

El Paso Downtown Revitalization

One year ago, a vision was unveiled in El Paso.



El Paso Downtown Revitalization

Until today, decades of public investment have not resulted in a prosperous Downtown.



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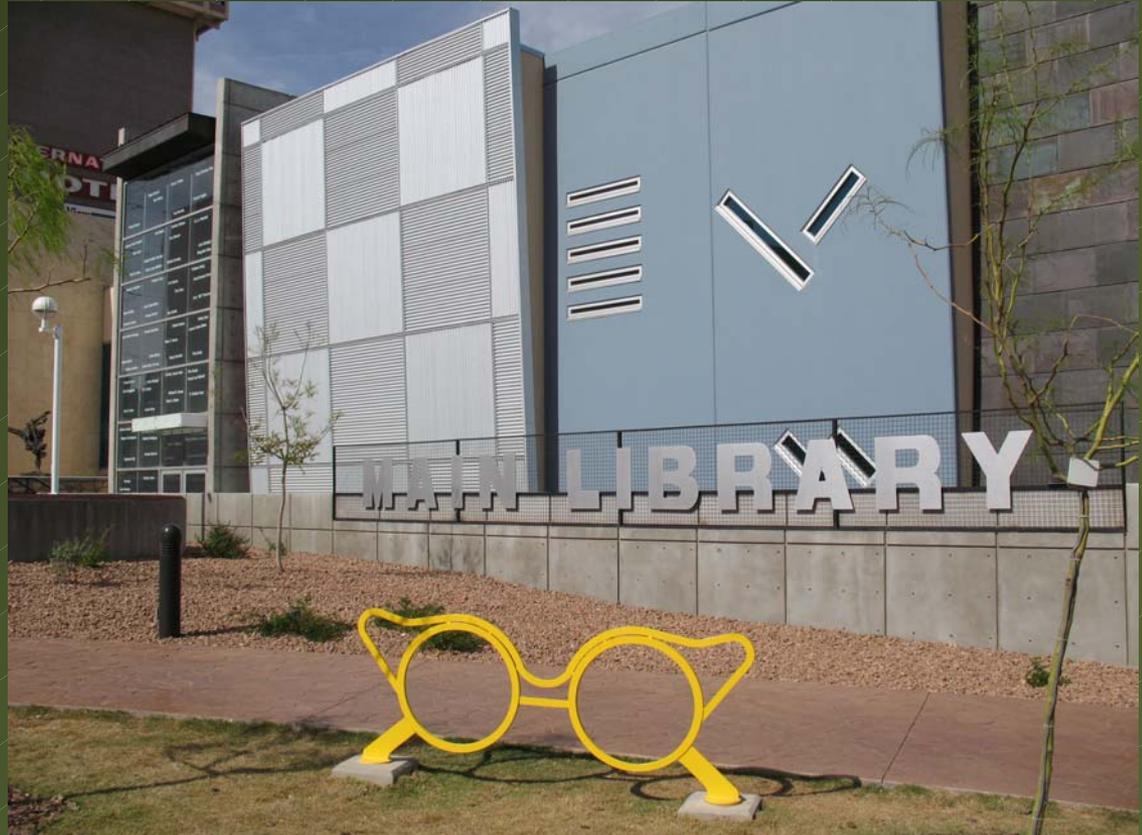
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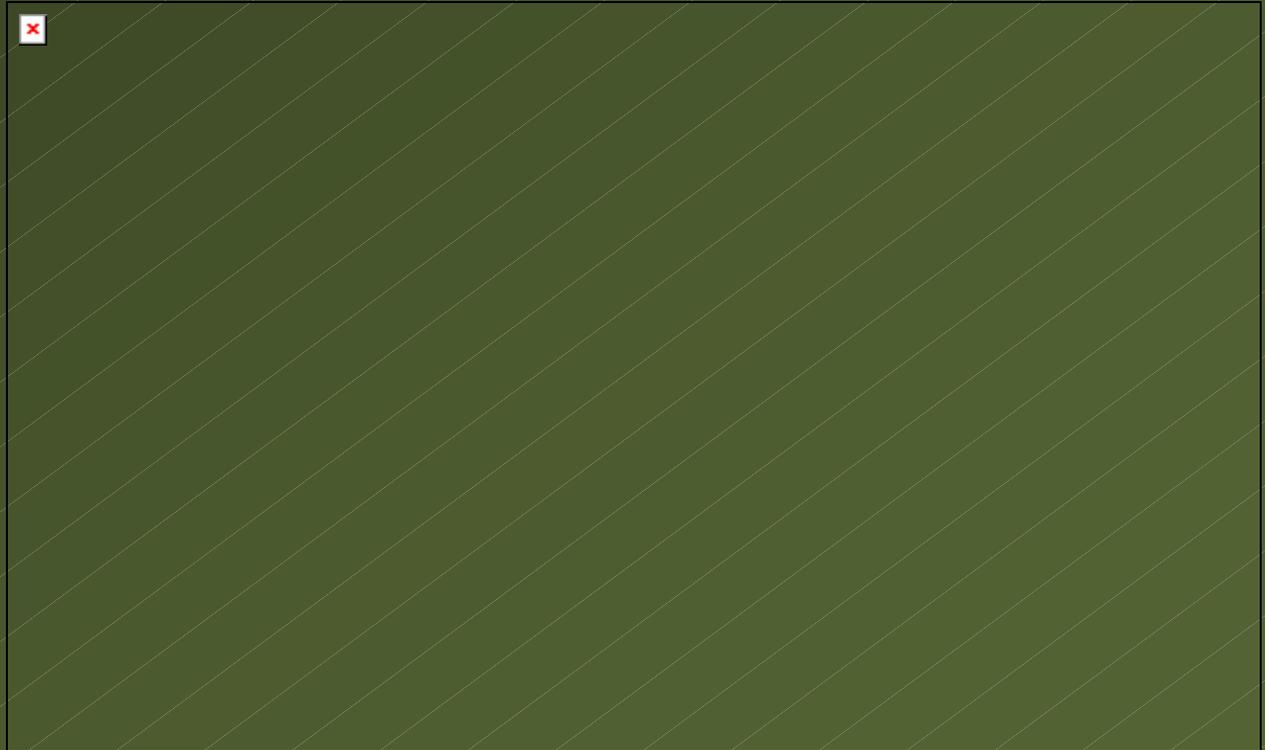
Until today, decades of public investment have not resulted in a prosperous Downtown.



