

In addition to housing affordability, a range of housing opportunities is important. Given the high vacancy of upper-floors of commercial buildings, many opportunities exist for adaptive reuse into residential lofts and condominiums. New construction in the form of live-work, town homes, and residential condominiums on strategic vacant parcels can be integrated into the downtown fabric.

As residential development is a priority for the city and the TIRZ, projects with a residential component should be eligible for public partnership participation through all available public monies. In addition to financial incentives, the city should consider the following:

- Facilitate the ease of adaptive reuse to upper floor residential uses by evaluating building, fire, and zoning codes;
- Provision for residential parking (structured and surface)
- Public infrastructure such as utilities, sidewalks, and other streetscape elements
- Provision for gap financing for residential development
- Discounted fees for building permits, park dedication, etc.
- Downtown housing fund for gap financing with public and private matching funds including a low interest loan program
- Downtown employee assisted housing – working with employers in downtown to provide financial incentives for employees to live in downtown
- Design/technical assistance for historic preservation
- Code/regulatory reform
- RFP on city owned/controlled properties/ ground lease for a nominal fee (catalyst project)
- Structured parking
- Breaks on park dedication fees
- Creation of a centralized database/clearing house for downtown properties for sale or lease
- Create a downtown housing developers' guide (website and printed brochures)

Other opportunities for housing Downtown exist in the Downtown Core and Union Plaza Areas. The assembling of land for the construction of affordable and market rate housing, the provision of parking and parks and open space can be facilitated by the City and TIRZ as well as flexibility in regulatory policies. Security and neighborhood services such as groceries, dry cleaners and laundry, convenience stores and similar amenities could be encouraged through incentives.

Railroad Dining Car Concept

This is a concept to provide opportunities for more restaurant and entertainment uses in the vicinity of the Convention Center district and Union Plaza. A unique dining experience could be created by utilizing existing railroad platforms and City-owned railroad cars. The platform was constructed as part of the Union Plaza redevelopment project. TIRZ participation could be sought for the renovation of the railroad cars and to provide utility connections. In addition, the Pedestrian Linkages plan recommends connecting this area to the downtown core along Durango and San Antonio Streets. This connection would be developed as a “Primary Pedestrian Street” with appropriate streetscape amenities, public art, and wayfinding (see Exhibit 1 – Linkages Map). In addition to this concept, other restaurant and entertainment uses should be evaluated in the Convention Center/Arena district.



This and other similar projects could provide additional destinations in Downtown for tourists and locals particularly for evening dining and would enhance the functionality of the convention center by providing dining adjacent to the convention facility and other private entertainment establishments enhancing nightlife Downtown and generating additional Downtown activity and economic demand.

Cineplex Theater with Multiple Screens and Draft-house

This concept is proposed to strengthen entertainment and restaurant uses in the vicinity of the Convention Center area. The attraction of an upscale multi-screen movie theater and draft house with food and beverage service in the Entertainment District has been identified as a strategy to generate additional activity and economic demand Downtown. A combination movie theater and restaurant where the best first-run movies and independent arts films are showing and appetizing foods, beers and wines are served present a powerful appeal to attract people Downtown. Once Downtown, patrons may stay over to take advantage of some other entertainment event or have a dessert or drink. This project could be developed as a complement to the arena project and its location and timing could depend on the arena project and/or other entertainment uses. At this time, the extent to which TIRZ funding would be used for such a project is unclear, however incentives for the location of entertainment uses should be considered.

Visitors' Center

The consultants working on the El Paso Heritage Tourism Plan have recommended the creation of a Visitor Center with visibility and proximity to Interstate 10 in the Downtown area as a mechanism for attracting traffic off of the freeway with the destination being Downtown. Implementation of the Downtown Plan should be coordinated with the Heritage Tourism Plan which has identified the "Arts Plaza", restoration of San Jacinto Plaza and linkage of the core of Downtown with the Magoffin Historic District as priority projects.

4. Project Prioritization / Funding Policy for Catalyst Projects

A critical implementation tool is to provide the City and the TIRZ Board with broad criteria for evaluating projects that request funding. Most projects identified within the Catalyst Project Corridor are high priorities that must be successful in order to jump start downtown redevelopment. A more detailed section on Funding Prioritization is discussed in Chapter 5, Section 2. This section provides an overview of two broad categories of projects, with corresponding funding policy considerations.

- i. Projects that affect multiple property owners and properties. These are typically projects that would only be realized with public participation on the front end. In such cases, infrastructure impacting multiple property owners can be improved in a complementary fashion, in the form of utilities, streets, parks, and plazas. The Pedestrian Linkages Plan



recommended in Chapter 3 is an example of a publicly initiated project for funding through the TIRZ.

- ii. Projects that affect a few property owners and properties: These are typically no more than 2 or 3 adjoining parcels that are being assembled for a specific project. The scope of such a project is more limited in its impact. Public funding participation for infrastructure improvements impacting the specific project would be project dependant and hence paid by the developer upfront with reimbursements based on performance.

Chapter 5 – Public Infrastructure Cost Estimates for Catalyst Projects

Using the analysis discussed in Chapter 6, the TIRZ can expect to receive between \$103 million and \$109 million in tax increment revenues over the 30-year life of the TIRZ. This chapter provides preliminary cost estimates for the major catalyst projects discussed in the previous chapters. One of the critical public infrastructure costs is the Pedestrian Linkages Plan. At the end of this chapter, general criteria for decision makers in evaluating projects that request public funding are discussed.

1. Project Cost Estimates

Based on the recommended Catalyst Projects and Pedestrian Linkages Plan, project cost estimates have been developed. These cost estimates are intended to provide an order of magnitude estimates to be used by the TIRZ board to quantify bonding needs for specific projects. Actual cost estimates should be developed after detailed streetscape plans have been analyzed in the context of specific conditions for any given corridor or public space. That analysis is critical due to potential cost impacts from the need to relocate utilities or other sub-grade conditions present due to building configurations, etc. The estimates provided here are categorized by type of pedestrian street. For a detailed street corridor, block-by-block break down and cost assumptions, please refer to Appendix 1.

The proposed estimates include only items specifically listed. As already noted, costs do not include moving utilities or burying them underground. In addition, they do not include demolition, R-O-W purchase, any sub-base preparation for sidewalks, or reconfiguration of parking lanes or travel lanes. The costs for streetscape improvements could vary considerably if the level of pedestrian amenities is increased and with moving utilities underground.

Table 5.1 describes the level of pedestrian amenities assumed for the three different categories of streets established in Chapter 3 for the Catalyst Corridor. Table 5.2 provides the overall cost estimates by major element and by street type.

Table 5.1. Level of Pedestrian Amenities by Street Type

Item	Pedestrian Only Streets	Primary Pedestrian Streets	Secondary Pedestrian Streets
<i>Sidewalk Pavement</i>	Brick Pavers	Concrete	Concrete
<i>Street Trees</i>	30' on center	40' on center	40' on center
<i>Additional Landscaping</i>	Yes	No	No
<i>Benches</i>	40' on center	100' on center	None
<i>Street lights</i>	40' on center	80' on center	80' on center
<i>Trash receptacles</i>	40' on center	100' on center	2 per block
<i>Street light banner brackets</i>	Yes	Yes	No
<i>Hanging flower baskets</i>	Yes	None	None
<i>Tree grates</i>	Yes	Yes	Yes
<i>Consolidated newspaper stalls</i>	No	Yes, one per every 4 blocks	Yes, one per every four blocks
<i>Pedestrian Kiosks</i>	2 per block	1 per 4 blocks	None
<i>Wayfinding signs</i>	2 per block	1 per block	1 per block
<i>Other pedestrian amenities (Public art)</i>	2 per block	1 per 4 blocks	None
<i>Bike racks</i>	2 per block	1 per 4 blocks	None

Table 5.2 Overall Cost Estimates by Street Type

Item	Pedestrian Only Streets	Primary Pedestrian Streets	Secondary Pedestrian Streets	Total
<i>Number of Blocks</i>	2	30	20	52
<i>Sidewalks</i>				
<i>Brick pavers/Concrete</i>	765,000	816,400	372,300	1,953,700
<i>Curb and gutter</i>	4,800	326,560	198,560	529,920
<i>Intersection Treatments</i>	-	7,350,750	0	7,350,750
<i>Landscaping</i>				
<i>Street Trees (incl. grates)</i>	71,400	1,071,525	651,525	1,794,450
<i>Other landscaping</i>	204,000	-	0	204,000
<i>Street Furniture</i>	273,450	2,286,695	963,625	3,523,770
<i>Other (public art, bike racks)</i>	44,000	176,000	0	220,000
Total	\$ 1,362,650	\$ 12,027,930	\$ 2,186,010	\$ 15,576,590
Average Per Block cost*	\$ 681,325	\$ 400,931	\$ 109,301	\$ 299,550

*The average per block cost for a *standard pedestrian street* is estimated at \$188,000.

