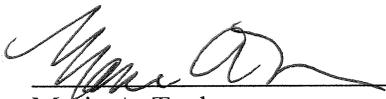
**CITY OF EL PASO**

\_\_\_\_\_  
Joyce A. Wilson,  
City Manager

**CENTRO DEL OBRERO FRONTERIZO, INC.**

\_\_\_\_\_  
Irma Montoya,  
Executive Director

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Marie A. Taylor  
Assistant City Attorney

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
William Lilly, Director  
Community and Human Development

**SCOPE OF SERVICES FOR FEASIBILITY STUDY****1. Conceptual Framework for Plan Mayachen:**

- Definition of U.S. Mexican Cultural Heritage as an Economic Motor
- Why an Economic Development Initiative Rooted In It Makes Good Business Sense

**2. Preliminary Market Study of the Mexican Cultural Heritage as Economic Motor in El Paso**

- Preliminary Market Segment Analysis
- Preliminary Market Survey

**3. Architectural Preliminary Design of Plaza Mayachen**

- Development of Urban Plan Criteria
- Master Plan for the Plaza Mayachen
- Preliminary Design for Plaza Mayachen
- Site evaluation
- 3-D video presentation

**4. Economic Viability Analysis of Plaza Mayachen**

A. Summary of Project Plan and Objectives – This is a description of what is planned. Project scope and objectives shall be clearly defined here and include:

- A clearly defined project scope to include:
  - the types of facilities planned (i.e. museum, mercado, cultural plaza, schools or other educational facilities),
  - general locations for planned facilities,
  - approximate size for such facilities,
  - completion dates both incremental and final
  - obstacles to project success
- A clear and detailed outline showing what the project is expected to achieve and how the achievements will contribute to the overall project goal. The objective performance measures utilized in evaluating the achievement of the objectives should be clearly identified.

B. Market Feasibility. The local and regional market shall be analyzed and the potential impacts of market demand and competitive activities on the project detailed.

C. Economic Feasibility. Analyze and determine whether the proposed project will generate economic benefits and the nature and extent of such benefits. Is the need significant enough to justify the proposed project?

- Will the need still exist by the time the project is completed?
- What are the alternate means of satisfying the need?
- What are the economic, social, environmental, and political impacts of the need?

D. Cost Estimates. This involves estimating project cost to an acceptable level of accuracy. Levels of around -5% to +15% are common at this level of a project plan. Both the initial and operating costs are included in the cost estimation. Estimates of capital investment and of recurring and nonrecurring costs should also be contained in the cost estimate document.

E. Financial Feasibility. Financial feasibility should be distinguished from economic feasibility. Determine the capability of the project organization to raise the appropriate funds needed to implement the proposed project. Loan availability, credit worthiness, equity, and loan schedule are important aspects of this financial feasibility analysis. The analysis should consider rates of return, inflation, sources of capital, payback periods, breakeven point, residual values, and sensitivity. This is a critical analysis since it determines whether or not and when funds will be available to the project. The project cash flow profile helps to support the economic and financial feasibility of the project.

F. Conclusions and Recommendations. The feasibility study should end with the overall outcome of the project analysis. This should indicate an endorsement or disapproval of the project. Further, the conclusions should specifically state as a yes or no answer whether project revenues will pay for the costs of and continuation of the project.

##### **5. Economic Impact Analysis of the Plaza Mayachen**

- A. The direct benefits and impacts of proposed economic, social, educational, and community development activity related to the implementation of Plaza Mayachen
- B. The indirect economic benefits and impacts that Plaza Mayachen will have on current and potential participants
- C. In addition, the scope of the economic impact analysis will include: Direct Economic Impact; Indirect Economic Impact; Induced (Multiplier) Economic Impact; Overall Economic Impacts expressed separately in economic impact measures