



July 11, 2024

The Honorable Oscar Leaser
Mayor
City of El Paso
300 North Campbell Street
El Paso, Texas 79901

Subject: Proposed Artcraft Commercial Development

Dear Mayor Leaser and City Council Members,

We are writing to you to ask that you postpone any further action to complete the proposed sale of the 43 acres located at the southeast corner of I-10 and Paseo del Norte Drive Artcraft to VTRE. There are several critical reasons NOT to move forward with this proposed sale which are articulated within:

- TXDOT and the El Paso MPO have already identified this intersection as a high-congestion area, due in great part to the cross-border commercial vehicle traffic coming from Mexico. A distribution center will bring many 18-wheel tractor-trailer trucks to the area, further complicating traffic here. Any increase in commercial traffic will drastically impact the surrounding retail sales and harm the retailers, property owners, and even the City and State through decreased sales tax revenue.
- A Distribution Facility (which has been repeatedly mentioned as the proposed use) is not the highest and best use of the property due to traffic considerations, utility availability, and the fact that a large warehouse at this location is not attractive.
- While the City can sell this land with a Council vote since it is in a TIRZ and this came from the City's Economic Development Department, many elected officials pledged that any land sales would be transparent and go through a City RFP process in the future for City land.
- A Request for Proposal (RFP) process with strict guidelines that would meet the council's stated goals of providing quality infill development that considers walkable neighborhoods and encourages healthier lifestyles, provides much-needed market-rate multifamily housing, creates hundreds of good paying jobs, and would significantly contribute to the city's property and sales tax revenues would bring the City and most importantly, the Taxpayers the highest value for the land.
- It has been mentioned that if the City backs out of this deal, El Paso will be blacklisted for future similar economic development projects. This could not be further from the truth. If the City moves forward with this sale, El Paso will be seen as an unsophisticated pushover in the

economic development realm, especially since several large parcels of land in the area can accommodate the warehouse distribution facility.

- The Contract, as attached to the City Council Agenda item, has room for improvement. This is not a guaranteed deal as the Buyer (VTRE) can back out for any reason within 120 days. The Buyer has already had an opportunity to perform their due diligence when under contract the last time. If the proposed Buyer backs out again, the City Council will look poorly for a third time. In addition, the 5-year development deadline only shows the Buyer is speculating with the property and does not have a firm contract with a specified user.

We appreciate the City's commitment to accommodate the proposed Fulfillment Center warehouse on the far west side of El Paso. However, as mentioned above there are parcels of land better suited for their needs just a little further north of Artcraft that will enable the client to accommodate the substantial number of delivery vehicles planned for the development at a lower cost without further contributing to the existing significant congestion at this crucial intersection.

Importantly, the city does not have to choose between having one or the other. The City can accommodate both proposed developments along the same corridor, and both will positively contribute to our local economy. **Respectfully, the City Council has an obligation to the taxpayers to generate the maximum revenues possible from the sale of its real estate.**

We thank you for your consideration.

Respectfully,



Adam Z. Frank
President
River Oaks Properties

Attachments:

Proposed West Village Development
West Village Site Plan
West Village Comparison to Fulfillment Center

PROJECT COMPARISON

10 YEAR PERIOD



VanTrust Warehouse Project

ECONOMIC IMPACT

CONSTRUCTION JOBS

JOBS FROM PAYROLL

10-YEAR FISCAL IMPACT

INCLUDES NEEDED RESIDENTIAL HOUSING

ATTRACTIVE PROJECT

QUALITY OF LIFE PROJECT

CAN THIS PROJECT GO ELSEWHERE AND NOT ON CITY OWNED LAND?

\$1.099 Billion

1,500+

3,000+

\$33.17 Million

Yes

Yes - Attractive Landscaped Center in a Walkable Neighborhood.

