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

Presented by: Cary Westin

Strategic Plan Update

April 4, 2016
Goal 1 Team

- Aviation
- Community & Human Development
- Destination El Paso
- Economic Development
- International Bridges
- Mass Transit – Sun Metro
- Planning & Inspections
Current Key Results

• Announced Allegiant Air non-stop service to San Diego and Las Vegas in January and Orlando/Sanford in February 2016

• Approved Three (3) Empowerment Zone loans investing over $748,200 in local businesses

• Hosted a travel writer and photographer from Canadian Geographic Magazine resulting in a 5 page feature worth over $85,000

• Generated 37 convention/meeting leads for YTD Q2 or 56% of goal, representing over 18,000 room nights or 80% of goal
Current Key Results

• Executed 11 Economic Development Agreements that totaled more than $87 Million in New Capital Investment.

• Retained 231 jobs in the community and attracted $5 Million investment to grow an existing manufacturing facility – The TORO Company.

• Top 25 of Nation’s Major Metro Economies – Ranked in economic development growth, prosperity and inclusion (*Brookings Metro Monitor February, 2016*)
Market Familiarization Tours

- Successfully attracted numerous site consultants, business development decision makers, travel writers, journalists, meeting planners – and has led to increased exposure and new business opportunities for the city.

- As an example -- E. Smith Legacy, Dallas Company are moving forward with expansion in El Paso.

"The familiarization tour allows El Paso to showcase our assets and reaffirms that El Paso is open for business. Over the three days, our visitors will be able to see all that our community has to offer," said Mayor Oscar Leeser.
Unprecedented Growth

### Jobs Created

<table>
<thead>
<tr>
<th></th>
<th>FY2013</th>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2016</th>
<th>Total</th>
<th>% increase FY13-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jobs</td>
<td>915</td>
<td>1,139</td>
<td>1,378</td>
<td>836</td>
<td>4,268</td>
<td>50.60%</td>
</tr>
</tbody>
</table>

### Jobs Retained

<table>
<thead>
<tr>
<th></th>
<th>FY2013</th>
<th>FY2014</th>
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<th>FY2016</th>
<th>Total</th>
<th>% increase FY13-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jobs</td>
<td>8</td>
<td>2,946</td>
<td>2,680</td>
<td>458</td>
<td>6,092</td>
<td>33,400%</td>
</tr>
</tbody>
</table>

### Capital Investment

<table>
<thead>
<tr>
<th></th>
<th>FY2013</th>
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<th>FY2015</th>
<th>FY2016</th>
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<th>% increase FY13-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mon</td>
<td>$106M</td>
<td>$158M</td>
<td>$263M</td>
<td>$106,123,358.49</td>
<td>$633,123,358.49</td>
<td>148.1%</td>
</tr>
</tbody>
</table>
Expansions of Local Headquarters

• Fred Loya
  – Headquarter Expansion & Retention of Jobs
  – 738 Jobs
  – $9.7 Million Investment

• Hunt Companies
  – Headquarter Expansion & Retention of Jobs
Adding to our Pipeline…

**Business Development**

- **Early Stage (26)**
  - Employment: 11656
  - Investment: $1.2B

- **Mid Stage (6)**
  - Employment: 2430
  - Investment: $32.1M

- **Final Stage (4)**
  - Employment: 1141 New
    - 356 Retained
  - Investment: $15M
<table>
<thead>
<tr>
<th>Key Performance Indicator</th>
<th>FY2013 Actual</th>
<th>FY2014 Actual</th>
<th>FY2015 Actual</th>
<th>FY2016 Actual</th>
<th>Annual Target</th>
</tr>
</thead>
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<tr>
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<td>1,378</td>
<td>836</td>
<td>1500</td>
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<td>2,680</td>
<td>458</td>
<td>2700</td>
</tr>
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<td>$158M</td>
<td>$263M</td>
<td>$106,123,358.49</td>
<td>$161.7M</td>
</tr>
<tr>
<td># of EZ jobs created/retained</td>
<td>53</td>
<td>135</td>
<td>150</td>
<td>142</td>
<td>80</td>
</tr>
<tr>
<td>% of zoning applications recommended for approval compliant with Plan El Paso</td>
<td>77%</td>
<td>97.5%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>% of phone calls to One-Stop-Shop answered within 60 seconds</td>
<td>N/A</td>
<td>N/A</td>
<td>78.7%</td>
<td>82.9%</td>
<td>90%</td>
</tr>
</tbody>
</table>
Vibrant Regional Economy

- Since September 2015, staff from International Bridges attended or hosted 12 meetings/events with key regional stakeholders in an effort to improve cross-border mobility.