El Paso Downtown Revitalization

One year ago, the private sector came forward with a plan to revitalize Downtown.

Emotions
were raised
and
possibilities
were
expanded.



El Paso Downtown Revitalization

Five Zones

1. Lifestyle Retail
2. Entertainment
3. Mercado
District
4. Border Retail
5. Mixed Use
Residential



El Paso Downtown Revitalization

After years of decline, a spark was ignited to redevelop Downtown into a place where people can...

LIVE



El Paso Downtown Revitalization

After years of decline, a spark was ignited to redevelop Downtown into a place where people can...

WORK



El Paso Downtown Revitalization

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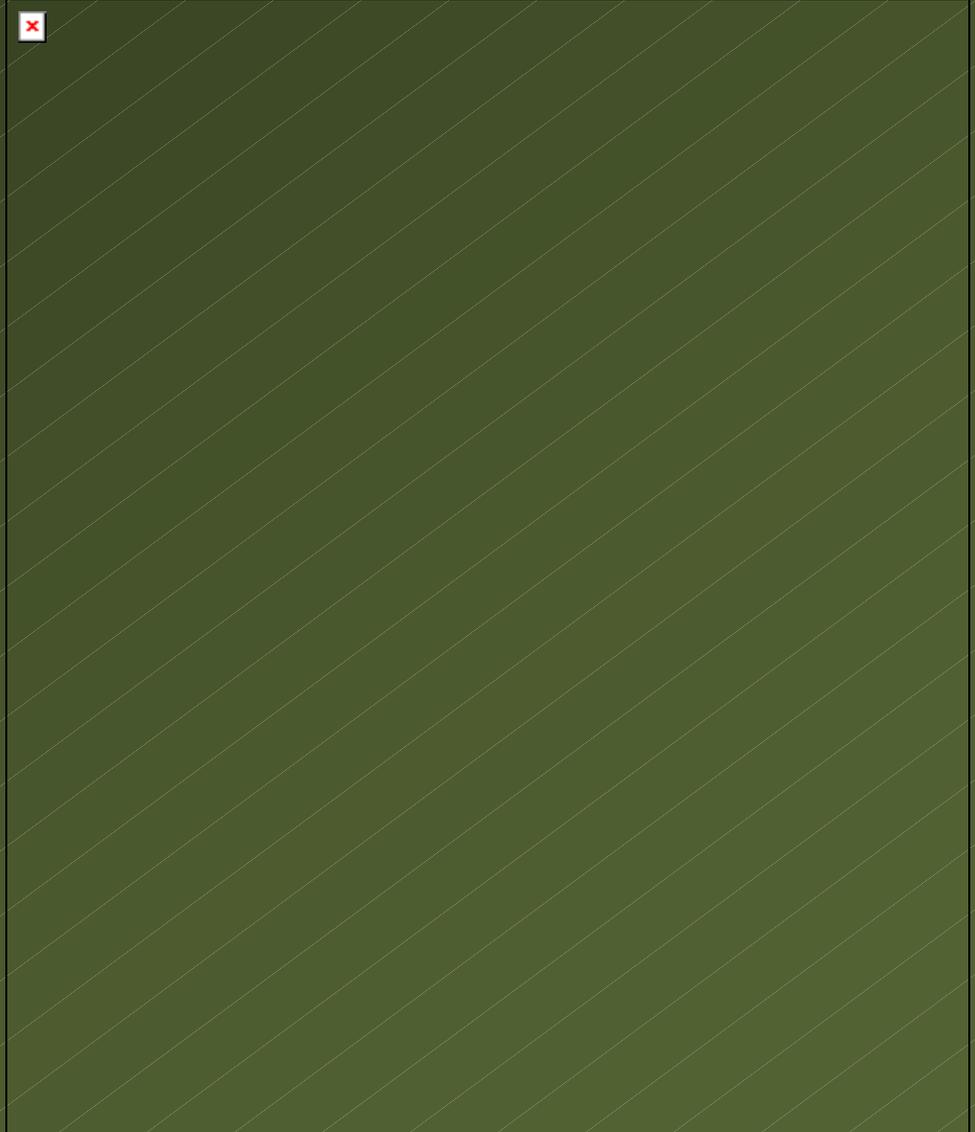
PLAY



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Downtown El Paso should have expanded shopping opportunities for residents and visitors.

