

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

DEPARTMENT: City Development Department – Economic Development

AGENDA DATE: October 15, 2013

CONTACT PERSON/PHONE NUMBER: Mathew McElroy – 915-541-4193

DISTRICT(S) AFFECTED: District 5

SUBJECT:

APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

Discussion and action on a resolution that the City Manager be authorized to execute a First amendment to a Chapter 380 Economic Development Agreement between the City and Joe Battle Partners, L.P. (“Applicant”) regarding the Applicant’s construction of a large-scale multi-family housing development in El Paso, Texas, which extends the deadline to obtain a certificate of occupancy for the development and provides additional consideration to the City for the agreed upon extension. (District 5) [City Development Department – Mathew McElroy, Director 541-4193]

BACKGROUND / DISCUSSION:

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

On September 29, 2011 the City and Joe Battle Partners, L.P. entered into a Chapter 380 Economic Development Program Agreement related to economic development incentives for the construction of a 384 unit multi-family housing development. The multi-family housing development is located at 12130 Pebble Hills. Per the agreement, the applicant is required to obtain certificates of occupancy for the development by September 29, 2013. To date the applicant has completed 168 multifamily units. Due to unforeseen circumstances, the applicant was not able to obtain certificates of occupancy for the remainder of the development and is therefore requesting an extension until December 29, 2014. In consideration for the extension, the applicant will be reducing the number of apartments from 384 to 336. Furthermore, the agreement is also being amended to reduce property tax rebates from 100% to 80% of the incremental ad valorem property tax revenue generated by the subject property. Staff is recommending approval of the First Amendment of the Chapter 380 Agreement as the development is anticipated to encourage increased economic development in the City, provide significant increases in the City’s property tax revenues, improves the City’s housing options, and therefore meets the requisites under Chapter 380 of the Texas Local Government Code.

PRIOR COUNCIL ACTION:

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

No prior actions.

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?

General Fund – 380 Agreement

BOARD / COMMISSION ACTION:

Enter appropriate comments or N/A

N/A

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

DEPARTMENT HEAD: _____

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)
Information copy to appropriate Deputy City Manager

RESOLUTION

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

That the City Manager be authorized to execute the First Amendment to Chapter 380 Economic Development Agreement between the City and **Joe Battle Partners, L.P.** (Applicant) regarding Applicant's construction of a large-scale multi-family housing development in El Paso, Texas, which extends the deadline to obtain a certificate of occupancy for the development and provides additional consideration to the City for the agreed upon extension.

APPROVED AND ADOPTED this ____ day of _____, 2013.

CITY OF EL PASO

Oscar Leeser
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

Matthew K. Behrens
Assistant City Attorney

APPROVED AS TO CONTENT:

Mathew McElroy, Director
City Development Department

H. APPLICANT shall obtain the consent of the El Paso City Council before using this Agreement as evidence of community support in any application for Housing Tax Credits or other applications for public funding for either the Development or any of the APPLICANT's other related projects.

4. Exhibit B is revised to read as attached **Exhibit "A"**.

IN WITNESS WHEREOF, the CITY and APPLICANT have executed this First Amendment to the Agreement as of the date first written above.

CITY OF EL PASO:

Joyce A. Wilson
City Manager

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Matthew K. Behrens
Assistant City Attorney

Mathew S. McElroy, Director
City Development Department

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF EL PASO §

This instrument was acknowledged before me on the ____ day of _____ 2013, by Joyce A. Wilson, as City Manager of the City of El Paso, Texas, on behalf of the City of El Paso, Texas (City).

Notary Public, State of Texas

My Commission Expires:

[Signatures and Acknowledgments Continue on the Following Page]

APPLICANT:

Joe Battle Partners, L.P,
a Texas limited partnership.

By: East El Paso Investment Group, L.L.C.
a Texas limited liability company
Its: General Partner

By: _____
Gary Porras
Its: Member

ACKNOWLEDGMENT

STATE OF _____ §

§

COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 20____,
by _____, as _____ of **Joe Battle Partners, L.P** (APPLICANT).

Notary Public, State of _____

My Commission Expires:

EXHIBIT A

[Grant Submittal Package Form]

Joe Battle Partners L.P. believes that it has substantially met its obligations under the Chapter 380 Agreement dated the ____ day of _____, 20__ and signed by _____ of **Joe Battle Partners L.P.** . Pursuant to the Agreement, **Joe Battle Partners L.P.** submits this Grant Submittal Package Form in compliance with the Agreement and in anticipation of receiving the Grant payments referenced in the Agreement in consideration for its obligations met therein.

As required by the Agreement, the following information is submitted.

1. Site Development plan approvals.
2. Property tax payment receipts for all properties owned in the City of El Paso.
3. Proof of ownership for subject properties.
4. Copies of all applicable approvals and permits

Joe Battle Partners L.P. hereby applies for a Grant of \$_____ for reimbursement related to the construction of _____ (# of units) in _____(#of Multi-Family Developments). The name, address and number of units of each Development follows:

Development Name	Address	# of Units
Las Torres Apartments Location as described in Exhibit A of the Agreement	TBD	336

It is understood by **Joe Battle Partners L.P.** that the City of El Paso has up to ninety (90) days to process this request and reserves the right to deny the Grant claim if the terms of the Agreement have not been complied with.

APPLICANT:

Joe Battle Partners, L.P.
a Texas limited partnership.

By: East El Paso Investment Group, L.L.C.
a Texas limited liability company.

Its: General Partner

By: _____
Name/Title (printed): _____