

Goal 1: Create an Environment Conducive to Strong, Sustainable, Economic Development

Presented by: Cary Westin

Strategic Plan Update

April 15, 2015



Goal 1 Economic Development



Goal 1 Team Members

- Aviation
- Planning & Inspections
- Community & Human Development
- Destination El Paso
- Economic Development
- Mass Transit – Sun Metro



EL PASO
INTERNATIONAL AIRPORT

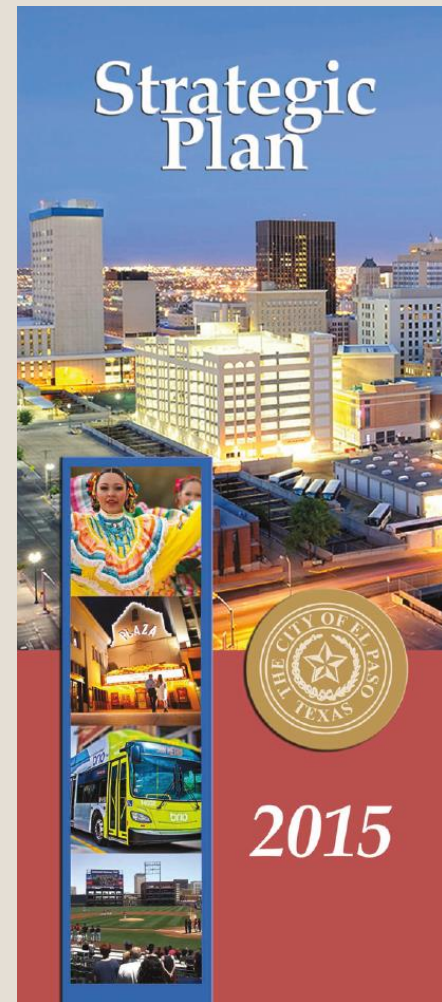


Goal 1: Create an Environment Conducive to Strong, Sustainable, Economic Development

FY 2015

Performance Update

- 6 Strategies
- 16 Actions
- 10 Key Performance Indicators
- 7 Key Focus Areas



Current Year Results

- Secured a third, daily non-stop flight from El Paso International Airport to Hartsfield-Jackson Atlanta International Airport via Delta Air Lines – commences August, 2015
- Awarded National Golf Foundation Overall Customer Service award in the premium course category - Butterfield Trail Golf Club
- The City of El Paso's Foreign Trade Zone is lauded as one of the busiest and most successful Foreign Trade Zones in the U.S. by *Business Facilities*.
- Improved commercial plan review times to an average of **15 days**, with 100 percent of commercial new plans being reviewed in three weeks or less; residential plans average **5 days**
- **98** percent of inspections are completed **within 24 hours** of request; customer wait times average 8 minutes or less in the One Stop



Current Year Results

- Expanded the Empowerment Zone Small Business Loan Program's eligibility parameters from **10% (3,800 parcel acres)** to **17% (6,380 parcel acres)** of the City's commercially zoned properties
- Added **0% APR ADA/Façade business loans** to attract and retain businesses within the City.
- Secured conventions for future years totaling **over 4,600** room nights
- Developed welcome campaign for **50,000+ USBC** guests including banners, airport signage and a custom visitor center. The 128 day tournament will generate more than **\$75 million** for the local economy.



Current Year Results

- El Paso was named one of the Top 10 Cities for Spring Travel in the U.S. (*Feb. 2015, CCRA Travel Commerce Network*)
- Awarded a **\$56,000** Texas Historical Commission Matching Grant to update our current Downtown Architectural Survey which was last updated in 1992.
- Executed three economic development agreements that totaled more than **\$48 million** in new capital investment
- Introduced Brio RTS along Mesa Corridor increasing system efficiency through more frequent services
 - Adjusted Local Fixed Route services to augment implementation
 - Impacts seen along Mesa since Brio:
 - 2 new mixed use developments constructed adjacent to Brio stations
 - 2 commercial sites redeveloped as new land-uses
 - 3 commercial properties have revitalized appearances



Goal 1- Key Performance Indicators

Key Performance Indicator	SP Link	2013 Actual	2014 Actual	Q2-15	YTD	Target
Number of new jobs created	1.1.1	915	1,086	0	1,337 89% of goal met	1,500
Number of jobs retained	1.1.1	8	2,946	1,476	2,626 97% of goal met	2,700
Capital Investment	1.1.1	\$104M	\$154M	\$48M	\$114M	\$161.7M (5% inc)
# of Empowerment Zone jobs created/retained	1.1.4	53	135	17	129	80 Exceeded goal
% of zoning applications recommended for approval compliant with Plan El Paso	1.1.7	77%	97.5%	Applications in process for final public hearing	97.5%	100%