- Key Projects & Technologies Underway:
  - Coordinated infrastructure planning
  - Electronic tolling systems
  - Wait time data collection solutions
  - Updated Capital Plan

- The City’s P3 program funded 4,440 hours of CBP overtime from September 2015 though January 2016 at El Paso del Norte and Ysleta-Zaragoza International Bridges.

- Launched the Park El Paso App – Pay-By-Cell Application

- Parking meters that accept Credit Card payments increased from 73% in August to 80% in March 2016.
Listening to Our Community

- Use of the electronic plan review service continues to grow steadily with over 50% of new residential plans and 22% of new commercial plans submitted electronically.

- The Build El Paso inspection app reached its highest usage rate during the first two quarters of FY16, with over 22% of inspections (or just over 8,500) scheduled through the app.

- Time permit issuance during the first quarter of FY2016 for new residential plans averaged 7.3 calendar days, a 37% decrease in turnaround time when compared to the previous fiscal year.

- Process is underway to secure a TIGER 8 Grant for the construction of a parking garage/transfer center at the Medical Center of the Americas – Increase our centers to 9 total city wide.

- 2nd Rollout of the Alameda RTS with plans to complete by Fall 2017 – stimulate redevelopment activity along the corridor.
## Commercial & Residential Projects Underway

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Valuation ($MM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automatic Data Processing – Office Facility</td>
<td>$24.0</td>
</tr>
<tr>
<td>Housing Authority – Tays Apartment Complex</td>
<td>$18.0</td>
</tr>
<tr>
<td>Abundant Living Faith Westside Church</td>
<td>$16.0</td>
</tr>
<tr>
<td>The Legacy at Cimarron – Assisted Living Facility</td>
<td>$13.2</td>
</tr>
<tr>
<td>Housing Authority – New Apartment Complex</td>
<td>$12.6</td>
</tr>
<tr>
<td>Home 2 Suites – Hotel</td>
<td>$12.5</td>
</tr>
<tr>
<td>The Resort at East Medical Center – Adult Care</td>
<td>$10.8</td>
</tr>
<tr>
<td>Marriott – Hotel</td>
<td>$8.2</td>
</tr>
<tr>
<td>Charlie Clark Nissan Car Dealership</td>
<td>$7.8</td>
</tr>
<tr>
<td>New Harmony Elementary School</td>
<td>$7.6</td>
</tr>
</tbody>
</table>

- During FY15, residential construction was valued at $529 million, an 33% increase over FY14.

- The majority of the increase between the two years can be attributed to Housing Authority renovations to existing residential units. – Aligning Efforts with City Redevelopment Goals & RTS Corridors

- Permits issued for new residential construction projects grew by nearly 7% between FY14 and 15.

- FY16 new residential construction to date has kept pace with the previous year’s construction. Given historical trends it can be expected to pick up during quarters 3 and 4 of the fiscal year.
## Listening to our Business Community

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Objective (Action Plan)</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide Business Friendly Permitting and Inspection Processes</td>
<td>Provide Business Friendly Permitting and Inspection Processes</td>
<td>New commercial building plan review timeline for initial round of review has been reduced by more than 67%, from an average of 13.5 calendar days in FY14 to an average of 4.4 calendar days during the first two quarters of FY16.</td>
</tr>
<tr>
<td></td>
<td>Develop and implement an outreach program to increase awareness of new measures to improve the timely review and inspection of all building permits/applications</td>
<td>Monthly meetings with the Association of General Contractors, design professionals, and the El Paso Home Builders Association regarding the comprehensive update to the 2015 ICC family of codes, as well as other process improvements, including the availability of pre-submittal meetings (12 meetings held).</td>
</tr>
<tr>
<td></td>
<td>Develop and implement an outreach program to increase awareness of technology based inspection scheduling and document review programs within the development community.</td>
<td>Outreach conducted at monthly meetings with the design professional and construction industry to notify of new services and process improvements available electronically, including an increased offering of electronic plan review and planning application submittals (36 application types currently available online).</td>
</tr>
</tbody>
</table>
## Goal 1- Key Performance Indicators

