



Regular Session: Item #37

# Desert Pass Townhomes, LLC An Infill Project at 201 Desert Pass

October 24, 2023

Goal 1: Create an Environment Conducive to Strong, Sustainable Economic Development  
1.1 Stabilize and expand El Paso's tax base: Activate Targeted (re)Development (2.0)

# Project Summary

**Applicant:** Desert Pass Townhomes, LLC

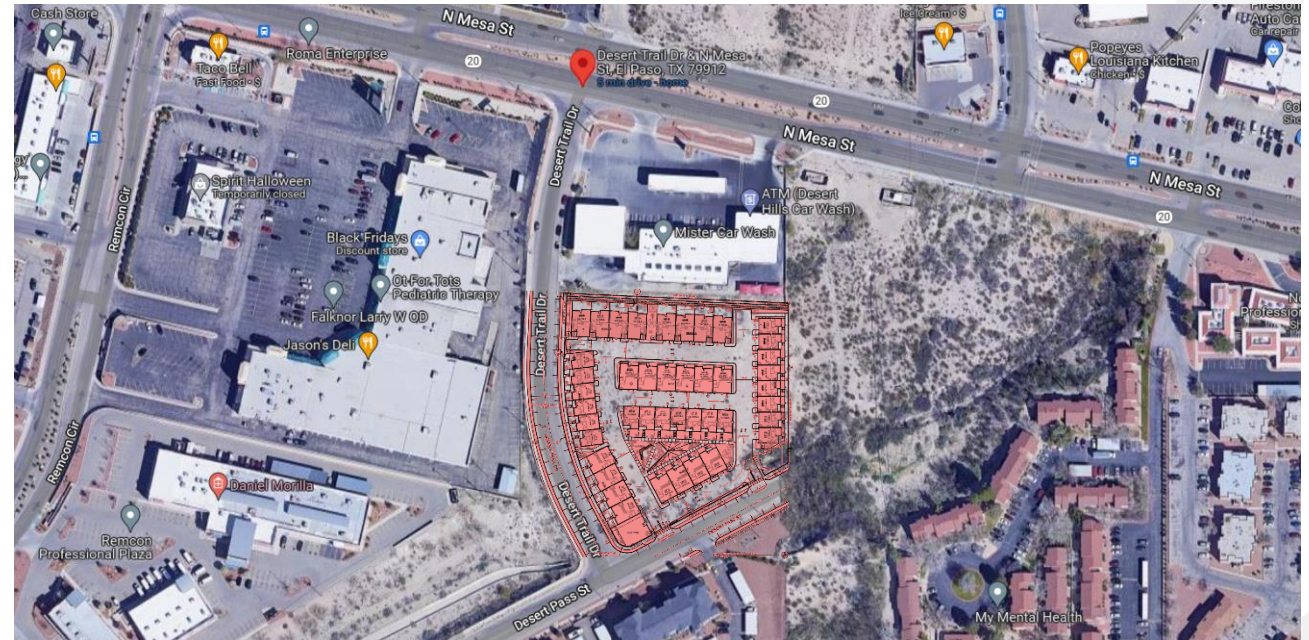
**Property Address:** 201 Desert Pass

**Real Improvement Costs:** \$12,008,509

**District:** 8

**Proposal:** To develop 43 market-rate townhomes at 201 Desert Pass, to:

- Enhance the neighborhood;
- Provide a unique middle-housing option;
- Encourage walkability with location near existing shopping centers and restaurants; and
- Enable appropriately-designed, higher densities on an otherwise underused, infill lot



# Site Location & Design: 201 Desert Pass



- Principal orientation toward the main street
- Principal entrance from the sidewalk
- Proposed height at least half the width of widest abutting street
- Total width of primary structure is greater than 80% of the total lot width along the main street
- On-site parking is concealed through use of garages
- Grading follows the topography of the site allowing for narrow footprint, maximizing density

# Proposed City Incentive:

**Incremental Property Tax Rebate**  
(Years 1-3 @ 100% and Years 4-5 @ 75%\*)  
**\$246,195**

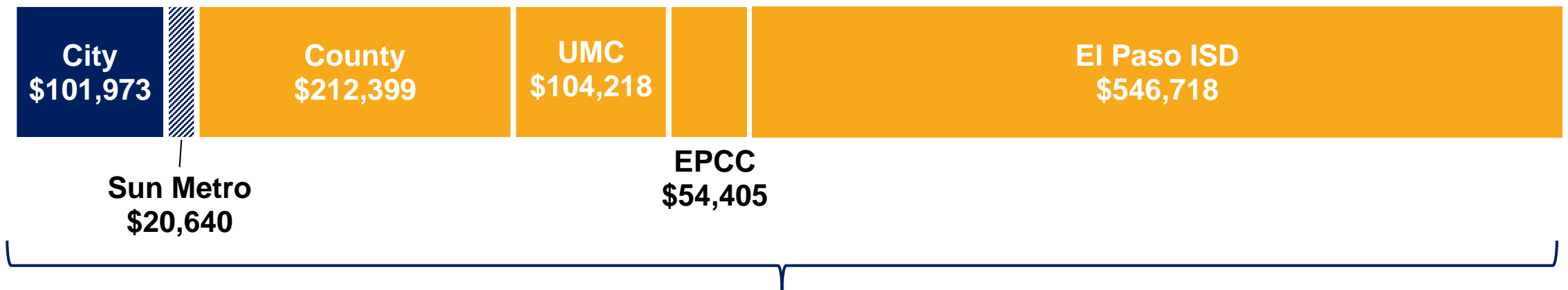
**Construction  
Materials Sales Tax  
Rebate (1%)**  
**\$60,043**

**Permit Fee Rebate**  
**\$10,000**

**Total Proposed City Incentive = \$316,238**

# Community Tax Benefit

## 5-Year Tax Benefit after Incentives



**Tax Benefit after Incentives Over 5-Year Term = \$1,040,353**



\*Estimated tax benefit includes tax revenue from the expansion less incentive value; costs associated with government services are needed to support the expansion are not included.

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# Recommendation

- Incentive proposal aligns with the City's Infill Incentive Policy given the project location, type, and applicant's adherence to the policy's design criteria
- **Recommendation:** Approval of a Chapter 380 Infill Agreement

## 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,  
**A**ccountability, **P**eople