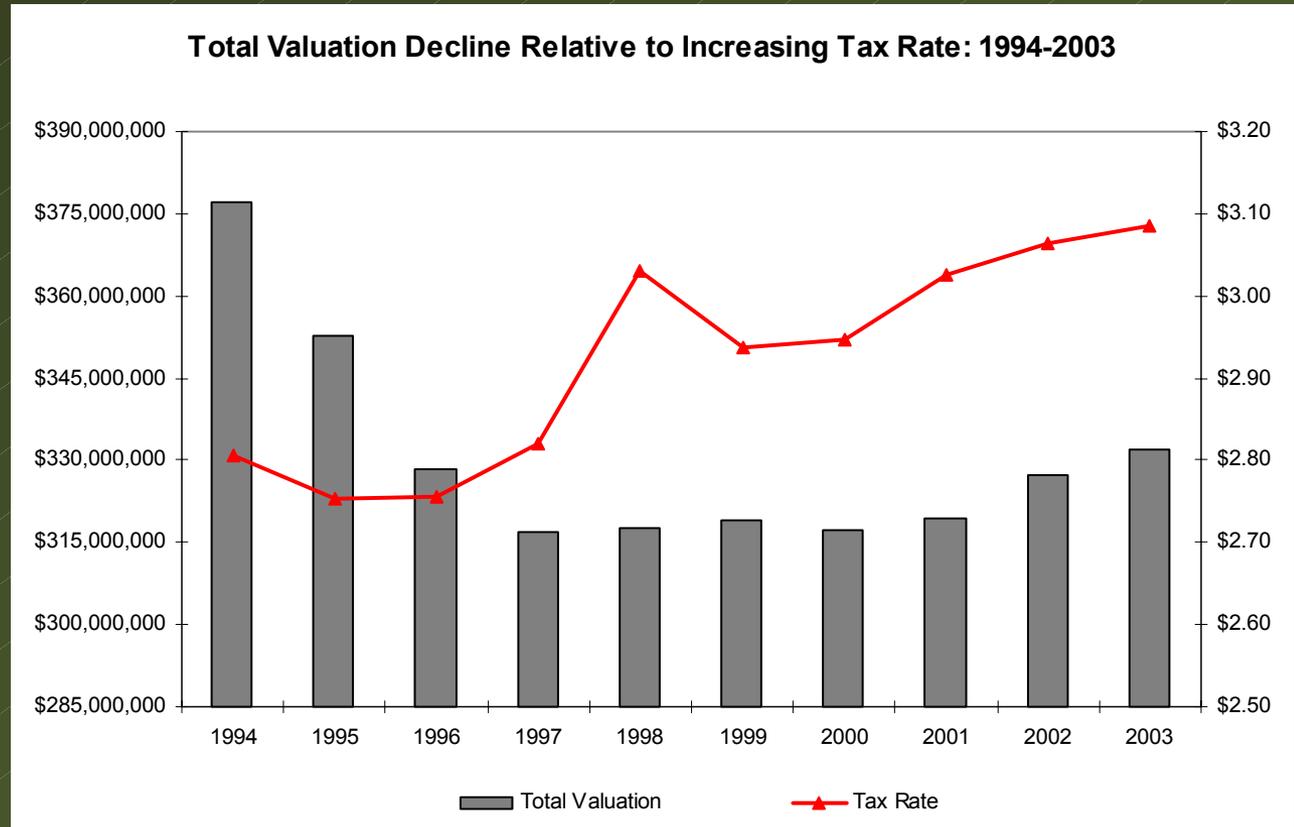
SHOP



El Paso Downtown Revitalization

El Paso has
to work
for the
taxpayers.

Downtown
property
taxes have
fallen for
years.



El Paso Downtown Revitalization

Downtown properties don't contribute their fair share.

- 46,080 square feet
- \$21,672 annual property tax
- Same as home valued at \$748,804
- Closest home for sale today is \$749,000 and has 4,796 square feet



El Paso Downtown Revitalization

Downtown properties don't contribute their fair share.

- 13,200 square feet
- \$12,925 annual property tax
- Same as home valued at \$446,580



El Paso Downtown Revitalization

Downtown properties don't contribute their fair share.

- 15,480 square feet
- \$8,567 annual property tax
- Same as home valued at \$296,004
- 2006 Average El Paso home price was \$151,300 and paid \$4,379 in taxes.



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Downtown properties don't contribute their fair share.

- 3,000 square feet
- \$3,450 annual property tax
- Median home value in El Paso in 2006 was \$127,500 with property taxes of \$3,690



El Paso Downtown Revitalization

City representatives decided to build on the vision of the private sector and make Downtown El Paso a place that we can all be proud of, all want to visit and a place that supports El Pasoans, instead of being subsidized by them.