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<th>Key Performance Indicator</th>
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<th>FY2015 Actual</th>
<th>FY2016</th>
<th>Annual Target</th>
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</thead>
<tbody>
<tr>
<td>Gross hotel room revenue</td>
<td>$153,672,973</td>
<td>$168,308,725</td>
<td>$176,264,142</td>
<td>$86,792,184</td>
<td>$177,895,675</td>
</tr>
<tr>
<td>Venue generated revenue</td>
<td>$4,770,838</td>
<td>$4,669,715</td>
<td>$5,130,432</td>
<td>$2,280,878</td>
<td>$4,650,000</td>
</tr>
<tr>
<td>Expand FTZ Activations</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>Two Per Year</td>
</tr>
<tr>
<td>OSS Customer Average Wait Time</td>
<td>04:26</td>
<td>04:34</td>
<td>05:31</td>
<td>06:06</td>
<td>Less Than 8 minutes</td>
</tr>
<tr>
<td>% of Inspections Conducted Within One Calendar Day of Request</td>
<td>98.7%</td>
<td>98.2%</td>
<td>98.0%</td>
<td>98.2%</td>
<td>98%</td>
</tr>
<tr>
<td>Average Calendar Days for Initial Round of Review for New Commercial Plans</td>
<td>13.7</td>
<td>13.5</td>
<td>8.5</td>
<td>4.4</td>
<td>5 Calendar Days</td>
</tr>
<tr>
<td>Strategy</td>
<td>Objective (Action Plan)</td>
<td>Status</td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Enhance Visitor Revenue Opportunities</strong></td>
<td>Secure statewide and regional conventions and meetings for El Paso</td>
<td>Proposed 4 high impact conventions representing 13,000 in total room nights</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Maintain hotel occupancy level above state and national average</td>
<td>YTD occupancy levels lead state and national averages 64.3% to 60.8% and 60.9% respectively amidst an increase in supply</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Continue development of tourism advertising campaign, exceed national average for results</td>
<td>Editorial content, print, television, and online, are at $4,087,643 on track to finish the year above target</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Market and increase number of downloads and use of the Visit El Paso App</td>
<td>FY YTD 2,626 app downloads, averaging 400 a month and on target to exceed goal</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
$13 million in private investment
119 hotel rooms
Opened February 2016

Hotel Indigo
Leveraging State Incentives

- Leveraging State Incentive: State Hot & Sales Use Tax – Estimating $4.3M
- Minimum $8 million in private investment
- 151 hotel rooms
- Expected completion by Fall 2017
Hotel Development Underway

- Starwood Hotel – Bassett Aloft Hotel
  - $16 million private investment
- 100 hotel rooms
- Projected opening: End of 2017-2018
Hotel Development Underway

- $6.4 Million private investment
- 43 hotel rooms
- Projected opening: End of 2016

209 Stanton Boutique Hotel
### Key Deliverables

**Strategy**

**Maximize Venue Efficiencies Through Revenue Growth and Control**

<table>
<thead>
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<th>Objective (Action Plan)</th>
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<td>Market Cohen Stadium to national and regional promoters, secure concert and event bookings</td>
<td>Traveled to NYC for annual Agent meetings and are in process of securing concert bookings for 2016. Presenting at least 2 major festivals in 2016 as well as a free community concert series in the month of June</td>
</tr>
<tr>
<td>Maintain theatre venues among Top 200 Worldwide</td>
<td>Plaza Theatre ranked #89 and Abraham Chavez Theatre is ranked #149 in top 200 for 2015</td>
</tr>
<tr>
<td>Exceed 150,000 in theatre venue attendance</td>
<td>At 55% of goal as of YTD Q2</td>
</tr>
<tr>
<td>Recover convention center business displaced by USBC in 2015</td>
<td>92% of clients retained</td>
</tr>
</tbody>
</table>
### Key Deliverables

