

El Paso County Infill Development Guidelines

PURPOSE

It is the policy of the El Paso County to provide incentives to promote infill development, reduce sprawl, increase the availability of attainable housing and increase economic activity and vitality throughout the County which will improve the local economy and enhance quality of life for the benefit of the residents of El Paso County. Insofar as these goals are served by enhancing the value of the local tax base and increasing economic opportunities, El Paso County will give consideration to provide incentives for infill development.

The purpose of this policy is to define the financial or other incentives available to encourage infill development.

The El Paso County is under no obligation to approve any requested incentive and the right to these incentives is neither intended nor implied.

DEFINITIONS

Infill - As per Title 20 of the El Paso Municipal Code (20.10.280), infill development is any property on which at least two of the following factors are present: the property is wholly or partially located within a designated tax increment financing district, or the property is wholly or partially located within an empowerment zone, or the property is wholly or partially located within a designated redevelopment area. Any development activity, including but not limited to new construction, rehabilitation, addition or redevelopment, associated with vacant or underutilized parcels with existing largely developed urban areas as defined in title 20.02.471 of the El Paso Municipal Code, or the property is located within a designated historic district Chapter 20.20 of the El Paso Municipal Code, or the property is within an older neighborhood of the city. An older neighborhood of the city is defined as a legally recorded and developed subdivision for at least 30 years.

Attainable Housing - residential rental housing for persons having an annual household income at or below **20%** of area median income for the El Paso Region, as determined annually by the United States Department of Housing and Urban Development.

Vacant Building - A building is defined as vacant if it is **60%** or more unoccupied and is registered as a vacant building with the City of El Paso.

PROGRAM PURPOSE

It is the purpose of the County of El Paso that consideration will be provided in accordance with the guidelines, criteria and procedures outlined in this document. This guideline applies to the owners of real property. Project consideration will include the potential impact of the reinvestment project on the immediate and surrounding area. El Paso County may provide incentives to a property owner if the proposed infill development project meets the following criteria:

1. Private property that includes investment in new construction and/or renovation of single family residential uses with a total investments of \$50,000 or greater; for all other commercial land uses that includes investment in new construction and/or renovation with total investment o f \$75,000 or greater. For the purposes of these guidelines, the total investment cost excludes property acquisition costs; and
2. Includes new construction on a vacant lot and/or renovation of existing vacant or blighted buildings including single-family homes to be used for the following land uses: housing, office, retail, restaurant, multifamily residential facilities, commercial and industrial within El Paso County, as authorized by the existing City of El Paso Zoning Code; and
3. Will substantially enhance the economic health of El Paso County; and
4. Will result in a net increase or retention of jobs in the County, will add to the tax base, will result in additional attainable housing units, or will otherwise improve or enhance the economic welfare of the residents or businesses of the County; and
5. Demonstrates the potential to generate revenues to the County which outweigh costs associated with incentives; and
6. The property was purchased within one year or will be purchased before entering into the incentives contract. If the land is vacant this provision does not apply; and
7. The present owner (new owner) neither caused nor contributed to the present blighted condition.

In addition, the following criteria must be satisfied.

The project must:

1. Show a clear demonstration of public purpose and economic benefit through advancement of the County's economic goals which include expanding the tax base, creating quality jobs, increasing private capital investment in the community, spurring development in targeted County locations; encouraging development of targeted businesses or clusters desirable to enhance the County's economy; or creates additional attainable housing in El Paso County; and
2. Include solid evidence provided by the property owner that demonstrates the financial stability and capacity to complete the project, evidence can include financial statements for a corporation or tax statements for an individual; and
3. Be in compliance with all local, state and federal laws.

The property owner, in order to receive any such incentives from El Paso County will make available credible information to enable the County to prepare a fiscal impact analysis. The recipient will update this information annually during the term of any incentives contract. The decision to provide any economic development incentives will be considered on a project-by-project basis, in accordance with the criteria set forth in this policy, and at the discretion of the El Paso County Commissioners Court. In order to be eligible for incentives, businesses or individuals must be current on all County taxes or any other obligation to the County.

