

Goal 1 + 3

FY24 Budget

Presentation

GOAL 1

Strong Sustainable Economic Development

GOAL 3

Promote the visual image of El Paso



VIBRANT REGIONAL ECONOMY

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STRATEGIC ALIGNMENT



VISION BLOCK

Vibrant Regional Economy

STRATEGIC GOALS

GOAL 1 - Strong sustainable ECONOMIC DEVELOPMENT

GOAL 3 - Promote the VISUAL IMAGE OF EL PASO

DEPARTMENTS
ORGANIZATIONAL ALIGNMENT

**AVIATION + DESTINATION EL PASO + ECONOMIC DEVELOPMENT
+ INTERNATIONAL BRIDGES + PLANNING & INSPECTIONS**

GOAL 1

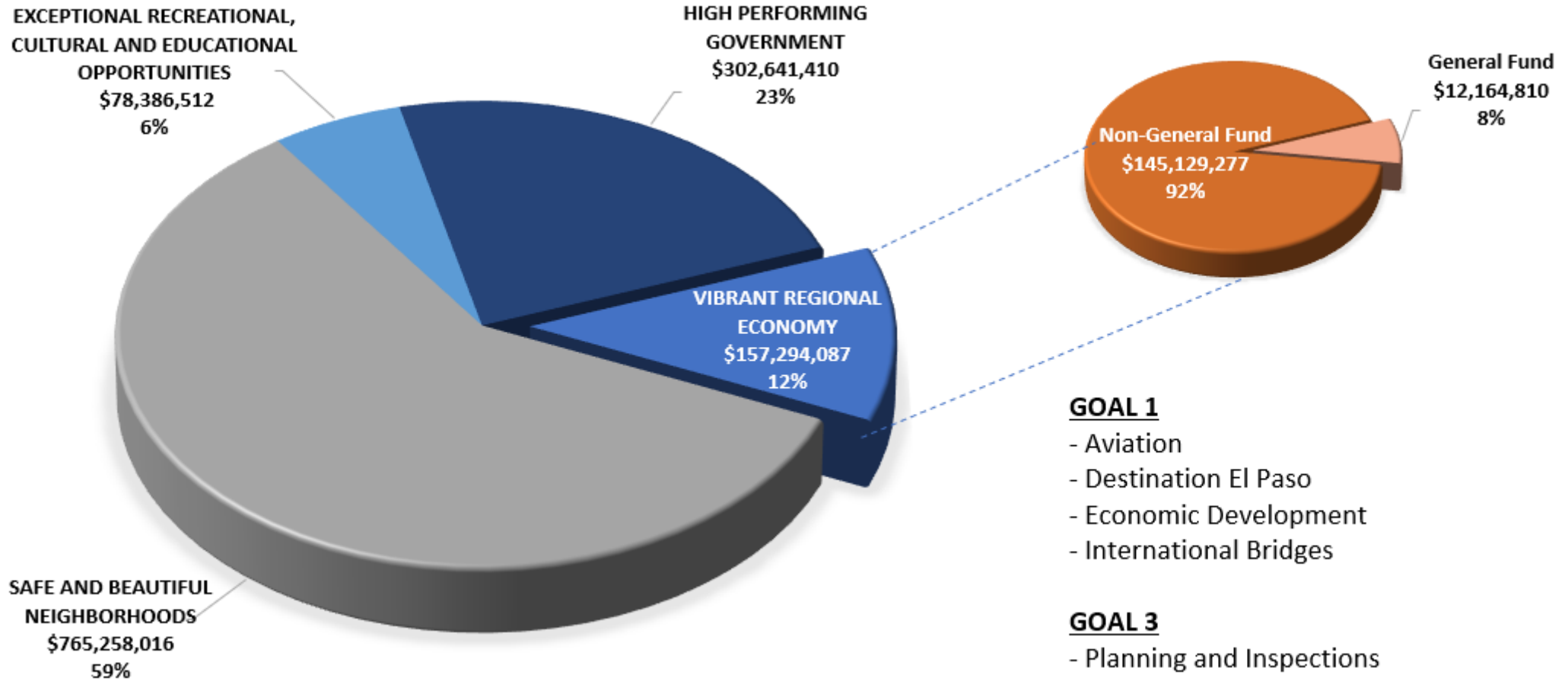
- **1.1 Stabilize and Expand El Paso's Tax Base**
- **1.2 Enhance Visitor Revenue Opportunities**
- **1.3 Maximize Venue Efficiencies Through Revenue Growth and Control**
- **1.4 Grow the Core Business of Air Transportation**
- **1.5 Stimulate Economic Growth Through Transit Integration and cross border mobility, trade and tourism**
- **1.6 Provide business friendly permitting and inspection processes**

GOAL 3

- **3.1 Streamline Processes to Provide a Solid Foundation for Development**
- **3.2 Improve the visual impression of the community (gateways, corridors, intersections, and parkland)**
- **3.3 Set one standard for infrastructure across the city**