Yes - Bring New Retailers to El Paso

No

\$225 Million

200+

460+

\$4.87 Million

NO

NO Industrial Warehouse

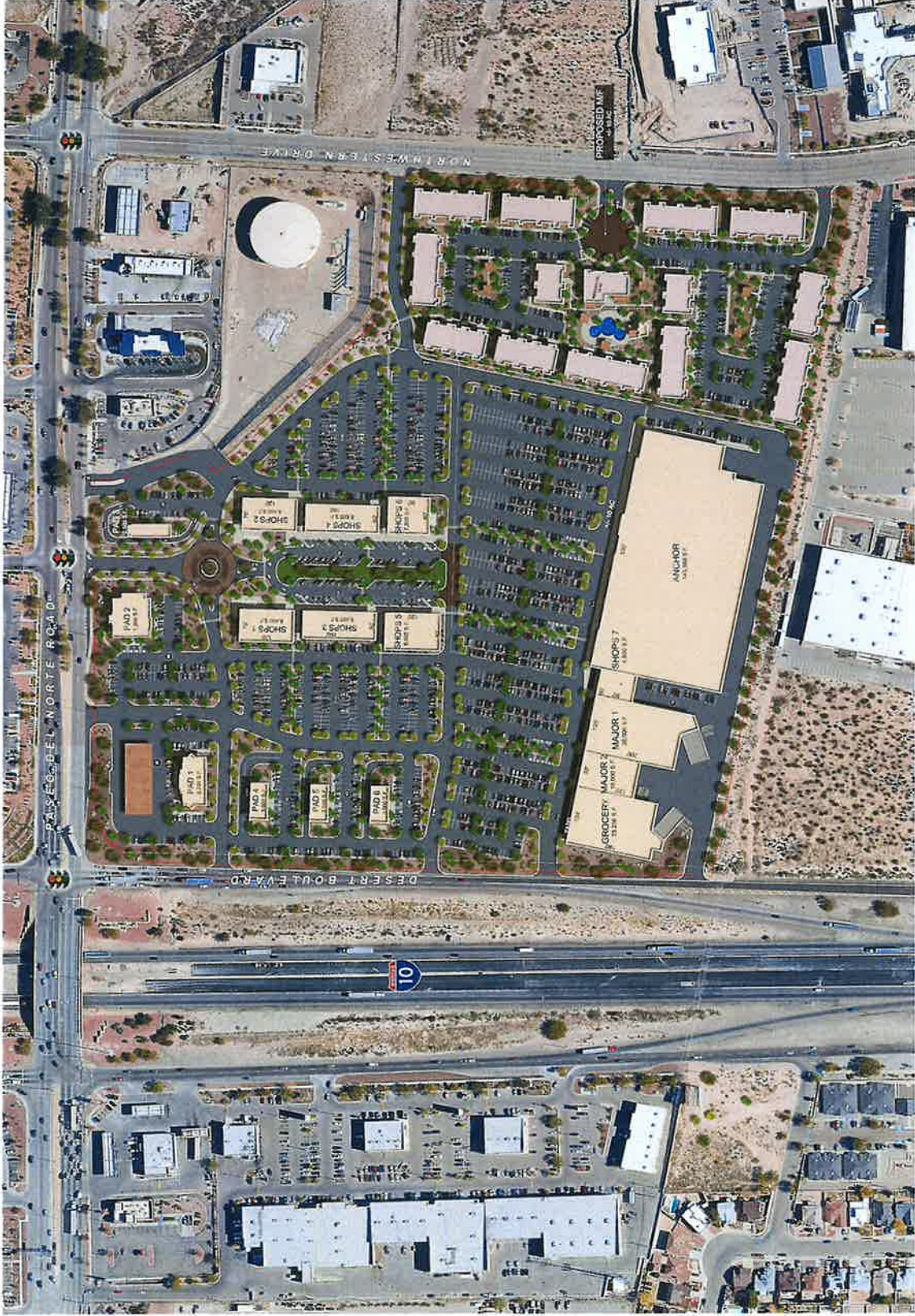
NO

Yes

Do this project on City Land

Amazon to go to Industrial Park

Do Both Projects



Site Data

Site Area:	1,480,655 S.F. (34.0 AC.)
Commercial:	433,761 S.F. (10.0 AC.)
Multi-Family:	1,914,416 S.F. (44.0 AC.)
Total:	3,348,071 S.F. (76.0 AC.)
Building Area:	287,844 S.F.
Coverage:	19.4%
Parking Provided:	1,535 Spaces
Parking Ratio:	5.7 / 1,000 S.F.

24016-0701

02.18.2024



Butler Design Group, Inc.
architects & planners

PASEO del NORTE MARKETPLACE

SEC of Paseo del Norte Road & Desert Blvd
EL Paso, Texas





Google Earth