In addition to overall estimates, included in Appendix 1 is a cost break down by street and by block for the Primary and Secondary Pedestrian Streets established. The estimate for developing a comprehensive Wayfinding Plan should be based on a competitive process to select a qualified firm that understands the City's desired strategy for a wayfinding that is scalable and developed in phases. Such a planning project could be partially funded with the TIRZ but would have to be incorporated with a wayfinding strategy for all the major regional destinations and modes of traffic.

2. Funding Prioritization

As downtown revitalization gathers momentum, several projects will be initiated and may request some public participation. In order to maximize the benefit from these limited public monies, it is important to establish general prioritization goals. These are based on the extent to which a proposed project furthers City Council guiding values for the Downtown Plan (Resolution 06-Guiding Values – Downtown Plan), the TIRZ goals for supporting implementation efforts, stakeholder input, and level of private sector participations. Increasing the available stock of both market-rate and affordable housing downtown is another critical priority for the city. To the extent a project includes a residential component, all other aspects being equal, it should generally rank as a higher priority project for TIRZ funding. In addition, the proposed project's connection to transit, proximity to other projects underway or recent projects, ability to leverage other public and private funding opportunities, ability to provide tourism benefits and the opportunity to promote the arts are all factors to be considered for funding prioritization. Specifically, based on the above criteria, project scope and impact, development projects may be classified as "Site-Specific Private" projects or "Public" projects.

i. Site-Specific Private Projects

Site-Specific projects are those that are implemented primarily through private funding sources. They typically are limited to individual projects affecting one or two parcels or property owners. Typically, these are initiated by the private sector. In most cases, public sector participation will be required to make the project successful. Such participation may be in the form of regulatory reform (rezoning), public infrastructure improvements, parking, or other similar incentives. Typically, any public financial participation in these projects will be in the form of TIRZ reimbursements with developers paying the upfront costs of any required public improvements. The city may place conditions on the reimbursements such as performance, percentage participation, or time limits. In certain circumstances, the TIRZ may want to facilitate direct funding. But direct funding should be considered typically only when the Site-Specific Project actually takes on attributes more akin to Public Projects described below.



ii. Public Projects

Public projects are typically undertaken for major public infrastructure or amenities such as streets, streetscapes, parks, open space, and plazas. Due to the impact on multiple property owners, projects such as streetscape improvements require the City's leadership because it is often difficult to gain the simultaneous participation of multiple landowners in funding. In addition, projects that require continuity (such as streets and other utilities) for successful implementation also require City participation. Such projects are typically initiated by the City. Priorities for such publicly initiated projects should complement current synergies of private development. A good example of this type of project is the San Jacinto Plaza. The goal of any publicly initiated project should be to create additional value in conjunction with private development, or to create or improve a civic space that would never occur through the initiation of the private-sector alone.

Chapter 6 – Financing Plan

1. Aggregate Market Projections for El Paso

Concerns over the direction of the national economy have been felt in El Paso, as a number of consumer-related indicators suggest that El Paso's economy has slowed in recent months. Nevertheless, local forecasters expect performance to outpace the nation over the next several years.

From the El Paso Times

Short-Term Forecast

According to Tom Fullerton, an economics professor at the University of Texas at El Paso, El Paso's economy is expected to grow from almost \$18 billion in 2006 to \$21.6 billion by 2009, as measured by total personal income. The UTEP forecast has the annual jobless rate going from a projected 6.2 percent this year to 5.8 percent in 2009. Bob Cook, president of the El Paso Regional Economic Development Corp. (REDCo), said he thinks that the job-growth rates will be higher than Fullerton's projection because of the expected growth of Fort Bliss. "Growth at Fort Bliss will generate another 19,000 (civilian) jobs in the local economy (by 2011)," according to a study done by the Institute for Policy and Economic Development at UTEP, Cook said.

Table 6.1: El Paso MSA Short-Term Economic/Demographic Projections

	2005	2006	2007	2008	2009
Population (000s)	721.2	736.3	747.6	758.7	770.4
Personal Income (Billions)	\$16.8	\$18.0	\$19.1	\$20.3	\$21.6
Total Jobs (000s)	349.2	357.6	365.2	373.2	382.3
Jobless Rate	7.1%	6.9%	6.2%	5.9%	5.8%
Retail Sales (Billions)	\$8.0	\$8.0	\$8.3	\$8.7	\$9.1

Source: Border Region Modeling Project, TXP

Table 6.2: El Paso MSA Short-Term Construction/Real Estate Projections

	2005	2006	2007	2008	2009
Total Housing Starts (000s)	5.1	4.4	4.2	4.4	4.6
-Single-Family Starts (000s)	4.5	4.0	3.8	4.0	4.1
-Multi-Family Starts (000s)	0.6	0.4	0.4	0.4	0.5
Total Housing Stock (000s)	239.7	243.9	248.3	252.4	256.8
Median New Home Price (000s)	\$114.0	\$123.2	\$132.9	\$138.0	\$142.1
Total Nonresidential (\$Millions)	\$408.3	\$477.5	\$467.0	\$463.6	\$456.6

Source: Border Region Modeling Project, TXP

Long-Term Forecast

El Paso's economy and jobs are projected to outpace national growth in the next 20 years with the help of Fort Bliss expansion. Also, El Paso's population will exceed 1 million people by 2027. That's the gist of the latest long-term economic forecast from Tom Fullerton, an economics professor at the University of Texas at El Paso and co-author of "Borderplex Long-Term Economic Trends to 2027." The economies of El Paso, Las Cruces, Juárez and Chihuahua City should show "fairly impressive growth" in the next 20 years. El Paso's economy as measured by total personal income is projected to reach \$60.2 billion in 2027. It was an estimated \$19.1 billion last year. El Paso's per capita income is projected to grow from an estimated \$25,594 last year to \$59,226 in 2027. El Paso's economic output is projected to grow at an average annual rate of 3.4 percent in the next 20 years, compared with a national average rate of 2.7 percent a year as projected by Global Insight, a Boston-area economic forecast firm. El Paso jobs are projected to grow at an average annual rate of 1.9 percent in the next 20 years while unemployment continues to decline. National job growth is projected at an annual average rate of 0.8 percent during the same period as forecast by Global Insight.

Military employment is projected to rise from an estimated 13,500 last year to almost 30,000 in 2027, the UTEP forecast shows. That means military employment will grow from almost 4 percent of total El Paso County employment in 2007 to almost 6 percent in 2027. Numbers reported by Fort Bliss are different: Troop population of about 17,000 now and an expected troop population of about 37,000 by 2012. Retail sales are projected to grow from an estimated \$8.3 billion last year to almost \$22 billion in 2027. The Juárez maquiladora industry is projected to remain strong in the next 20 years, with employment growing from an estimated 254,000 last year to almost 471,000 in 2027, the forecast shows. Juárez's population is projected to grow from an estimated 1.4 million last year to more than 2.3 million in 2027.

Table 6.3: El Paso MSA Long-Term Economic/Demographic Projections

	2010	2015	2020	2025	2030
Population (000s)	782.6	845.7	914.5	986.8	1,063.7
Personal Income (Billions)	\$23.0	\$30.9	\$41.0	\$54.0	\$71.0
Total Jobs (000s)	390.7	432.9	473.3	512.7	553.6
Jobless Rate	5.8%	5.8%	5.7%	5.5%	5.2%
Retail Sales (Billions)	\$9.6	\$12.3	\$15.7	\$20.0	\$25.3

Source: Border Region Modeling Project, TXP

Table 6.4: El Paso MSA Long-Term Construction/Real Estate Projections

	2010	2015	2020	2025	2030
Total Housing Starts (000s)	4.3	4.8	5.5	6.1	6.7
-Single-Family Starts (000s)	4.0	4.2	4.7	5.2	5.7
-Multi-Family Starts (000s)	0.3	0.5	0.7	0.9	1.0
Total Housing Stock (000s)	260.2	280.0	300.9	323.7	348.2
Median New Home Price (000s)	\$146.5	\$172.1	\$201.6	\$235.2	\$273.7
Total Nonresidential (Millions)	\$470.7	\$523.4	\$619.1	\$738.2	\$885.1

Source: Border Region Modeling Project, TXP

2. Downtown Land Use Patterns

Over time, demand for any type of real estate is largely a function of demographics and economics, as job growth and household formation create both the need for space and the means to pay for it. According to UTEP’s Forecast, total El Paso population will surpass a million over the next twenty years, while the local job base will pass half a million during the same period. To support this population and employment growth, the number of housing units, office, and commercial space in the region must expand.

