

Multifamily Incentive Breakdown



Recent Department of Defense (DoD) housing market analyses have determined at least 20,000 additional troops, civilian personnel and family members are expected to live in El Paso. However, the El Paso region currently lacks approximately 8,000 multifamily housing units needed to accommodate the dramatic population growth resulting from Fort Bliss expansion.

The City of El Paso has implemented a **five-year, 100% incremental property tax rebate for multifamily projects containing at least 150 units** (10 units for infill projects). The rebate is capped at 4,000 units and expires on Dec. 3, 2013. El Paso County is being asked to support a similar tax incentive because we are concerned that a demand for 8,000 units by an incoming military population with a minimum housing allowance of \$924 will displace local El Paso renters unless we are able to increase the supply of units through incentives.



Tax Implications of Incremental Property Tax Rebate

- Five-year, 100% property tax rebate if the maximum 4,000 units are built. El Paso County would rebate \$1,771,495.09 over the five-year period (based on a unit valuation of \$25,866).
- El Paso County would collect \$5,314,485.27 in years 6-20 (netting \$3,542,990.18 over 20 years)

Collections over the five-year period:

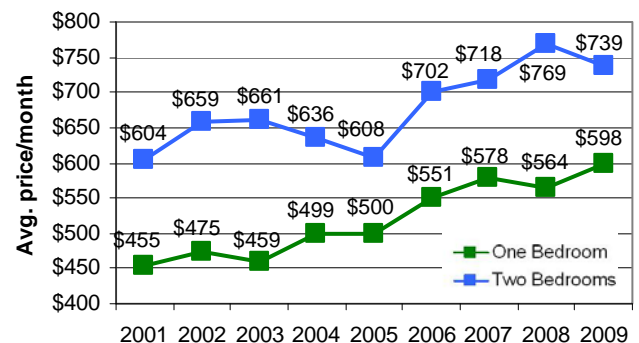
EPISD — \$6,388,902

County Hospital — \$ 938,956.49

EPCC — \$552,709.86

El Paso Apt. Rental Rates

The minimum Basic Allowance for Housing (BAH) for a soldier at Fort Bliss is \$892.



For more information, contact the City of El Paso Economic Development Department at (915) 541-4670 or via email at econdev @elpasotexas.gov.



economic development

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Current El Paso Multifamily Market

Total number of Apartment Units: 35,600 (Source: El Paso Apartment Association)

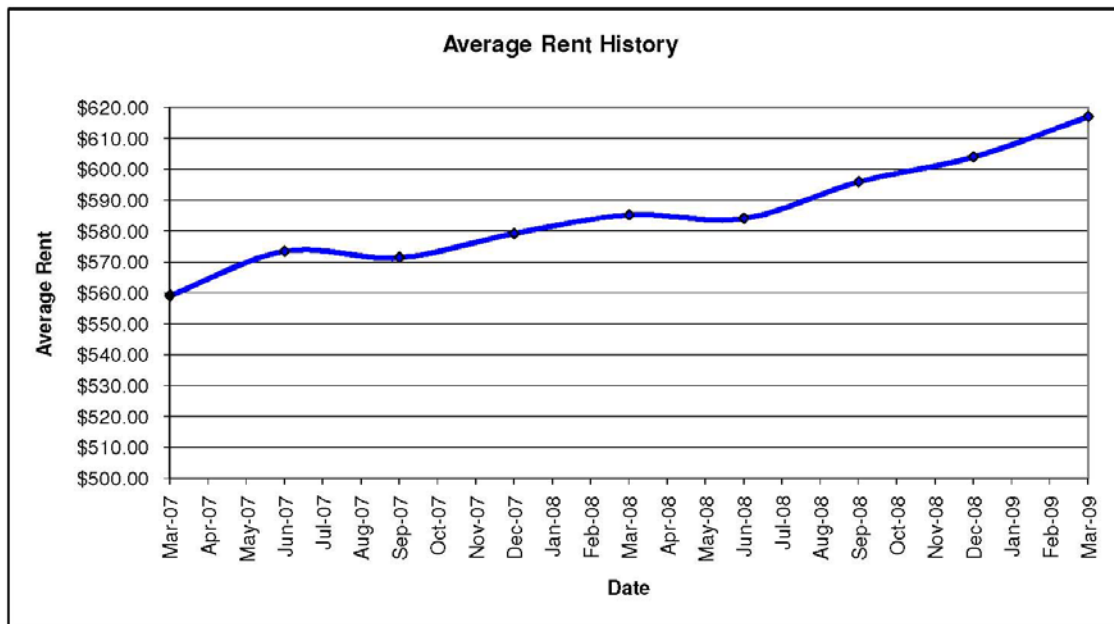
El Paso Average Occupancy: **96.2%**

Texas Metro Average: 93.9%

(Source: Apartment MarketData Research)

Average Apartment Rent History — March 2007 - March 2009

(Sources: ALN Metro Summary; El Paso Apartment Association)



Fort Bliss & Local Contractors



Total Awarded to El Paso Prime Contractors:

\$96,102,264

Total % El Paso Prime Contractors:

5.41%

Total Awarded to El Paso Subcontractors:

\$260,713,061

Total % Awarded to El Paso Subcontractors:

38.28%

