

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

DEPARTMENT: Office of Economic Development
AGENDA DATE: September 29, 2009 – Consent Agenda
CONTACT PERSON/PHONE: Kathryn Dodson, PhD, Director 541-4670
DISTRICT(S) AFFECTED: ALL

SUBJECT:

Formal report of the Economic and Community Development, Quality of Life and Tourism Legislative Review Committee meeting held on September 9, 2009 at 3:00 p.m. as submitted by City Representative Steve Ortega, Chair. [Economic Development, Kathryn B. Dodson, (915) 541-4872]

BACKGROUND/DISCUSSION:

Report to Mayor and Council of the Economic and Community Development, Quality of Life and Tourism Legislative Review Committee meeting held on September 9, 2009 at 3:00 p.m.

PRIOR COUNCIL ACTION:

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

N/A

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?

N/A

BOARD/COMMISSION ACTION:

Enter appropriate comments or N/A.

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:** _____





**LEGISLATIVE REVIEW COMMITTEE
Meeting Action Report**

Committee: Economic and Community Development,
Quality of Life and Tourism

Members: City Representative Steve Ortega (Chair)
City Representative Emma Acosta
City Representative Eddie Holguin
City Representative Ann Lilly (absent)

Staff Assignee: Kathryn Dodson, Ph.D., Director – Economic Development

Date of Meeting: September 9, 2009 – 3:00 p.m.

1. Discussion and action on proposed Empowerment Zone Grant Revolving Loan Fund Program Lending Guidelines. (Districts 1, 3, 6, 7, and 8)
[Economic Development, Kathryn B. Dodson, (915) 541-4872]

Summary:

The Empowerment Zone Grant Revolving Loan Fund Program consists of two main parts. The Small Business Loan program loans from \$10K to \$500K for businesses in the zone, \$1.9M available. For every \$20K given they must create a new job or \$10K used to retain jobs. Loans are given at 3% interest rate and 20% of it is forgivable at the end of the loan period assuming every payment is given in a timely manner. Micro Loan program lending \$5K, with 50% of the loan is forgivable. Representative Holguin requested an LRC to discuss the grant agreement further and Representative Ortega, Chair agreed. Billy Lilly, Community Development, Kathy Dodson, Economic Development Director, Marie Taylor, Asst. City Attorney – were present to field questions at this LRC.

Action Taken:

The LRC voted to approve proposed Empowerment Zone Grant Revolving Loan Fund Program Lending Guidelines.

2. Discussion and action on proposed amendments to the City's multiple contracts with Hotel Don Quixote, LTD. concerning financial incentives, terms and conditions related to the construction and operation of the Doubletree Hotel. (District 8)
[Economic Development, Kathryn B. Dodson, (915) 541-4872]

Summary:

Direction given to proceed with Mr. Shcheer request on the four points concerning the City's multiple contracts with Hotel Don Quixote, LTD. The points include, first changing the word reimbursement to payment, second, effective date of payment, third, the removal of Mr. Shcherr as personal liability and fourth, the reduction in the number full time employees to 40-46.

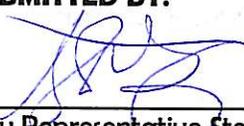
Action Taken:

The LRC gave direction given to proceed with the request on the four points.

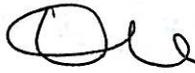
Disposition:

Set up meeting with Economic Development, City Attorney and Mr. Shcherr within the next two weeks and as soon as possible after that get an action item on with City Council agenda.

SUBMITTED BY:



City Representative Steve Ortega, District 7
Chair, Economic and Community Development, Quality of Life
and Tourism



Kathryn Dodson, Ph.D., Director
Economic Development