Indications of market demand (especially as evidenced by recent transactions), conversations with local real estate professionals, and analysis of current centers of activity and planned projects and infrastructure point toward development/rehabilitation over the next ten years of office space, hotels, residential, and retail/entertainment uses. Some of these categories are fungible; a given storefront, for example, could easily be used as retail outlet, an office space, and restaurant over time. From a financial perspective, what matters is the ultimate appraised value, as opposed to specific use at any given point.

Table 6.5: Land Use Patterns of New Development in TIRZ#5

	Commercial (Sq Ft)	Residential (Units)	Hotel (Rooms)	Office (Sq Ft)
2008		100		
2009	65,000	100	310	25,000
2010	65,000	100		75,000
2011	65,000	100	200	125,000
2012	65,000	100		125,000
2013	65,000	100		50,000
2014	65,000	100		
2015	65,000	100		
2016	65,000	100		
2017	65,000	100		
2018	65,000			
TOTAL	650,000	1,000	510	400,000

Source: TXP

3. New Construction Cost/Value Assumptions

- **Commercial/Office is valued at \$125 per sq ft;**
- **Hotels are valued at \$75,000/room;**
- **Affordable Housing is assumed to be valued at \$82,750 per unit;**
- **Market Rate housing is assumed to be valued at \$126,875 per unit.**

Based on current announced market activity (see section that follows), experience in prior studies, discussions with local industry experts, and trends in the construction materials and labor markets, these costs are likely an accurate reflection of underlying market conditions for new development in this area. For purposes of this analysis, values are assumed to reflect full underlying development costs.¹

Commercial/Office

A total of 400,000 sq ft of new/rehabilitated office space and 650,000 sq ft of commercial space is expected to come online over the next ten years. This space is expected to be valued \$125/sq ft. (in today's dollars).

Perhaps the clearest indication of the direction of downtown land use, at least in the near term, is market demand. Recent activity in downtown has been brisk, and well-publicized. The 400,000 sq ft estimate is based largely on recent sales, while the cost per sq ft is based on current market costs. Similarly, an average of 65,000 sq ft of commercial is projected to be developed annually in the zone over the next ten years. Office workers, new residents, cross-border shoppers, and those drawn downtown for cultural events and entertainment are likely to form the bulk of the customer base. Cost per sq ft is set at the same level as for office.

¹ This has not always been the case in El Paso, but most accounts suggest that there will be a greater effort to mark appraised values to market in the future. According to one expert, "the assessed market values based on the income valuation approach often result in values significantly lower than full development costs of residential developments, and to a lesser extent, with commercial values. This is true in most taxing jurisdictions throughout the country with assessed values often 70-80 percent of full development costs. This is particularly true of residential developments. These developments are economically and financially feasible, even if rental income does not cover full development costs, because of residential tax credits and taxable losses, including depreciation, that help shelter other income of the investors. Investors are also looking for future appreciation in value which would later be taxed at capital gain rates." If values are not marked to market, then the projected aggregate tax base value and attendant City revenues likely would be 70-80 percent of what is presented here.

Figure 6.1: Sales Tax Rebates to City of El Paso (calendar year in \$millions)



Source: Texas State Comptroller's Office, TXP

Supporting information collected by Texas A&M Real Estate Center

Two developers have their sights set on resurrecting a historic downtown block and making it the “heart of El Paso” again. Paul Foster and Brent Harris own three adjacent buildings in the area — the Plaza Hotel, the Mills Building and the Centre Building. Their vision for the properties? A business, restaurant and retail district called Mills Plaza District. Harris’ Plexxar Centre Ltd. purchased the six-story Centre Building in November. The building was remodeled in 2001 as office space by its previous owner, El Paso Electric. The vacant Plaza Hotel and Mills Building are both owned by Mills Plaza Properties, a firm controlled by Foster, the billionaire CEO and president of Western Refining. Demolition work has already begun on the 12-story Mills Building, once the City’s tallest building. It will be renovated to include state-of-the-art technology for business office space. The 19-story Plaza Hotel, which Foster purchased last month, could be reconfigured as a boutique hotel, residential building, office space, or a combination of the three. Mills Plaza Properties will also build a parking garage on the site of the long-gone St. Regis Hotel.

El Paso Electric Co. purchased an office building located at 100 North Stanton in downtown El Paso for approximately \$15 million. The approximately 379,012 square feet building includes a conference facility on the ground level, as well as basement storage space. El Paso Electric Co. houses its headquarters in the 18-story building. The property was acquired from Zurich Alternative Asset Management and RVI Group.

Local retail broker Richard Amstater of RJL Real Estate Consultants believes this is the most active market he has seen in the last 30 years. Bob Ayoub, president, Mimco Inc., believes that many positive things are coming together for El Paso’s

retail market, including more soldiers at Ft. Bliss, improving maquilas and the new medical school.

National retailers have tended to underestimate the value of Mexican shoppers, especially the high-end retail client. Wealthy Mexicans often own homes on both sides of the border. Surveys have shown that about 20 percent of Mexicans crossing the border have a U.S. bank account. Mexican nationals often combine shopping trips with the consumption of other forms of entertainment and services such as banking or medical services. Astute Mexicans also know that some products are sold in the U.S. market before being made available in Mexico.

Mexican retail customers have reported that they prefer to shop in the United States for a variety of reasons including better selection, more consistent availability, lower prices, more pleasant shopping atmosphere, better quality and superior customer service. Lower-end customers may even resell what they buy on the U.S. side when they return to Mexico. American retail chains with no stores in Mexico have become extremely popular with Mexican shoppers. Examples include Abercrombie & Fitch, American Eagle Outfitters and Victoria's Secret. According to the Simon Property Group, the average Mexican shopper spends twice as much per trip as an American shopper. Of Mexican nationals entering Texas by car in 2004, 43 percent reported remaining on the U.S. side one to seven nights before returning. About 98 percent of Mexican pedestrians crossing by foot into Texas only stay for the day. About 85 percent of Mexicans crossing into Texas list shopping as one their reasons for crossing. El Paso has been the least affected major Texas border city when swings occur in the value of the Mexican peso, according to a Dallas Federal Reserve study.

Hotels

A total of 510 new hotel rooms are expected to come online over the next ten years. This space is valued at the equivalent of \$75,000/room (in today's dollars).

Projects announced and underway suggest that three separate hotels (200 rooms, 200 rooms, and 110 rooms) will open over the next several years. This new capacity should help improve overall market performance, as they likely will fill a niche that is under-served locally. New demand in the near-term for downtown lodging should come from increased business travel attributable to growth in office uses, as well leisure travel driven in part by growth in entertainment and heritage tourism. Per room values are based on the appraised value of the recently opened Hilton Garden Inn, a project that is near downtown that has a relatively low land value (consistent with rehabilitation of existing hotels downtown).

Supporting information collected by Texas A&M Real Estate Center

More competition and fewer guests slowed El Paso's hotel industry last year after a booming 2006. Revenues for 91 hotels in El Paso County with more than 8,500 rooms increased 1.6 percent to \$36.5 million, according to data from the Texas Comptroller. That's much different from 2006, when the industry's revenues increased 15 to 17 percent, depending on the data source. Hotel occupancies, which surged to almost 75 percent in 2006, declined to almost 69 percent in 2007, according to Smith Travel Research, a Nashville-area company that tracks hotel data nationwide. Smith Travel data had El Paso hotel revenues increasing 1.2 percent in 2007. While revenues were up citywide, many of El Paso's largest hotels saw revenues decline last year. Smith Travel data show El Paso's room supply increased 5 percent last year.