ELIGIBILITY CRITERIA

The property must meet the City definition for infill development, must be within the County of El Paso Limits and must meet the following eligibility criteria:

- A. The property must be a platted, unimproved lot; or
- B. The property must contain a vacant building; or
- C. The property must contain a building that has a CAD physical condition factor of thirty (30) or lower; or
- D. The property must be renovated for use as attainable, rental housing or attainable owner-occupied housing.

For purposes of this section, any property in a historic district or with a historic designation shall be subject to the requirements and review provisions of the district's regulations of the relevant municipality.

Agreements may be conditioned on the completion of specific improvements to real property. The Agreements shall contain recapture clauses in the event that such conditions are not met.

PROCEDURAL AND PROGRAM GUIDELINES

Any person, partnership, organization, corporation or other entity desiring that El Paso County consider providing infill incentives shall be required to comply with the following procedural guidelines. No representations made herein are considered binding unless and until approved by the Commissioners Court or their designee.

Application

Applicants shall submit a completed "Application for Infill Development Incentives" form for consideration of financial incentives to the Economic Development Department of El Paso County, 500 E San Antonio, El Paso, Texas 79901.

Consideration of the Application

The El Paso County Commissioners Court or their designee will consider requests for financial incentives in accordance with these policies and the Texas Local Government Code. Additional information may be requested as needed. Applicants satisfying the general criteria and meeting the qualification standards will be considered.

When authorized by Commissioners Court, the County may enter into an agreement that outlines the terms and conditions between the County and the applicant, and governs the provision of the incentives to be provided for the project.

Inspection of the Project

During the term of such agreement El Paso County will have the right to inspect the project facility during regular business hours to ensure compliance with the agreement and accuracy of the owner certification.

Recapture

If a project is not completed as specified, or if the terms of the agreement are not met, the County has the right to cancel or amend the incentive agreement, recapture any rebated or exempted taxes, and assess penalty payments for the amounts previously secured by County liens against the property and all previously waived fees and abated taxes shall become due to the County.

Effect of Sale, assignment or lease of property

No incentives rights may be sold or assigned without the approval of the Commissioners Court. Any sale, assignment or lease of the property may result in execution of the recapture provision, as outlined above.

Incentives cannot be transferred as a result of a change in the majority ownership of the property without the expressed written consent of El Paso County. Any new owner shall file a new application for an economic development incentive. It shall be the responsibility of the owner to notify the County of any such substantive change.

Attainable Housing Criteria

If the property is to be used for attainable, rental housing, El Paso County will require submission of income data documentation, recordation of declaration of restrictive covenants placed on the land and have a set affordability period of five (5) years for rental units with controls on rental prices charged to income qualified households. For owner-occupied housing, the qualified property owner has to retain occupancy for a period of five (5) years.

DIRECT FINANCIAL INCENTIVE AVAILABLE

Property Tax Rebate

The County's portion of ad valorem property taxes may be rebated to the property owner according to the following schedule if Commissioners Court approves the incentives to allow for eligibility under these infill development guidelines.

investment	investment					
Residential	Commercial	year 1	year 2	year 3	year 4	year 5
\$50,000.00	\$75,000.00	75%	40%	25%	0%	0%
\$75,000.00	125,000.00	75%	50%	40%	10%	0%
\$100,000.00	\$175,000.00	75%	60%	50%	25%	10%
	\$225,000.00	75%	60%	50%	25%	10%
	\$275,000.00	75%	60%	50%	25%	25%

Ad valorem property tax rebates are only available on properties with available ad valorem taxes (i.e. taxes cannot be diverted through Historic Tax Credits, Transportation Reinvestment Zone, prior 381 agreements, Tax Increment Reinvestment Zones or other means). Property Tax Rebates are not available on residential properties unless they are used for attainable housing. The base year used for the calculation of incentives will be the year of contract execution

TERM OF FINANCIAL INCENTIVES

The availability of financial incentives under this Policy shall remain in effect until September 30, 2018.

