

LOCAL

## Historic Kress Building set for redevelopment

By Chris Johnson  
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### EL PASO, Texas (KTSM) – Tuesday morning, members of the El Paso City Council approved incentives for the long-awaited redevelopment of the 85-year-old S.H. Kress Building in Downtown El Paso.

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The project will be led by Franklin Mountain Investments (FMI), owned by El Pasoan Paul L. Foster.



*"We are very excited about the new plans that we have for developing the Kress Building...We consider the Kress to be a significant historical asset for El Paso. We have developed a transformation plan that retains the design, architecture, and great history of that building, and want it to serve as a venue that will continue the renaissance of Downtown El Paso. Kress will become a destination that both tourists and residents will enjoy."*

— PAUL FOSTER, CEO OF FMI

The City authorized a \$2.1 million incentive, primarily comprised of a 20-year 100 percent property tax rebate and a 10-year 100 percent sales and use tax rebate. The County has approved a term sheet committing to a \$415 thousand incentive made up of a 10-year, 90 percent tax rebate. As part



*"This investment by FMI is an incredible opportunity for our community and we are grateful to Mr. Paul Foster for continuing to invest in El Paso...I look forward to seeing how this historic building will further the redevelopment of our Downtown."*

— EL PASO MAYOR OSCAR LEESE

Officials say the Kress preservation plans involve three levels. The basement will include a luxurious day spa in a "grotto" setting with a full-service salon.

The first floor will be a Food Hall that will feature local and global food and beverage options and shopping experiences with a festive cultural ambiance. The second floor will include various entertainment venues, event areas, and private dining spaces.



*"The Kress development agreement is yet one more example of the El Paso City Council's commitment to historic preservation. Today's action brings the total number of historic preservations approved by the Council to six. The total investment of all these projects is more than \$206 million, of which the City Council has committed \$75 million in financial incentives, making these historic preservations possible...One of the funding sources we have been able to leverage for these projects has been State rebates; in particular, for the larger hotel preservation projects like the Plaza Hotel and the Paso del Norte Hotel."*

— CITY MANAGER DOMINI GONZALEZ

William Keil, FMI's Chief Operating Officer, said that the Texas Historical Commission and the National Park Service have approved Kress as a "certified historic structure" which will be eligible for federal and state historic rehabilitation tax credits which will further help enable the restoration of this iconic building.

Kress, originally a national chain, "five and dime" retail department store in the heart of the City, will also soon be registered in the National Register of Historic Places.

The City is currently working with the private sector on additional preservation projects including the De Soto Hotel and Texas Tower.

Officials with the City announced they are also working on plans to make improvements to the Union Plaza Depot. Gonzalez said all the previous and current actions demonstrate the Council's resolve to restore our community's treasured historic structures.

Franklin Mountain Investments is a diversified investment company owned by Paul L. Foster. The Company has investments in numerous businesses, including Energy, Private Equity, Real Estate, Construction, Aviation, Sports, Restaurants, Medical Devices, and more.

To learn more about FMI and its operating subsidiaries and investees, [click here](#).