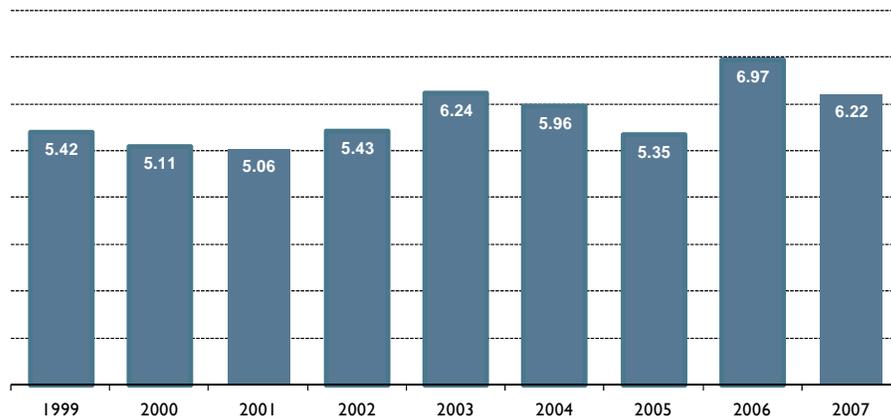
Some of El Paso's new hotels recorded healthy revenues last year. The Hilton Garden Inn at UTEP had revenues of \$4.26 million in its first year of operation. It ranked tenth in revenues among El Paso hotels.

The former International Hotel Downtown is now gutted through its 17 floors. Reconstruction of the hotel is has begun and is scheduled to open in Fall 2008. In 2004, the Jim Scherr family bought the long-vacant hotel for about \$1 million in a foreclosure sale. The building is being turned into a 210-room Hilton Double Tree Hotel.

Residential

The mortgage crisis has had an impact in El Paso, as most indicators of residential real estate are off peak levels. Nevertheless, the local housing market is faring far better than many other parts of the nation – while sales are down, prices have remained relatively stable after rising sharply in recent years.

Figure 6.2: Number of Homes Sold in El Paso (in 000s)



Source: TX A&M Real Estate Center, TXP

Figure 6.3: Average Price of a Home Sold in El Paso (in \$000s)



Source: TX A&M Real Estate Center, TXP

With projections of annual housing starts of approximately 4,000, the forecast of 100 new residential units in downtown El Paso each year over the next ten years might appear overly conservative. However, new product that likely will be developed (multi-family that is both owner and tenant-occupied) does not really exist currently, suggesting that projections should err on the conservative side. The 875 sqf per unit estimate represents a blended rate, as actual unit sizes will vary depending upon the mix within specific projects. By the same token, the unit values encapsulate costs for parking, common areas, etc.

El Paso is committed to a 30 percent affordable housing goal as part of the overall development of downtown retail. According to the federal Department of Housing and Urban Development (HUD), the qualifying annual income for a family of four in El Paso is \$34,700. Using HUD income data and experience elsewhere concerning the likely mix of household sizes, an average unit value of \$82,750 is estimated to be affordable.

Market rate housing values are based on appraised per sq ft values from several local projects that are somewhat similar, although clear comparables do not appear to exist presently. Nevertheless, \$145/sq ft appears to be a reasonable assumption.

Supporting Information from the El Paso Times

For 2007, construction permits for single-family homes declined 5.1 percent within the El Paso City limits, and declined 39 percent in Horizon City, data from those cities show. El Paso house prices continued to rise in 2007, but at a slower pace from the previous two years. The median used-home sales price increased almost 4 percent last year to \$129,900. That's below the double-digit percentage increases in

2005 and 2006. The toughest sale in the 2007 market was in the \$200,000-plus homes, which were hot sellers in 2006.

According to Tom Fullerton, an economics professor at the University of Texas at El Paso, and co-author of "Borderplex Economic Outlook: 2007-2009," El Paso housing prices are projected to continue to rise in the next two years, but at a much more moderate pace than in the past three years. Median resale prices are projected to increase at just over 3 percent a year in the next two years. That compares with increases of 12 percent in 2005, 11.2 percent in 2006, and a projected 6.1 percent this year to \$125,093. El Paso housing starts, including multifamily projects, are projected to go from a projected 4.3 percent decline this year to increases of 5.1 percent and 4.5 percent in the next two years.

Total housing starts are projected to be more than 4,000 a year through 2009. Mike Santamaria, vice president of Mountain Vista Builders and president of the El Paso Association of Builders, said housing starts were down this year because builders have too many higher-end homes on the market, and they have to get rid of that inventory before they can increase construction again. The troop growth at Fort Bliss should boost housing demand in the next two years.

Table 6.6: Projected Values of New Development (No Inflation Factor)

	Commercial	Residential	Hotel	Total (No Inflation)	Total (Inflation-Adjusted)
2008	\$0	\$11,363,750	\$0	\$11,363,750	\$11,363,750
2009	\$17,500,000	\$11,363,750	\$23,250,000	\$45,863,750	\$47,239,663
2010	\$23,750,000	\$11,363,750	\$0	\$28,863,750	\$30,621,552
2011	\$23,750,000	\$11,363,750	\$15,000,000	\$50,113,750	\$54,760,648
2012	\$14,375,000	\$11,363,750	\$0	\$35,113,750	\$39,520,835
2013	\$8,125,000	\$11,363,750	\$0	\$25,738,750	\$29,838,266
2014	\$8,125,000	\$11,363,750	\$0	\$19,488,750	\$23,270,587
2015	\$8,125,000	\$11,363,750	\$0	\$19,488,750	\$23,968,704
2016	\$8,125,000	\$11,363,750	\$0	\$19,488,750	\$24,687,765
2017	\$8,125,000	\$11,363,750	\$0	\$19,488,750	\$25,428,398
2018	\$8,125,000	\$0	\$0	\$8,125,000	\$10,919,321
TOTAL	\$131,250,000	\$113,637,500	\$38,250,000	\$283,137,500	\$321,619,489

Source: TXP

4. Property Appreciation Assumptions

- **No specific development assumptions are made beyond the ten-year horizon.**

While new development obviously will occur, the horizon is too extended to make credible forecasts of specific land use.

- **Longer-Term, the rate of property appreciation is assumed to be 3.0 percent per year.**

This assumption applies to both existing properties and new development. This is conservative in light of both current convention and historical trends – for example, the Producer Price Index for New Construction grew at compound annual rate of 2.9 percent from 1987-2007, while the average price of a home sold in El Paso rose 4.2 percent on the same basis over the same period. The City's tax rate is held constant at 0.6711 percent.

5. Financial Forecast

Table 6.7: Projected TIRZ#5 Values (Near-Term)

(Millions)	Base Value	Base + Growth	Cumulative New Development	Base+Growth+New Development
2009	\$256.03	\$263.71	\$11.36	\$275.07
2010	\$256.03	\$271.62	\$58.60	\$330.22
2011	\$256.03	\$279.77	\$89.22	\$368.99
2012	\$256.03	\$288.16	\$143.99	\$432.15
2013	\$256.03	\$296.81	\$183.51	\$480.31
2014	\$256.03	\$305.71	\$213.34	\$519.06
2015	\$256.03	\$314.88	\$236.62	\$551.50
2016	\$256.03	\$324.33	\$260.58	\$584.91
2017	\$256.03	\$334.06	\$285.27	\$619.33
2018	\$256.03	\$344.08	\$310.70	\$654.78
2019	\$256.03	\$354.40	\$321.62	\$674.43

Source: TXP

Table 6.8: Projected TIRZ Values (Longer-Term)

(Millions)	Value
2020	\$694.66
2021	\$715.50
2022	\$736.96
2023	\$759.07
2024	\$781.84
2025	\$805.30
2026	\$829.46
2027	\$854.34

(Millions)	Value
2028	\$879.97
2029	\$906.37
2030	\$933.56
2031	\$961.57
2032	\$990.42
2033	\$1,020.13
2034	\$1,050.73
2035	\$1,082.25
2036	\$1,114.72