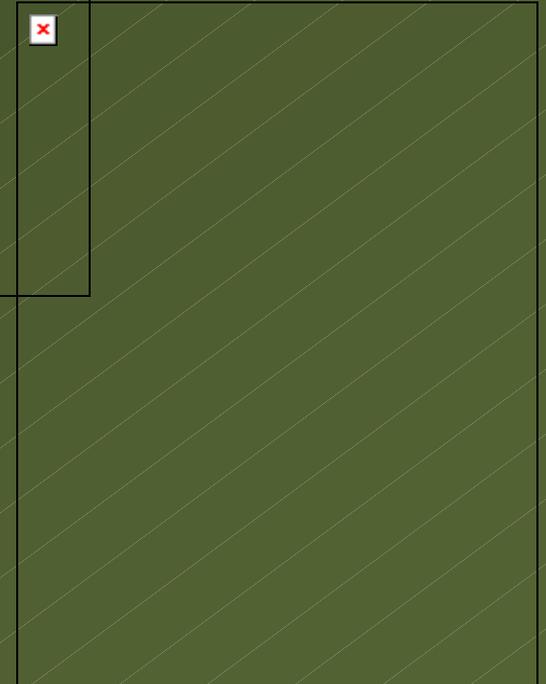
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For six months following the unveiling of the Downtown plan, city officials met with residents throughout the city to ensure this would be a plan for all of El Paso.



El Paso Downtown Revitalization

Public outreach engaged a broad sector of the community. Despite lingering opposition from a few protesters, the public is supportive of a more vibrant Downtown.



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The Downtown
2015 Plan was
adopted on
October 31,
2006

The TIRZ district
was established
on December
19, 2006



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NEXT STEPS – APRIL

- TIRZ Board to be formed
- TIRZ Board approves Project and Financing Plan – projects can now go before TIRZ Board
- Incentives for Downtown development to go to TIRZ Board and City Council
- Phase II Implementation study begins



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NEXT STEPS – MAY/JUNE

- Downtown rezoning
- Private sector projects can begin going to TIRZ board
- Phase II study published (refine project descriptions, identify catalyst projects and linkages, market analysis, comprehensive financing plan, economic analysis, project phasing plan)



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Incentives – Economic Development

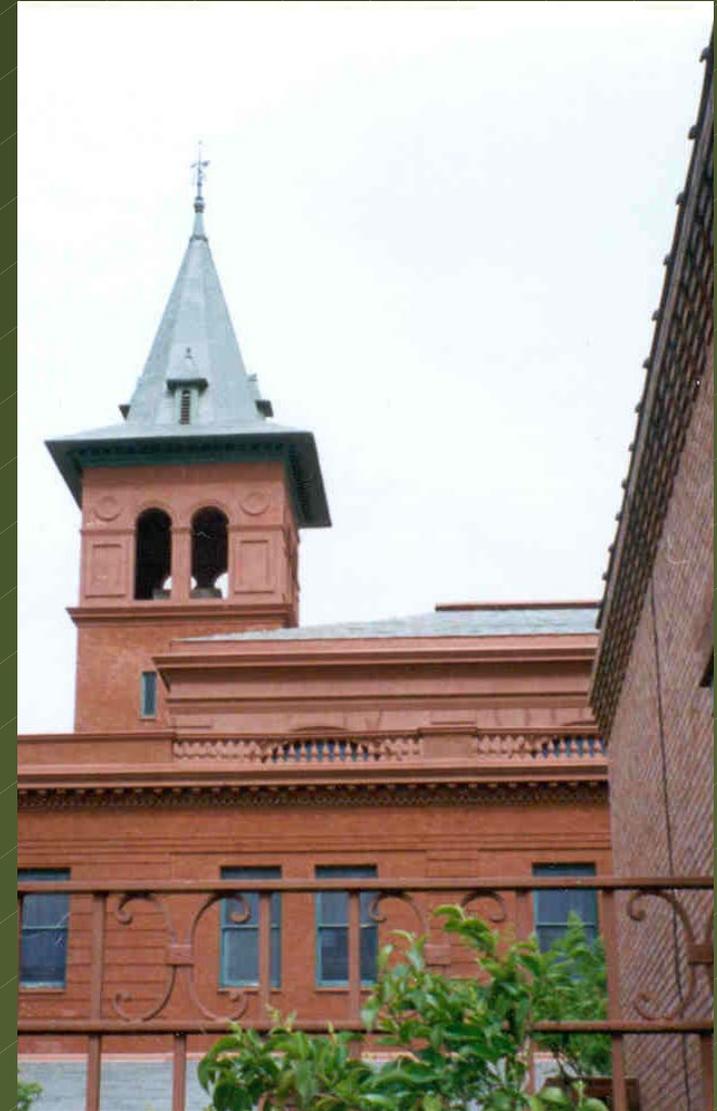
- Façade improvement program - \$10,000 grant for façade improvements
- El Paso Green\$ource - grant program for LEED certified buildings
- Sales Tax Rebates - rebates the city's portion of the sales tax on construction materials and labor for improvements and new construction