INELIGIBLE AND RESTRICTED USES

The following types of uses or applicants are not eligible:

- a. Buildings that have been issued a building permit including conditional permits by a local government.
- b. Projects funded/granted infill incentives by a local government.



Exhibit A

Downtown Investment Zone





Exhibit B



Mission Trail Investment Zone

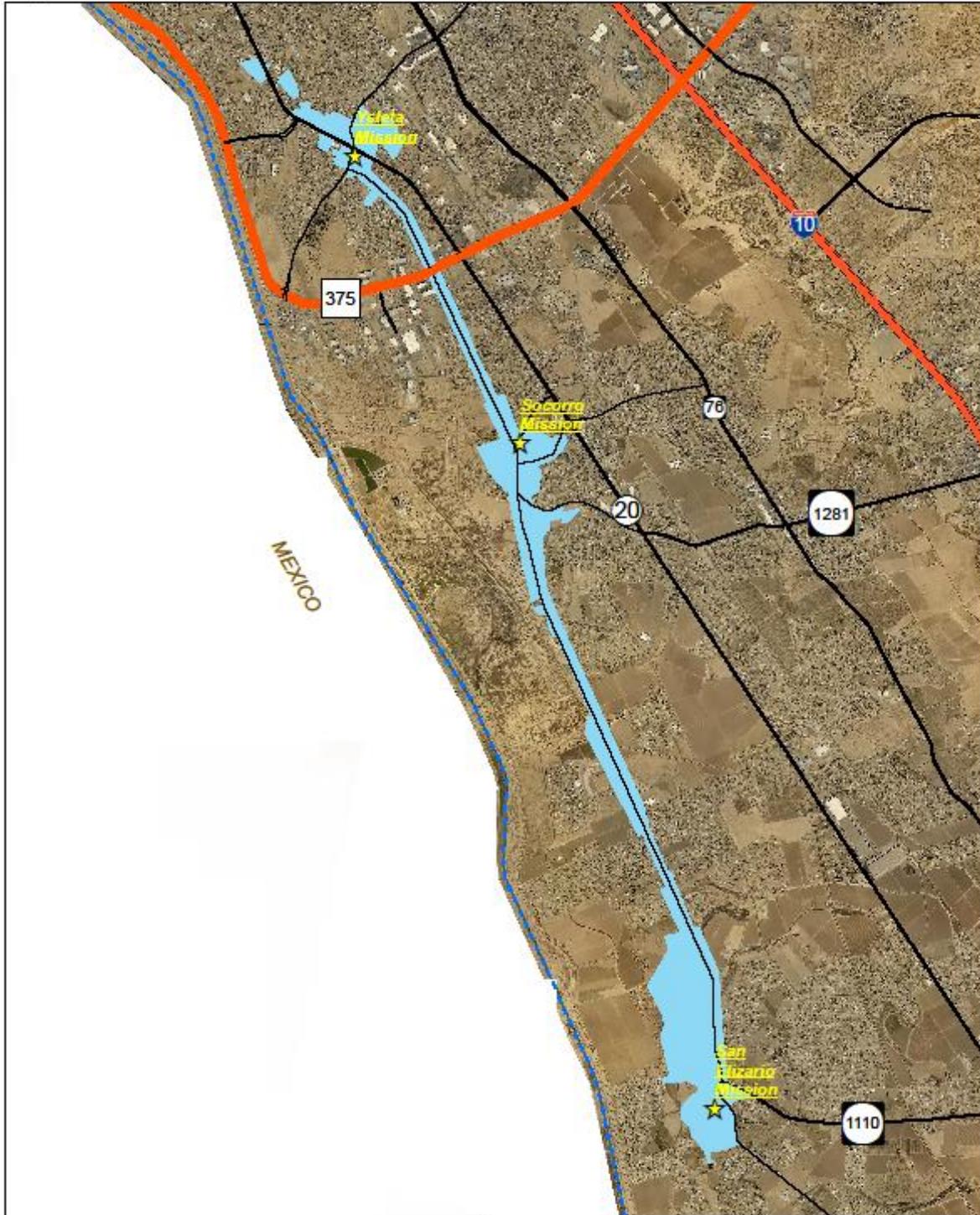




Exhibit C

**INFILL DEVELOPMENT INCENTIVE APPLICATION
ECONOMIC DEVELOPMENT DEPARTMENT**

****APPLICATION SUBMITTAL PRIOR TO CONSTRUCTION START REQUIRED****

I CONTACT INFORMATION

PROPERTY OWNER(S): _____

ADDRESS: _____ ZIP CODE: _____ PHONE: _____

CELL: _____ E-MAIL ADDRESS: _____ FAX: _____

REPRESENTATIVE(S): _____

ADDRESS _____ ZIP CODE: _____

PHONE: _____ CELL: _____ E-MAIL ADDRESS: _____

II PROPERTY INFORMATION

PROPERTY ADDRESS: _____

LEGAL DESCRIPTION: _____

PRESENT LANDUSE: _____ PROPOSED LANDUSE: (e.g. Housing, Mixed-use) _____

IS PROPERTY CURRENTLY VACANT? YES _____ NO _____ IF YES, ESTIMATE PERCENTAGE: _____

WILL PROPERTY BE USED FOR HOUSING? YES _____ NO _____

PROPOSED ZONING: _____

TOTAL SQUARE FOOTAGE OF PROPOSED CONSTRUCTION/ RENOVATION _____

BREAKDOWN OF SQUARE FOOTAGE BY USE (ie: residential, retail, office, etc.): _____

III INELIGIBILITY CRITERIA

CONSTRUCTION START DATE: _____