Source: TXP

Table 6.9: Projected Values & City Revenue

	Taxable Increment	City Tax Revenue (100% collection)	City Tax Revenue (99% collection)	City Tax Revenue (95% collection)
2008	\$79,017,147	\$516,772	\$511,604	\$490,934
2009	\$98,061,769	\$641,324	\$634,911	\$609,258
2010	\$153,212,729	\$1,002,011	\$991,991	\$951,911
2011	\$191,982,918	\$1,255,568	\$1,243,013	\$1,192,790
2012	\$255,136,661	\$1,668,594	\$1,651,908	\$1,585,164
2013	\$303,302,385	\$1,983,598	\$1,963,762	\$1,884,418
2014	\$342,044,886	\$2,236,974	\$2,214,604	\$2,125,125
2015	\$374,486,835	\$2,449,144	\$2,424,652	\$2,326,687
2016	\$407,902,043	\$2,667,679	\$2,641,003	\$2,534,295
2017	\$442,319,706	\$2,892,771	\$2,863,843	\$2,748,132
2018	\$477,769,900	\$3,124,615	\$3,093,369	\$2,968,384
2019	\$497,413,354	\$3,253,083	\$3,220,553	\$3,090,429
2020	\$517,646,112	\$3,385,406	\$3,351,552	\$3,216,135
2021	\$538,485,853	\$3,521,697	\$3,486,481	\$3,345,613
2022	\$559,950,786	\$3,662,078	\$3,625,457	\$3,478,974
2023	\$582,059,666	\$3,806,670	\$3,768,604	\$3,616,337
2024	\$604,831,814	\$3,955,600	\$3,916,044	\$3,757,820
2025	\$628,287,125	\$4,108,998	\$4,067,908	\$3,903,548
2026	\$652,446,096	\$4,266,997	\$4,224,327	\$4,053,648
2027	\$677,329,836	\$4,429,737	\$4,385,440	\$4,208,250
2028	\$702,960,089	\$4,597,359	\$4,551,385	\$4,367,491
2029	\$729,359,248	\$4,770,009	\$4,722,309	\$4,531,509
2030	\$756,550,383	\$4,947,840	\$4,898,361	\$4,700,448
2031	\$784,557,252	\$5,131,004	\$5,079,694	\$4,874,454
2032	\$813,404,327	\$5,319,664	\$5,266,468	\$5,053,681
2033	\$843,116,814	\$5,513,984	\$5,458,844	\$5,238,285
2034	\$873,720,675	\$5,714,133	\$5,656,992	\$5,428,427
2035	\$905,242,653	\$5,920,287	\$5,861,084	\$5,624,273
2036	\$937,710,289	\$6,132,625	\$6,071,299	\$5,825,994
TOTAL		\$102,876,223	\$101,847,461	\$97,732,412
PV (6%)		\$55,968,982	\$55,409,292	\$53,170,533

Source: TXP

Table 6.10: Projected Values With Example Coverage Ratios

	City Tax Revenue (99% collection)	Available for Debt Service (1.3 Coverage Ratio)	Available for Debt Service (1.35 Coverage Ratio)	Available for Debt Service (1.4 Coverage Ratio)
2008	\$516,772	\$393,542	\$378,966	\$365,432
2009	\$641,324	\$488,393	\$470,304	\$453,508
2010	\$1,002,011	\$763,070	\$734,808	\$708,565
2011	\$1,255,568	\$956,164	\$920,750	\$887,866
2012	\$1,668,594	\$1,270,698	\$1,223,635	\$1,179,934
2013	\$1,983,598	\$1,510,586	\$1,454,638	\$1,402,687
2014	\$2,236,974	\$1,703,541	\$1,640,447	\$1,581,860
2015	\$2,449,144	\$1,865,117	\$1,796,039	\$1,731,895
2016	\$2,667,679	\$2,031,540	\$1,956,298	\$1,886,430
2017	\$2,892,771	\$2,202,956	\$2,121,365	\$2,045,602
2018	\$3,124,615	\$2,379,515	\$2,291,384	\$2,209,549
2019	\$3,253,083	\$2,477,348	\$2,385,594	\$2,300,395
2020	\$3,385,406	\$2,578,117	\$2,482,631	\$2,393,965
2021	\$3,521,697	\$2,681,908	\$2,582,578	\$2,490,343
2022	\$3,662,078	\$2,788,813	\$2,685,524	\$2,589,612
2023	\$3,806,670	\$2,898,926	\$2,791,558	\$2,691,860
2024	\$3,955,600	\$3,012,342	\$2,900,773	\$2,797,174
2025	\$4,108,998	\$3,129,160	\$3,013,265	\$2,905,648
2026	\$4,266,997	\$3,249,483	\$3,129,131	\$3,017,377
2027	\$4,429,737	\$3,373,415	\$3,248,474	\$3,132,457
2028	\$4,597,359	\$3,501,066	\$3,371,397	\$3,250,990
2029	\$4,770,009	\$3,632,546	\$3,498,007	\$3,373,078
2030	\$4,947,840	\$3,767,970	\$3,628,416	\$3,498,829
2031	\$5,131,004	\$3,907,457	\$3,762,737	\$3,628,353
2032	\$5,319,664	\$4,051,129	\$3,901,087	\$3,761,763
2033	\$5,513,984	\$4,199,111	\$4,043,588	\$3,899,174
2034	\$5,714,133	\$4,351,532	\$4,190,364	\$4,040,708
2035	\$5,920,287	\$4,508,526	\$4,341,544	\$4,186,489
2036	\$6,132,625	\$4,670,230	\$4,497,259	\$4,336,642
TOTAL	\$102,876,223	\$78,344,201	\$75,442,564	\$72,748,186
PV (6%)	\$55,968,982	\$35,440,243	\$34,127,641	\$32,908,797

Source: TXP

Supporting Information from the El Paso Times

The preliminary value of taxable property is up by \$4 billion, almost 17 percent over last year to \$27.5 billion. This continues a double-digit march begun in 2004, according to the latest figures from the El Paso Central Appraisal District (EPCAD). The \$4 billion increase in the City's tax base is nearly ten times that of 2003, a hike of more than 50 percent.

According to EPCAD, the market value of the average home at the start of this year was \$131,792, up \$22,960 or 21 percent from the same time last year. The net

taxable value of the average El Paso home was \$111,554 compared with \$102,220 last year and \$90,536 the year before.

The CAD's chief appraiser, Jerry Griffin, said the total preliminary market value of single-family homes in El Paso this year is \$19.2 billion, which is 24.2 percent higher than last year. Of that increase, 2.5 percent is from newly built homes. Griffin also said the preliminary market value of commercial property in El Paso is \$5.7 billion, a 23 percent increase over last year. Apartment owners are seeing similar increases.

Jeff Siegal, an area professional tax agent, notes that the Office of Federal Housing Oversight has reported that El Paso had the sixth highest market value increase in the nation for 2006 at 16.5 percent.

6. Conclusion

With its combination of current activity and an emphasis on mixed-use, urbanist (including residential) land use and development, the market concept behind the 2015 Downtown Revitalization effort reflects market trends and conditions, and is consistent with similar patterns elsewhere in Texas and across the nation. Meanwhile, the overall projections of the local economy and aggregate local demand for real estate validate estimates of the Project's demand parameters. Unit values are adjusted to reflect the full cost of development, and are combined with a conservative assumption on inflation to generate the expected incremental tax base values and attendant revenues to the City. As a result, TXP believes these forecasts reflect a likely outcome of Project and TIF implementation.

That having been said, these projections are just that – forecasts based on the best available current information related to market conditions. This is subject to change. For example, the mix of land uses projected has evolved significantly since the initial analysis was completed during Fall 2006, reflecting both the substantial commitment of several large developers and further analysis of market trends and opportunities. This momentum could accelerate, which would yield more rapid growth and greater values than are projected. At the same time, an extended slowdown in development as a result of sustained weakness in the national or Mexican economy, negative changes in key drivers of El Paso (such significantly reduced activity at Fort Bliss), or unforeseen issues with property owners within the TIRZ could materially reduce the volume of construction put in place over the next 30 years.

Chapter 7 – Economic Impact of New Development

1. Direct Effects

The new land uses outlined in Chapter 6 can be translated into jobs and economic activity. While the financial forecast includes the impact of growth in both existing values and new development, economic impact calculations should focus on only the latter. Values in the tables that follow are based on standard ratios using El Paso-specific data where possible.² As shown, a total of \$350.5 million in economic activity and over 2,200 permanent jobs are expected once buildout is complete.