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<th>Strategy</th>
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</thead>
<tbody>
<tr>
<td><em>Grow the Core Business of Air Transportation</em></td>
<td>Implemented Incentive programs for new service</td>
<td>Provided Allegiant incentives for new service to San Diego and Orlando/ Sanford and Las Vegas</td>
</tr>
<tr>
<td></td>
<td>Meet with airlines to advocate for new, non-stop flights at ELP</td>
<td>FY15 – 12 meetings FY16 – 2 meetings YTD</td>
</tr>
</tbody>
</table>
Public Private Partnerships...

- Cardwell Collaborative
- Region’s Biomedical Research & Technology Center
  - 60,000sf -- $29 Million Investment
  - Projected to open by May 2016
- Located in the Medical Center of the Americas bringing together researchers, students and private industry to create biomedical innovations that advance healthcare, and create economic opportunities.
Public Private Partnerships...

- Teaching Hospital 110,000 sq feet medical facility
- 300 jobs & 140 bed hospital
- $40 Million Private Investment
- Projected Opening: Fall 2016

Tenet Hospitals Of Providence & TTUHSC Transmountain Campus
Retail Development

Enhancing Destination Retail & Entertainment opportunities throughout the City of El Paso
## Key Deliverables Update

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<th>Strategy</th>
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<tbody>
<tr>
<td><em>Stabilize and Expand El Paso’s Tax Base</em></td>
<td>Attract two new-to-market destination retailers</td>
<td>10+ Site Visits YTD &amp; Continued Market Evaluation Underway</td>
</tr>
<tr>
<td></td>
<td>Conduct comprehensive review of all City incentive policies to ensure alignment with City and Regional strategies</td>
<td>Updated City Incentive Policy Nov. 2015 to ensure alignment with City and Regional Strategies.</td>
</tr>
</tbody>
</table>

### Stabilize and Expand El Paso’s Tax Base
- **Alamo Drafthouse**
  - Addition to Montecillo Development
  - 200 jobs to be created
  - 32,645 sq feet development
  - Projected opening: Summer 2016

### Fountains of Farah Mall

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Top Golf Targets El Paso for Expansion

- $44.3 MM – Total Economic Construction Output
- 390 One Year – Construction Jobs
- $1.4MM State and Local Construction Taxes
- 472 jobs at Top Golf & 167 jobs at suppliers and other businesses = 642 Operational Jobs Created
- $38.4 MM 10 Year Total State & Local Tax Impact

Press Releases

Topgolf Targeting More Markets for Expansion

The global golf entertainment company is actively searching for locations in cities of all sizes.

DALLAS – March 16, 2016 - Global golf entertainment leader Topgolf today announced it has a broad search underway for new locations in smaller and mid-size cities in addition to major U.S. markets. Some new regions under consideration include: New Orleans and Baton Rouge, La; Hattiesburg, Ala; northwest Arkansas; Providence, R.I.; Ft. Myers/Naples, Fla.; Greenville, S.C.; Albuquerque, N.M.; McAllen and El Paso, Texas and more.

There are currently 24 Topgolf venues open worldwide and nine under construction throughout the U.S. Topgolf Vice President of Real Estate Development Zach Shor said there are dozens more locations under contract or in firm negotiations for 2017 and 2018 openings. In January, Topgolf Entertainment Group (TEG), the parent holding company of Topgolf, formed an international division to begin its expansion abroad; Topgolf will still remain focused on the top 50 U.S. metropolitan statistical areas (MSAs), with additional concentration on California expansion.