ESTIMATED COMPLETION DATE = _____

CURRENT TOTAL EL PASO CENTRAL APPRAISAL DISTRICT (CAD) APPRAISED VALUE (attach tax statement): _____

ESTIMATED CONSTRUCTION/ RENOVATION COST (Exhibit A): _____

GREYFIELD OR BROWNFIELD DEVELOPMENT (CIRCLE ONE): _____

PREVIOUS TAX RELIEF GRANTED TO ANY PORTION OF THIS PROPERTY? (If so, describe the type and duration): _____

1) HAS APPLICANT COMPLETED REQUIRED PRE-SUBMISSION CONFERENCE? YES _____ NO _____

2) DOES APPLICANT MEET ELIGIBILITY CRITERIA? YES _____ NO _____

3) IS THIS PROPERTY LOCATED WITHIN A TIF (Tax Increment Finance District) or TIRZ (Tax Increment Reinvestment Zone)?

YES _____ NO _____, IF YES for TIRZ, which one: _____

4) IS PROPERTY LOCATED WITHIN AN EMPOWERMENT ZONE? YES _____ NO _____

5) IS PROPERTY LOCATED WITHIN A REDEVELOPMENT AREA? YES _____ NO _____

6) IS PROPERTY LOCATED WITHIN A HISTORIC DISTRICT? YES _____ NO _____

IF YES, which one: _____

IV. ADDITIONAL INFORMATION

OWNER(S) OF RECORD FOR THE ABOVE DESCRIBED PARCEL(S):

Printed Name : _____ Signature: _____

OWNERS'S REPRESENTATIVE FOR THE ABOVE DESCRIBED PARCEL(S):

Printed Name : _____ Signature: _____

Note: Signatures are required for all owners of record for the property proposed for rezoning. Attach additional signatures on a separate sheet of paper.