Table 7.1: Projected Annual New Direct Economic Activity (\$2008 Millions)

	Retail	Lodging	Office	Total
2008	\$0	\$0	\$0	\$0
2009	\$19.5	\$6.3	\$10.1	\$35.9
2010	\$19.5	\$0	\$31.1	\$50.6
2011	\$19.5	\$4.1	\$52.0	\$75.5
2012	\$19.5	\$0	\$52.0	\$71.5
2013	\$19.5	\$0	\$0	\$19.5
2014	\$19.5	\$0	\$0	\$19.5
2015	\$19.5	\$0	\$0	\$19.5
2016	\$19.5	\$0	\$0	\$19.5
2017	\$19.5	\$0	\$0	\$19.5
2018	\$19.5	\$0	\$0	\$19.5
TOTAL	\$195.0	\$10.4	\$145.2	\$350.5

Source: TXP

Table 7.2: Projected Annual New Direct Employment

	Retail	Lodging	Office	Total
2008	0	0	0	0
2009	105	100	70	275
2010	105	0	215	320
2011	105	65	360	530
2012	105	0	360	465
2013	105	0	0	105
2014	105	0	0	105
2015	105	0	0	105
2016	105	0	0	105
2017	105	0	0	105
2018	105	0	0	105
TOTAL	1,050	165	1,005	2,220

Source: TXP

2. Economic Impact Methodology

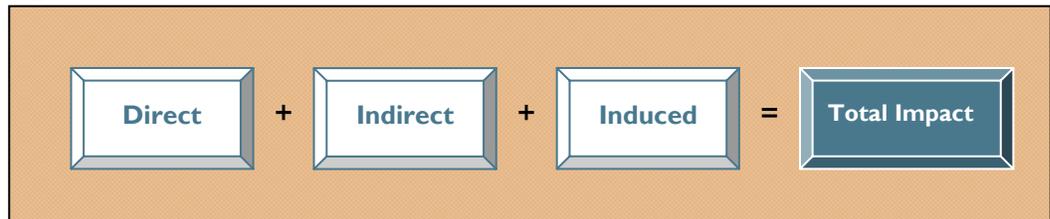
² Texas-level data was used to generate ratios when El Paso-specific data was unavailable.

The economic impacts extend beyond the direct activity outlined above. In an input-output analysis of new economic activity, it is useful to distinguish three types of expenditure effects: direct, indirect, and induced. Direct effects are production changes associated with the immediate effects or final demand changes. The payment made by an out-of-town visitor to a hotel operator is an example of a direct effect, as would be the taxi fare that visitor paid to be transported into town from the airport.

Indirect effects are production changes in backward-linked industries caused by the changing input needs of directly affected industries – typically, additional purchases to produce additional output. Satisfying the demand for an overnight stay will require the hotel operator to purchase additional cleaning supplies and services, for example, and the taxi driver will have to replace the gasoline consumed during the trip from the airport. These downstream purchases affect the economic status of other local merchants and workers.

Induced effects are the changes in regional household spending patterns caused by changes in household income generated from the direct and indirect effects. Both the hotel operator and taxi driver experience increased income from the visitor's stay, for example, as do the cleaning supplies outlet and the gas station proprietor. Induced effects capture the way in which this increased income is in turn spent by them in the local economy.

Figure 7.1 - The Flow of Economic Impacts



Once the ripple effects have been calculated, the results can be expressed in a number of ways. Four of the most common are “Output,” equivalent to sales; “Value-Added,” which describes the difference between a firm’s top-line revenue and its cost of goods sold (exclusive of labor-related costs); “Earnings,” which represents the compensation to employees and proprietors; and “Employment,” which refers to permanent, full-time jobs that have been created in the local economy. The interdependence between different sectors of the economy is reflected in the concept of a “multiplier.” An output multiplier, for example, divides the total (direct, indirect and induced) effects of an initial spending injection by the value of that injection – i.e., the direct effect. The higher the multiplier, the greater the interdependence among different sectors of the economy. An output multiplier of 1.4, for example, means that for every \$1,000 injected into the economy, another \$400 in output is produced in all sectors.

3. Economic Impact

The impact of \$350.5 million in direct activity at buildout (in 2018) translates into a total economic impact of \$435.5 million worth of output, \$132.9 million in earnings, and approximately 4,800 jobs. See the table that follows for detail by sector.

Table 7.3: Total Economic Impact of New Development (\$2008 Millions)

Sector	Economic Activity	Earnings	Jobs
Commodities/Construction/Mfg	\$22.01	\$3.83	94
Transportation/Utilities	\$17.58	\$5.19	128
Finance/Real Estate/Information	\$63.11	\$9.08	210
Trade	\$114.14	\$36.96	1,523
Services/Management	\$218.62	\$77.79	2,859
TOTAL	\$435.46	\$132.85	4,814

Source: TXP

4. Additional Tax Revenue Impacts

In addition to the ad valorem tax revenues projected in Chapter 6, there will be additional local sales tax revenue attributable to the new development expected downtown, projected at approximately \$195,000 annually. In addition, new economic activity creates tax revenue, as jobs and income translate into taxable sales and increased property values. However, no measurement of the tax implications of this activity is included.

Appendix 1 - El Paso Public Infrastructure Assumptions

Table A 1. Cost Assumptions for Streetscape Elements

Streetscape Element	Cost	Per Unit
4" concrete sidewalk	\$4	Per sq.ft.
4" caliper street tree	\$750	per tree
tree grate	\$1,000	each
irrigation installation	\$350	per tree
Specialty paving (Stamped and stained concrete)	\$225	per sq. yard
Ornamental pedestrian street light	\$5,000	each
Public art	\$10,000	each
Newspaper corrals	\$10,000	each
trash receptacles	\$1,100	each
benches	\$1,200	each
hanging baskets (2 per existing pole)	\$500	per pole
Double Banner brackets	\$100	per pole
Bike racks	\$1,000	per block (one side)
Pedestrian Kiosk signs	\$8,000	each
Wayfinding signs	\$5,000	each
Curb and gutter	\$16	per linear foot
Landscaping	\$400	per linear foot
Brick pavers	\$16	per Sq.ft.

Table A2. Cost Estimates by Street Corridor

Street Name	Primary Pedestrian Streets							Secondary Pedestrian Streets					
	San Jacinto Plaza	Magoffin	Texas	San Antonio	El Paso	All other streets	Total	San Antonio	Santa Fe	Missouri	Stanton	All other streets	Total
Number of Blocks	6	3	8	4	5	4	30	3	6	5	4	2	20
Sidewalks													0
Concrete	123,200	104,000	185,600	140,000	150,800	112,800	816,400	50,100	111,600	95,400	67,200	48,000	372,300
Curb and gutter	49,280	41,600	74,240	56,000	60,320	45,120	326,560	26,720	59,520	50,880	35,840	25,600	198,560
Intersection treatment (stamped conc. Pavers)	1,470,150	735,075	1,960,200	980,100	1,225,125	980,100	7,350,750						
Landscaping													
Street Trees (incl. grates)	161,700	136,500	243,600	183,750	197,925	148,050	1,071,525	87,675	195,300	166,950	117,600	84,000	651,525
Other landscaping													
Street Furniture	367,660	278,700	537,947	374,583	414,082	313,723	2,286,695	132,575	288,900	245,750	177,600	118,800	963,625
Other (public art, bike racks)	35,200	17,600	46,933	23,467	29,333	23,467	176,000	0	0	0	0	0	0
Total	\$ 2,207,190	\$ 1,313,475	\$ 3,048,520	\$ 1,757,900	\$ 2,077,585	\$ 1,623,260	\$ 12,027,930	\$ 297,070	\$ 655,320	\$ 558,980	\$ 398,240	\$ 276,400	\$ 2,186,010