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Incentives - Development Services

- Fee reduction of 25% for Downtown projects. This fee reduction will be available for two years only.
- Fee reduction for permitting - an initial discount on tenant improvements. The fee reduction will increase in value on a sliding scale related to the size of the project
- Building code - there will be (is?) an overlay on the zoning code to promote mixed use development (I think this is already in existence we were just going to market it)
- Streamlined zoning and permitting (concurrent reviews)



Property Maintenance Enforcement

- Within the next 30 days an enforcement team consisting of a zoning inspector and a building inspector will be formed.
- Regular patrols downtown to inform property owners and tenants of code requirements.
- If necessary, police and fire departments will assist in explaining and enforcing violations.

El Paso Downtown Revitalization

Private sector support is crucial to the success of downtown redevelopment:

- A REIT has been formed and exceeded its capital formation requirement – showing a strong commitment to Downtown El Paso.
- A feasibility study for an multipurpose event center is being conducted and paid for by a private sector task force.



El Paso Downtown Revitalization

Our intent is to make Downtown El Paso more vibrant and successful for residents, visitors and existing businesses.

The El Paso City Council is committed to a “Business Owner’s Bill of Rights” that will ensure that viable Downtown businesses will benefit from Downtown redevelopment.



El Paso Downtown Revitalization

We are well on our way to a new, vibrant Downtown that works for all of El Paso.



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Phase II Implementation

City Contract with

Marcus Jahns

Phase II Implementation - Scope of Work

Completed within 30 days of contract execution

Task 1 Refine project descriptions of the 5-redevelopment districts including descriptions of private sector catalyst projects and public infrastructure improvements based upon TIRZ revenue and public sector investment cost estimates identified in Phase I. This refinement will include a market analysis to determine the appropriate types and scale of uses for downtown, as well as the steps needed to take advantage of catalyst projects through the supplemental tasks below.

Identify downtown projects that have potential for early implementation including projects eligible for funding by the United States Economic Development Administration (EDA).

Task 2 Review and comment on incentive packages recommended by City Staff to encourage private investment in the Downtown Redevelopment area.

Phase II Implementation - Scope of Work

Completed by June 30, 2007

Task 3 Identify internal linkages (conceptual-level) between the 5-redevelopment districts based on the initial Phase I Plan from the following perspectives:

Transportation (vehicular, public transit and international)

Pedestrian

Design standards (functional and branding)

Way finding

Existing commercial and street-level activities and locations

From the external perspective, provide strategic recommendations on regional linkages such as transit to tie Downtown with the UTEP/Medical District Area as well as the "Medical School" Area in order to expand downtown markets in terms of regional connections.

Task 4 Refine cost estimates for private and public investments and prioritize public improvements within available TIRZ funding.

El Paso Downtown Revitalization

Phase II Implementation - Scope of Work

Completed by June 30, 2007

- Task 5** Develop alternative funding scenarios to supplement public improvements to encourage private investments (parking/arena, etc) based on Market Analysis, prioritization of catalyst projects and proposed phasing.
- Task 6** Develop a comprehensive financing plan that identifies public and private investments including:
- TIRZ financing
 - Alternative public financing scenarios (parking/arena, etc)
 - Private investments
 - Maintenance and operation (public and private).
- Task 7** Develop a project-phasing plan based upon the prior tasks including prioritization of catalyst projects and potential for public/private investment.
- Task 8** Prepare an economic impact analysis based on prioritization of catalyst projects and proposed phasing.