Goal 1- Key Performance Indicators

Key Performance Indicator	SP Link	2013 Actual	2014 Actual	Q2-15	YTD	Target
Gross Hotel room revenue	1.2.2	\$153,672,973	\$168,308,725	\$39,219,339	\$81,645,929	\$173,357,986 (3% inc.)
Venue generated revenue	1.3.1	\$4,770,838	\$4,669,715	\$586,910	\$2,061,511	\$4,600,000 (5% inc.)
Cost Per Enplaned Passenger	1.4.1	\$6.38	\$6.40	\$7.04	\$7.04	5% below national average for small hubs (\$7.93)
Expand FTZ Activations	1.1.7	2	2	1	1	Two per year
Commercial New Plans reviewed meeting 15 business day benchmark goal	SPO to revise number	85%	88.4%	96.8%	88.4%	90%



1.1 Stabilize and Expand El Paso's Tax Base

1.1.1 Develop, retain, recruit, and expand business within the community

- ✓ Concluded research regarding regional demand for Metal Heat Treatment services identifying challenges and issuing recommendations to attract this strategic service.
- ✓ Business Response teams with participants from Workforce Solutions Borderplex and EPCC are drafting, implementing, and supporting Skills Development applications for 5 companies to train over 1,200 employees with projected training dollars of over \$2.5M.

Measure	Q2-15	YTD	Target
# of Business Response Team resolutions	2	4 80% of goal met	5
# of business visits	17	19 79% of goal met	24



1.1 Stabilize and Expand El Paso's Tax Base

1.1.2 Execute marketing and communication strategy in collaboration with Destination El Paso and the Airport

- ✓ Launched City Economic Development Website Jan. 2015
- ✓ Joint marketing materials and outreach provided by Mayor, Destination El Paso, Economic Development & the Airport
- ✓ Continued Media outreach and community presentations

Measure	Q2-15	YTD	Target
# of Economic Development Related Presentations	4	13	24
# of Economic Development and Industry Related Trade Shows/Conferences/Events	4	5	15



1.1 Stabilize and Expand El Paso's Tax Base

1.1.3 Expand El Paso's retail base to include new, desired targeted retail

- ✓ Gathered market data and research and provided to 3 destination and outdoor recreation prospective retailers evaluating opportunities for expansion.
- ✓ Attended Shopping Center Business Conference focused on entertainment and destination anchored retail development centers and met with more than 8 new to market retailers (movie theatre(s), restaurant(s), outdoor recreation, destination)

Measure	Q2-15	YTD	Target
# of new to market retailers announcing expansion plans and/or openings	3	4	10
# of site visits from new to market retailers	1	3	15
# of attended retail real estate industry events	1	2	5



1.1 Stabilize and Expand El Paso's Tax Base

1.1.4 Attract and retain businesses within the City and County of El Paso

- ✓ Business Development collaborates with Borderplex Alliance on recruitment and expansion projects. In Q2, there were 21 early stage projects, 1 mid-stage project and 1 advance stage project.
- ✓ Mesa Air Maintenance Facility up and running, 40 jobs, \$600,000 in investment, \$1.4 million in payroll

Measure	Q2-15	YTD	Target
# of new Empowerment Zone loans issued	2	3 60% of goal met	5
\$ of new Empowerment Zone loans issued	\$570,000	\$615,000	\$1,000,000
# of jobs created	0	1,337 96% of goal met	1,400
# of jobs retained	1476	2,626 97% of goal met	2,700



1.1 Stabilize and Expand El Paso's Tax Base

1.1.5 Implement a strategic and systematic approach to administer the real estate function

- ✓ Strategically administer the City's leased property portfolio
- ✓ Identify and dispose of surplus real estate assets

Measure	Q2-15	YTD	Target
% of leased property in compliance with lease agreements	96%	96%	95%
% of verified surplus properties sold	0%	0%	100%



1.1 Stabilize and Expand El Paso's Tax Base

1.1.6 Execute a comprehensive city-wide redevelopment plan

- ✓ Entered into development agreement with Hunt Metro 31, LLC's for the development of a proposed Smart Code transit-oriented development on approximately 31 acres in the Northeast.
- ✓ 1 infill development CSM Realty Holdings agreement totaling more than \$ 7.5M in investment adjacent to the upcoming Whole Foods Site – that includes 28,000 square feet of retail space; 13,000 sf of office; 4,500 sf restaurant space.

Measure	Q2-15	YTD	Target
# Downtown Sustainable City Center Incentive Projects	1	4	10
# of Infill Development Incentive Projects	7	10	5
# of Sustainable City Center Incentive projects (City-Wide)	1	3 60% of goal met	5
Total Investment	\$17.8 M	\$22.2M	\$50M



1.1 Stabilize and Expand El Paso's Tax Base

1.1.7 Provide services to the development community in support of orderly and timely project completions

- ✓ Commercial new review times averaging 15 days
- ✓ New residential plans averaging 4 days
- ✓ Wait times in the One Stop held at 8 minutes or less for all reporting periods

Measure	Q2-15	YTD	Target
% approved plats are consistent with Plan El Paso	35%	38%*	25%