Table A3. Cost Estimates by Block

Block #	Street Segment	From Street	To Street	Linkage Type	Sidewalks		Intersection Treatment	Landscaping		Street Furniture	Other Amenities (Public Art avg/block)	Total
					Concrete	Curb & Gutter		Street Trees (incl. irrigation)	Tree Grates			
1	San Antonio	Durango	Santa Fe	Primary Pedestrian Street	\$ 68,000	\$ 27,200	\$245,025	\$ 46,750	\$42,500	\$167,483	\$5,867	\$602,825
2	San Antonio	Santa Fe	El Paso	Primary Pedestrian Street	\$ 24,000	\$ 9,600	\$245,025	\$ 16,500	\$15,000	\$69,033	\$5,867	\$385,025
3	San Antonio	Stanton	Kansas	Primary Pedestrian Street	\$ 24,000	\$ 9,600	\$245,025	\$ 16,500	\$15,000	\$69,033	\$5,867	\$385,025
4	San Antonio	Kansas	Campbell	Primary Pedestrian Street	\$ 24,000	\$ 9,600	\$245,025	\$ 16,500	\$15,000	\$69,033	\$5,867	\$385,025
5	El Paso	San Antonio	Overland	Primary Pedestrian Street	\$ 20,000	\$ 8,000	\$245,025	\$ 13,750	\$12,500	\$60,083	\$5,867	\$365,225
6	El Paso	Overland	Paisano	Primary Pedestrian Street	\$ 44,000	\$ 17,600	\$245,025	\$ 30,250	\$27,500	\$113,783	\$5,867	\$484,025
7	El Paso	San Antonio	Sheldon	Primary Pedestrian Street	\$ 22,400	\$ 8,960	\$245,025	\$ 15,400	\$14,000	\$65,453	\$5,867	\$377,105
8	El Paso	Sheldon	Main	Primary Pedestrian Street	\$ 42,000	\$ 16,800	\$245,025	\$ 28,875	\$26,250	\$109,308	\$5,867	\$474,125
9	El Paso	Main	Franklin	Primary Pedestrian Street	\$ 22,400	\$ 8,960	\$245,025	\$ 15,400	\$14,000	\$65,453	\$5,867	\$377,105
10	Oregon	Main	Mills	Primary Pedestrian Street	\$ 20,000	\$ 8,000	\$245,025	\$ 13,750	\$12,500	\$60,083	\$5,867	\$365,225
11	Oregon	Mills	Texas	Primary Pedestrian Street	\$ 22,400	\$ 8,960	\$245,025	\$ 15,400	\$14,000	\$65,453	\$5,867	\$377,105
12	Main	Oregon	Mesa	Primary Pedestrian Street	\$ 20,000	\$ 8,000	\$245,025	\$ 13,750	\$12,500	\$60,083	\$5,867	\$365,225
13	Mills	Oregon	Mesa	Primary Pedestrian Street	\$ 18,400	\$ 7,360	\$245,025	\$ 12,650	\$11,500	\$56,503	\$5,867	\$357,305
14	Mesa	Main	Mills	Primary Pedestrian Street	\$ 20,000	\$ 8,000	\$245,025	\$ 13,750	\$12,500	\$60,083	\$5,867	\$365,225
15	Mesa	Mills	Texas	Primary Pedestrian Street	\$ 22,400	\$ 8,960	\$245,025	\$ 15,400	\$14,000	\$65,453	\$5,867	\$377,105
16	Texas	Oregon	Mesa	Primary Pedestrian Street	\$ 22,400	\$ 8,960	\$245,025	\$ 15,400	\$14,000	\$65,453	\$5,867	\$377,105
17	Texas	Mesa	Stanton	Primary Pedestrian Street	\$ 22,400	\$ 8,960	\$245,025	\$ 15,400	\$14,000	\$65,453	\$5,867	\$377,105

Block #	Street Segment	From Street	To Street	Linkage Type	Sidewalks		Intersection Treatment	Landscaping		Street Furniture	Other Amenities (Public Art avg/block)	Total
					Concrete	Curb & Gutter		Street Trees (incl. irrigation)	Tree Grates			
18	Texas	Stanton	Kansas	Primary Pedestrian Street	\$ 24,000	\$ 9,600	\$245,025	\$ 16,500	\$15,000	\$69,033	\$5,867	\$385,025
19	Texas	Kansas	Campbell	Primary Pedestrian Street	\$ 22,400	\$ 8,960	\$245,025	\$ 15,400	\$14,000	\$65,453	\$5,867	\$377,105
20	Texas	Campbell	Florence	Primary Pedestrian Street	\$ 22,400	\$ 8,960	\$245,025	\$ 15,400	\$14,000	\$65,453	\$5,867	\$377,105
21	Texas	Florence	Ochoa	Primary Pedestrian Street	\$ 24,000	\$ 9,600	\$245,025	\$ 16,500	\$15,000	\$69,033	\$5,867	\$385,025
22	Texas	Ochoa	Virginia	Primary Pedestrian Street	\$ 24,000	\$ 9,600	\$245,025	\$ 16,500	\$15,000	\$69,033	\$5,867	\$385,025
23	Texas	Virginia	Saint Vrain	Primary Pedestrian Street	\$ 24,000	\$ 9,600	\$245,025	\$ 16,500	\$15,000	\$69,033	\$5,867	\$385,025
24	Magoffin	Campbell	Ochoa	Primary Pedestrian Street	\$ 56,000	\$ 22,400	\$245,025	\$ 38,500	\$35,000	\$140,633	\$5,867	\$543,425
25	Magoffin	Ochoa	Virginia	Primary Pedestrian Street	\$ 24,000	\$ 9,600	\$245,025	\$ 16,500	\$15,000	\$69,033	\$5,867	\$385,025
26	Magoffin	Virginia	Saint Vrain	Primary Pedestrian Street	\$ 24,000	\$ 9,600	\$245,025	\$ 16,500	\$15,000	\$69,033	\$5,867	\$385,025
27	Campbell	Texas	Myrtle	Primary Pedestrian Street	\$ 24,000	\$ 9,600	\$245,025	\$ 16,500	\$15,000	\$69,033	\$5,867	\$385,025
28	Campbell	Myrtle	Magoffin	Primary Pedestrian Street	\$ 21,600	\$ 8,640	\$245,025	\$ 14,850	\$13,500	\$63,663	\$5,867	\$373,145
29	Stanton	Texas	San Antonio	Primary Pedestrian Street	\$ 25,600	\$ 10,240	\$245,025	\$ 17,600	\$16,000	\$72,613	\$5,867	\$392,945
30	Durango	Union Depot	San Antonio	Primary Pedestrian Street	\$ 41,600	\$ 16,640	\$245,025	\$ 28,600	\$26,000	\$108,413	\$5,867	\$472,145
Total for all Primary Pedestrian Streets					\$ 816,400	\$ 326,560	\$7,350,750	\$ 561,275	\$510,250	\$ 2,286,695	\$176,000	\$ 12,027,930
31	San Antonio	El Paso	Oregon	Secondary Pedestrian Street	\$ 16,800	\$ 8,960	0	\$15,400	\$14,000	\$44,400	0	\$99,560
32	San Antonio	Oregon	Mesa	Secondary Pedestrian Street	\$ 19,500	\$ 10,400	0	\$17,875	\$16,250	\$50,025	0	\$114,050
33	San Antonio	Mesa	Stanton	Secondary Pedestrian Street	\$ 13,800	\$ 7,360	0	\$12,650	\$11,500	\$38,150	0	\$83,460
34	Santa Fe	San Antonio	Sheldon	Secondary Pedestrian Street	\$ 19,200	\$ 10,240	0	\$17,600	\$16,000	\$49,400	0	\$112,440
35	Santa Fe	Sheldon	Main	Secondary Pedestrian Street	\$ 12,000	\$ 6,400	0	\$11,000	\$10,000	\$34,400	0	\$73,800
36	Santa Fe	Main	Franklin	Secondary Pedestrian Street	\$ 16,800	\$ 8,960	0	\$15,400	\$14,000	\$44,400	0	\$99,560
37	Santa Fe	Franklin	Missouri	Secondary Pedestrian Street	\$ 16,800	\$ 8,960	0	\$15,400	\$14,000	\$44,400	0	\$99,560
38	Santa Fe	San Antonio	Overland	Secondary Pedestrian Street	\$ 15,000	\$ 8,000	0	\$13,750	\$12,500	\$40,650	0	\$89,900
39	Santa Fe	Overland	Paisano	Secondary Pedestrian Street	\$ 31,800	\$ 16,960	0	\$29,150	\$26,500	\$75,650	0	\$180,060
40	Missouri	Durango	Santa Fe	Secondary Pedestrian Street	\$ 27,000	\$ 14,400	0	\$24,750	\$22,500	\$65,650	0	\$154,300
41	Missouri	Santa Fe	El Paso	Secondary Pedestrian Street	\$ 16,800	\$ 8,960	0	\$15,400	\$14,000	\$44,400	0	\$99,560
42	Missouri	El Paso	Oregon	Secondary Pedestrian Street	\$ 18,000	\$ 9,600	0	\$16,500	\$15,000	\$46,900	0	\$106,000
43	Missouri	Oregon	Mesa	Secondary Pedestrian Street	\$ 16,800	\$ 8,960	0	\$15,400	\$14,000	\$44,400	0	\$99,560
44	Missouri	Mesa	Stanton	Secondary Pedestrian Street	\$ 16,800	\$ 8,960	0	\$15,400	\$14,000	\$44,400	0	\$99,560
45	Stanton	Missouri	Franklin	Secondary Pedestrian Street	\$ 16,800	\$ 8,960	0	\$15,400	\$14,000	\$44,400	0	\$99,560
46	Stanton	Franklin	Main	Secondary Pedestrian Street	\$ 16,800	\$ 8,960	0	\$15,400	\$14,000	\$44,400	0	\$99,560
47	Stanton	Main	Mills	Secondary Pedestrian Street	\$ 16,800	\$ 8,960	0	\$15,400	\$14,000	\$44,400	0	\$99,560
48	Stanton	Mills	Texas	Secondary Pedestrian Street	\$ 16,800	\$ 8,960	0	\$15,400	\$14,000	\$44,400	0	\$99,560
49	Durango	San Francisco	Missouri	Secondary Pedestrian Street	\$ 31,200	\$ 16,640	0	\$28,600	\$26,000	\$74,400	0	\$176,840
50	El Paso	Franklin	Missouri	Secondary Pedestrian Street	\$ 16,800	\$ 8,960	0	\$15,400	\$14,000	\$44,400	0	\$99,560
Total for all Secondary Pedestrian Streets					\$372,300	\$198,560	0	\$341,275	\$310,250	\$963,625	0	\$2,186,010