"As we look to grow the Topgolf global community, we are excited to introduce our concept both online and in-venue in cities of all sizes," said Co-Chairman and CEO of TEG Erik Anderson. "Our new investment partner Providence Equity Partners brings us with additional resources to accelerate, broaden and deepen our expanding presence in the U.S. and beyond." Topgolf is the only entertainment center of its kind, offering competitive golfing games for all ages and skill levels and advanced technology to track players’ shots. Those who just want to relax can enjoy the upscale, laid-back ambiance that boasts more than 250 high-definition flat-screen TVs and an extensive food and beverage menu.

"Our openings in Oklahoma City and Virginia Beach have shown us that Topgolf can thrive in areas that are less densely populated than we had originally been targeting," Shor said.

Host Topgolf venues are three levels and include 100 hitting bays that can host up to six players at one time. Shor explained that future venues could vary slightly in design, and architectural decisions will be based on local climate, demographics, available acreage and more.

Interested city officials and real estate professionals who have questions about the development process may contact the Topgolf Real Estate Development Department via email at development@topgolf.com.

"Communities of all sizes are reaching out to Topgolf seeking additional entertainment options for residents, and now we can say these areas are under serious consideration," Shor said. "We are looking forward to growing not only the Topgolf concept but the game of golf itself."

About Topgolf Entertainment Group
Topgolf Entertainment Group (TEG) is the parent holding company of Topgolf. Topgolf International and Topgolf Media. TEG is led by Co-Chairman and CEO Erik Anderson.

About Topgolf
Topgolf is a global sports entertainment community creating the best times of your life, with 24 locations serving 8
City-Wide Revitalization Underway

Early – Application Submitted/Process (Pre-City Council)
• 7 Infill Projects in the Early Stage
• $1.9+ million Investment
• 285 Apartment Units
• 20,000 Sq Footage of office/retail

Mid Stage – (Construction Within Past 2 Years)
• 19 Executed Infill Incentive Agreements
• $31+ million Projected Investment
• 335 Apartment Units
• 99,000+ Sq Footage of Office and Retail

Final Stage (Opened)
• 8 Completed Infill Incentive Projects
• $5.7+ million Projected Investment
• 52 Apartment Units
• 67,000+ Sq Footage of Office and Retail
Infill Development Incentive Program – From 2012 to date

$47 Million+ in PRIVATE INVESTMENT

- 30 Executed Infill Development Incentive Agreements 2012 - To Date
- 404 total residential units
- 212,000+ sq feet of office/retail space
Downtown Projects Underway
- $11 million in private investment
- 51 affordable housing units
- 6,000 sq ft commercial space
- 2,000 sq ft gallery space
- Projected Opening: End of 2016

Artspace Lofts
$3 Million Private Investment
82 Residential Units
4,000 sq. feet of retail space
Projected Opening: Summer 2016
Downtown Projects Completed
$5.2 million private investment
40 residential units
11,000 sq feet office/retail space
Opened: January, 2016
- $1 million private investment
- 13 residential units
- 6,000 sq ft retail space
- Opened February 2016

513 W. San Antonio
City Wide Projects Underway
Projected Opening: November 2016

Mesa & Pitt
4804 Doniphan (Before)

The Substation
$3 million in private investment

24,000 sq ft community retail center

Projected opening: End of 2016
500,000 sq feet development
Projected opening: Late 2017
Corner of Desert Blvd and Paseo Del Norte
• 204 Acres
• 1 million SF of high quality retail and entertainment
• Two hotels (350 rooms)
• 265,150 SF Office Space
• 1,245 Residential Units
• Breaking Ground: December 2016
Key Opportunities/Challenges

• Development of an inspection program capable of keeping pace with upcoming Housing Authority projects, including new construction and renovations.

• Continue our coordinated marketing efforts to enhance business and visitor revenue opportunities as well as increase the visibility of our region.

• Continue collaboration to increase our air service development initiatives.
Feedback Received

• SXSW City Exposure in 2017
  – Tourism
  – Entrepreneurship & Innovation

▪ Updating & Adding to our Incentive Policies:
  ▪ Streetcar Incentive Policy
  ▪ BRIO Corridor/TOD Incentive Policy
  ▪ Infill Incentive Policy
Continental focus…

Additional insights?