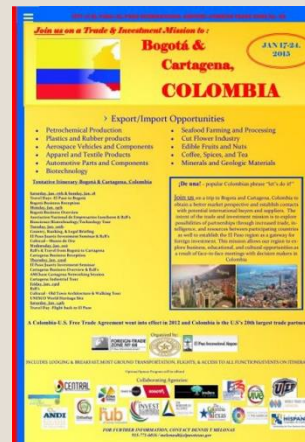


1.1 Stabilize and Expand El Paso's Tax Base

1.1.8 Identify potential target industries and businesses for investment in the region

- ✓ Met with 3 businesses and industrial groups during the Trade Mission in Columbia in Jan 2015
- ✓ FTZ Activation – Halla Visteon, Inc., a global automotive industry company specializing in climate control systems

Measure	Q2-15	YTD	Target
# of FTZ activation leads	1	1	2



1.1 Stabilize and Expand El Paso's Tax Base

1.1.9 Identify potential development opportunities

- ✓ Mesa Air Lines relocated its overnight maintenance facility for the Bombardier CRJ-900 aircraft to El Paso from Charlotte, NC (QTR 1)
- ✓ Hertz Rental Car Company leased land in BTIP for overflow parking storage (QTR 2)

Measure	Q2-15	YTD	Target
# of new lease agreements	1	2	4



1.2 Enhance Visitor Revenue Opportunities

1.2.1 Promote El Paso as a desirable destination

- ✓ Launched new campaign mid-Q2 and targeted a new demographic to include Gen X, Y and Millennials. Previous campaign was in place for roughly 6yrs.
- ✓ Shared 17 positive national articles with Ambassador database resulting in 236,251 impressions, a 34% increase over last qtr. Share rate amongst Digital Ambassadors is 16%.

Measure	Q2-15	YTD	Target
# of sales leads	10	29	52 (30% +)
# of impressions in all forms of media	106,964,281	262,569,718	821,036,663 (10% +)
# of people who utilize visitor services	129,940	255,555	495,309 (10% +)
# of digital ambassadors	307	3,341 67% of goal met	5,000



1.2 Enhance Visitor Revenue Opportunities

1.2.2 Grow El Paso's lodging industry

- ✓ Confirmed Association of Women's Business Centers (2015), Combined Law Enforcement of Texas (2015) and the Texas Association of Convention & Visitors Bureaus (2016).
- ✓ El Paso YTD occupancy levels lead the state and national averages 63.7% to 62.7% and 60.2% respectively.

*Per data provided by Smith Travel Research

Measure	Q2-15	YTD	Target
Gross Hotel Room Revenue*	\$39,219,339	\$81,645,929	\$173,357,986 (3% +)
# of hotel rooms booked	2,339	4,675	11,620 (5% +)



1.3 Maximize Venue Efficiencies Through Revenue Growth and Control

1.3.1 Optimize revenue generated through rentals, parking, food and beverage

- ✓ Q2 Performance venue attendance up 21.32% over PY YTD
- ✓ Convention Center attendance of 42,239, up 210.72% over PY YTD due to bowling.

Measure	Q2-15	YTD	Target
Venue generated revenue	\$586,910	\$2,061,511	\$4,600,000
# of event days	90	222	600
# of theatre attendees	52,539	79,330	150,000



1.3 Maximize Venue Efficiencies Through Revenue Growth and Control

1.3.2 Manage facilities efficiently to meet or exceed industry standards

- ✓ The physical plant has remained fully operational and has not seen any down time to date in this fiscal year.

Measure	Q2-15	YTD	Target
Utility usage per capita	\$0.81	\$0.62	Less than \$1.43 (2% -)
Unplanned Network & Physical Plant Downtime	0.73%	0.37%	Less than 5% unplanned downtime annually



1.4 Grow the Core Business of Air Transportation

1.4.1 Expand domestic and commercial air service

- ✓ Delta Air Lines adds a third, daily non-stop flight from El Paso International Airport to Hartsfield-Jackson Atlanta International Airport – commences August, 2015

Measure	Q2-15	YTD	Target
# of incentive programs developed for new, non-stop destinations	1	1	2



1.5 Stimulate Economic Growth Through Transit Integration

1.5.1 Expand transit system to provide better job accessibility

- ✓ Continue route coordination with Project Amistad (PA60) to new developments in Far-East El Paso
- ✓ Mesa Brio RTS ridership in Nov. 2014 (first full month of operation) was 60,344; Average ridership for Q2 is 63,977

Measure	Q2-15	YTD	Target
Increase System Ridership	3,809,645	7,989,876	16,000,000 50% of goal met
Mesa Brio RTS Ridership	191,932	260,534	660,000 40% of goal met



1.6 Streamline Processes to Provide a Solid Foundation for Development

1.6.1 Leverage and expand the use of current and new technology to reduce inefficiencies

- ✓ Over 40 percent of customers currently utilize Electronic Document Review for Residential Plans
- ✓ Over 80 percent of customers currently utilize Build El Paso Inspection App and IVR inspections

Measure	Q2-15	YTD	Target
% phone calls to one-stop-shop answered within 45 seconds	77%	N/A	90%



Cross-Functional Teams

SP Link	Team Name	Purpose	Impact
1.1	Vacant Premises Ordinance	Obtain input and feedback from business community	VPO garnered business and community support.
	Joint Marketing	Market City with same message with Destination El Paso, Airport and Economic Development	More visibility and consistent messaging that make better use of our resources.