Appendix 2: Downtown Management Structure – Comparison Chart

City	Type of organization	Relationship to local government	Sources of Funds	Use of Funds	Major responsibilities
El Paso, TX					
El Paso Central Business Association	501 (c) (6) Corporation	Contracted to manage sidewalk sales program; coordinates businesses, property owners & public on downtown issues.	Membership dues driven and administrative sharing	Staff dedicated to issues, representing downtown businesses, etc., projects. Coordinates meetings, resources and acts as liaison with City, County, State and Federal on downtown issues.	Continually working on improving the downtown environment and business conditions through; coordination with proper entities, representation, promotion, facilitation, education, organizing. To plan, disseminate and develop information on revitalization, and urban design.
El Paso Central Business Foundation	501 (c) (3)	Works with City Depts. daily on variety of issues. Stays involved in improvement, bridge and small business issues.	agreement with Downtown Management District		Serving as conduit of information and resource for community, government and media.
El Paso Downtown Management District	Management District, Governmental Entity. (Similar to Business Improvement District)	Special District to supplement but not replace City services. Stand alone governmental entity established by Texas Local Government Code 375.	Special assessment of property tax within the downtown area Receive grants from time to time.	Cleaning downtown via coordinated strategy to pick up trash, remove graffiti. Programs to address security issues, maintenance, of street furniture and historical markers, Ambassador program and streetscape services. Create programs to assist property owners and businesses within DMD boundaries. To promote downtown, educate public on downtown, and address Parking & Transportation issues.	Work to provide a better environment by actively addressing issues concerning; Sanitation & Cleanliness, Parking & Transportation, Promotion & Education. Create programs to address above mentioned for the betterment of downtown El Paso.



City	Type of organization	Relationship to local government	Sources of Funds	Use of Funds	Major responsibilities
Portland, OR	Redevelopment Authority	The city's urban renewal agency created by Portland voters in 1958. The agency is a department of the City and its Executive Director reports to the Portland Development Commission, governed by a five-member board of Commissioners	funded primarily by federal and other grants, program income earned on asset management, contracts for services, tax increment financing, City of Portland General Fund allocations & private sector donations & lending agreements	Three major service areas: housing, neighborhood revitalization and business retention, recruitment and expansion	<p>PDC's role was to put in place the appropriate infrastructure that would allow private development to go forward.</p> <p>Other: PDC's Development Department identifies emerging areas and makes them available for investment. Development Dept. brings together the public/ private partners and financial resources needed for revitalization projects & redevelopment of underused or emerging areas.</p>



City	Type of organization	Relationship to local government	Sources of Funds	Use of Funds	Major responsibilities
Louisville, KY					
Louisville Downtown Management District	Business Improvement District	Non-profit organization	Special assessment of property tax within the downtown area	<ul style="list-style-type: none"> -Downtown maintenance - Security - Research, marketing, informational services 	<ul style="list-style-type: none"> -promote , market and advance the economic development business and residential vitality of Downtown Louisville -including providing security, maintenance, ambassadorial and streetscape services and programs to properties and businesses within its boundaries. - Additional activities will include comprehensive research, marketing, informational and advocacy services.
Louisville Downtown Development Corporation	501 (c) (3) corporation	The Downtown Development Corporation also serves as the agent for Metro Louisville on downtown projects and initiatives involving the public sector.		<ul style="list-style-type: none"> - Long-term planning and implementation of downtown projects 	<ul style="list-style-type: none"> Brings the public and private sectors together as partners in downtown Louisville's redevelopment and revitalization. -activities include long term planning, with the DDC serving as the lead entity in the development and implementation of the Louisville Downtown Development Plan in 2002; -the creation and administration of financing mechanisms, such as the nationally recognized Downtown Housing Fund; and the initiation of pre-development activities covering a variety of downtown development projects.



City	Type of organization	Relationship to local government	Sources of Funds	Use of Funds	Major responsibilities
Philadelphia, PA: Center City District (CCD)	Business Improvement District Authorized under the Pennsylvania Municipal Authorities Act. In 1990 initially authorized for only 5 years but now authorized through 2025.	Special District to supplement but not replace City services.	Mandatory payments from private property owners (assessments) and voluntary contributions from tax exempt properties.	Finance and implement a comprehensive program of streetscape improvements including installing and maintaining lighting, signs, banners, trees and landscape elements	Mission is to keep downtown safe, beautiful and fun.
Central Philadelphia Development Corp (CPDC)	Non-profit	Public / private partnership shares office space and staff with CCD	Dues from member companies and organizations range from \$2,000 to \$15,000 annually based upon size of organization and other factors.	Outreach to attract downtown office tenants. Inform parents of education opportunities in Center City. Promote pedestrian friendly cultural campus in Center City.	Conducts research and urban planning. Advocates for policies that enhance Center City as a competitive location for business and entrepreneurship
*CCD & CPDC are separate companion organizations that share office space and staff.					



City	Type of organization	Relationship to local government	Sources of Funds	Use of Funds	Major responsibilities
Fort Worth, TX	Downtown Fort Worth, Inc. a 501(c)(6) non-profit and a 501(c)(3) non-profit	501(c)(6) contracts with the Fort Worth Improvement District #1 (PID) and the City of Fort Worth Downtown TIRZ to undertake PID's responsibilities for maintenance, beautification, wayfinding, etc. as well as TIRZ's responsibilities of public infrastructure programs 501(c)(3) independent non-profit for special initiatives	501(c)(6) receives membership dues and contract fees from TIRZ (increased property values) and PID (assessments, contract revenues and grants) to undertake the responsibilities of the TIRZ and the PID 501(c)(3) receives funding through sponsorships and grants	501(c)(6): Planning, advocacy, communications, plus the responsibilities of the PID and TIRZ (see 4rd column) 501(c)(3): Housing support, special projects, Parades, etc.	Comprehensive management for investment, operations and maintenance of downtown Other: DFW, Inc. also provides subscription based information on development activity and economic indicators; also, facilitates numerous committees such as the Downtown Urban Design Committee and provides staff support to the City Council appointed Downtown Design Review Board
Santa Monica, CA	Business Improvement District; PBAD	Board ½ appointed by City Council, ½ appointed by private sector, City Manager breaks the tie	Special assessment on tax rate; membership	Maintenance Ambassadors Marketing	Create a consistently clean, inviting and attractive downtown; make Santa Monica's "Living Room" comfortable and inclusive; enhance property values, sales and occupancies; help downtown Santa Monica compete; Broaden ratepayer control and accountability