YEAR PROPERTY ACQUIRED BY CURRENT OWNER _____

REQUIRED DOCUMENTATION FOR TAX EXEMPTION APPLICATION

- D** **APPLICATION FOR TAX EXEMPTION** - Each item on this application shall be completed and all documentation required on this form shall be submitted before this application is accepted for processing. Submittal of an application does not constitute acceptance for processing until the Department reviews the application for accuracy and completeness.
- D** **CONCEPTUAL CONSTRUCTION DRAWINGS** - One (1) full size copy and one (1) copy on 8 1/2" x 11" paper of the written description of property.
- D** **DETAILED SITE DEVELOPMENT PLAN (REQUIRED)** - Application shall include a submittal of a detailed site development plan in accordance with Section 20.04.160 of the City Code
- D** **PROPERTY TAX STATEMENT** - Please attach one (1) printed copy from the El Paso Central Appraisal District website.
- D** **CERTIFIED CITY TAX CERTIFICATE** - Certified city tax certificates may be obtained at the City Tax Office, Wells Fargo Plaza, 221 N. Kansas, Suite 300 (Corner of Kansas & Mills) Monday through Thursday, 7:00 a.m. to 6:00 p.m. For any tax exemption, delinquent taxes must be paid in full before the tax rebate may proceed.
- D** **COST ESTIMATES OF PROPOSED PROJECT - Exhibit A** - List each item of work and the cost of each item.
- D** **PROOF OF OWNERSHIP** - One (1) copy of a certificate from a title company, warranty deed, or other legal document demonstrating that the individual(s) or corporation making the application for tax exemption is the current property owner.
- D** **PHOTOGRAPHS** - Color photographs showing current conditions of the site and structures
- D** **STATEMENT OF CERTIFICATE** - Certification by the applicant that all the information on this application is correct and that the program regulations have been understood



V. STATEMENT OF CERTIFICATIONS

I certify that the information on this application is correct.

I authorize County officials to visit and inspect the property as necessary to certify eligibility and verification for an incremental property tax rebate (County Portion) and applicable financial incentives.

I acknowledge, have read, and understand the program regulations, and that I will not receive a public benefit until all the program requirements have been met and verified by the Director or assigned staff.

I understand that all construction and/or rehabilitation work must be completed within the time period set out in the agreement with the County.

I agree not to knowingly employ any undocumented workers as defined in Texas Government Code Section 2264.001.

I understand that no incentive rights may be sold or assigned and incentives cannot be transferred as a result in the change on major ownership of the property without the expressed written consent of the County of El Paso.

I understand that if the proposed project is not completed as specified in the application, or the terms of the agreement are not met, the County of El Paso has the right to cancel or amend the incentive agreement, recapture any rebated or exempted taxes and fees, and assess penalty payments for the amounts previously secured by County liens against the property and all previously waived fees and abated taxes shall become due to the County.

Property Owner Printed Name

Property Owner Signature

Date



Exhibit D

COST ESTIMATE OF REHABILITATION/RESTORATION WORK

Real Property	
Land	\$
Existing Building Improvements (Renovation)	\$
New Building Improvements	\$
TOTAL	\$

***Please include detailed cost estimate breakdown (Additional sheets may be added or sub-stituted)**

OTHER QUESTIONS

- WILL JOBS BE RETAINED OR CREATED AS A RESULT OF THIS PROJECT? IF SO, EXPLAIN: _____

- ARE THERE ANY LIENS AGAINST THE PROPERTY? IF SO, PLEASE EXPLAIN:

- DESCRIBE, BRIEFLY, YOUR PLANS FOR THE PROPERTY AND HOW IT CAN ENHANCE THE NEIGHBORHOOD:

The County of El Paso requires the following information in order to process an application for incentives. Generally, information provided in the application will not be released to the public until an agreement is executed with the County. See Texas Government Code § 552.131. An application does not guarantee an incentive grant. The County of El Paso Economic Development staff will conduct a review, normally 10 business days, and will contact the applicant once completed. Please note: If construction has commenced on a project, the incentive application process is Void.