VIBRANT REGIONAL ECONOMY

FY 2024 ALL FUNDS BUDGET \$1,303,580,025



SOURCE OF FUNDING

| | | GF | NGF | | | |
|-----------------------------------|--------------------------|-------------------|------------------|-------------------|-------------------|--------------------|
| DEPARTMENT | | GENERAL FUND | CAPITAL PROJECTS | SPECIAL REVENUE | ENTERPRISE | ALL FUNDS |
| Goal 1 | AVIATION | - | - | - | 68,471,308 | 68,471,308 |
| | DESTINATION EL PASO | - | 4,250,000 | 19,119,648 | - | 23,369,648 |
| | ECONOMIC DEVELOPMENT | 3,219,430 | - | 24,043,154 | - | 27,262,584 |
| | INTERNATIONAL BRIDGES | - | - | - | 28,100,985 | 28,100,985 |
| ECONOMIC DEVELOPMENT TOTAL | | 3,219,430 | 4,250,000 | 43,162,802 | 96,572,293 | 147,204,525 |
| Goal 3 | PLANNING AND INSPECTIONS | 8,945,379 | - | 1,144,183 | - | 10,089,562 |
| VISUAL IMAGE TOTAL | | 8,945,379 | - | 1,144,183 | - | 10,089,562 |
| VISION BLOCK TOTAL | | 12,164,810 | 4,250,000 | 44,306,985 | 96,572,293 | 157,294,087 |

MAJOR VARIANCES

GOAL 1

- **Aviation** – Increase due to uniform and non-uniform compensation and filling vacant positions
- **Destination El Paso** – Increase due to staffing and capital program
- **Economic Development** – Increase due to compensation and reorganization and an increase in 380 Agreements payments
- **International Bridges** – Increase due to compensation and reorganization and transfer due to bridge crossings

GOAL 3

- **Planning and Inspections** – Increase due to compensation and filling vacant positions

EXPENSES - GENERAL FUND

| DEPARTMENT | | FY 2022 Adopted | FY 2023 Adopted | FY 2024 Preliminary | Variance | Percent |
|-----------------------------------|--------------------------|--------------------|--------------------|------------------------|----------------|-------------|
| Goal 1 | ECONOMIC DEVELOPMENT | 1,961,689 | 3,201,468 | 3,219,430 | 17,962 | 0.6% |
| ECONOMIC DEVELOPMENT TOTAL | | 1,961,689 | 3,201,468 | 3,219,430 | 17,962 | 0.6% |
| Goal 3 | PLANNING AND INSPECTIONS | 6,950,879 | 8,362,486 | 8,945,379 | 582,893 | 7.0% |
| VISUAL IMAGE TOTAL | | 6,950,879 | 8,362,486 | 8,945,379 | 582,893 | 7.0% |
| VISION BLOCK TOTAL | | 8,912,569 | 11,563,954 | 12,164,810 | 600,855 | 5.2% |

Variance Highlights:

- **Economic Development** – Compensation increases and transfer of Real Estate Division to Streets and Maintenance
- **Planning and Inspections** – Compensation increases

EXPENSES - GENERAL FUND

| CATEGORY | FY 2022 Adopted | FY 2023 Adopted | FY 2024 Preliminary | Amount | Percent |
|----------------------------|--------------------|--------------------|------------------------|----------------|-------------|
| PERSONAL SERVICES | 7,951,672 | 10,267,248 | 10,814,894 | 547,646 | 5.3% |
| CONTRACTUAL SERVICES | 468,255 | 554,287 | 542,469 | (11,819) | -2.1% |
| MATERIALS AND SUPPLIES | 178,100 | 233,700 | 248,578 | 14,878 | 6.4% |
| OPERATING EXPENDITURES | 183,143 | 197,320 | 197,470 | 150 | 0.1% |
| NON-OPERATING EXPENDITURES | - | 100,000 | 150,000 | 50,000 | 50.0% |
| OTHER USES | 131,399 | 211,399 | 211,399 | - | - |
| TOTAL EXPENDITURES | 8,912,569 | 11,563,954 | 12,164,810 | 600,855 | 5.2% |

Variance Highlights:

- **Personal Services** – Compensation increases and transfer of Real Estate Division to Streets and Maintenance
- **Contractual Services** – Decrease in Economic Development for contractual services to cover increase in building lease, increase in Planning and Inspections for appraisal services
- **Materials and Supplies** – Increase in promotional supplies for ED, increase in Planning and Inspections for fuel to align with actuals
- **Non-Operating Expenditures** – Increase in Planning and Inspections for bank services charges and credit card fees to align with actuals

EXPENSES - NON-GENERAL FUND

| Department | | FY 2022 Adopted | FY 2023 Adopted | FY 2024 Preliminary | Variance | Percent |
|-----------------------------------|--------------------------|--------------------|--------------------|------------------------|-------------------|-------------|
| Goal 1 | AVIATION | 54,710,596 | 63,583,662 | 68,471,308 | 4,887,645 | 7.7% |
| | DESTINATION EL PASO | 19,474,944 | 19,770,288 | 23,369,648 | 3,599,360 | 18.2% |
| | ECONOMIC DEVELOPMENT | 25,378,351 | 22,844,416 | 24,043,154 | 1,198,738 | 5.2% |
| | INTERNATIONAL BRIDGES | 21,850,856 | 26,358,021 | 28,100,985 | 1,742,964 | 6.6% |
| ECONOMIC DEVELOPMENT TOTAL | | 121,414,747 | 132,556,388 | 143,985,094 | 11,428,707 | 8.6% |
| Goal 3 | PLANNING AND INSPECTIONS | 1,019,567 | 1,068,226 | 1,144,183 | 75,957 | 7.1% |
| VISUAL IMAGE TOTAL | | 1,019,567 | 1,068,226 | 1,144,183 | 75,957 | 7.1% |
| VISION BLOCK TOTAL | | 122,434,314 | 133,624,614 | 145,129,277 | 11,504,664 | 8.6% |

Variance Highlights:

- **Aviation** – Increase is due to compensation, airline management services, outside contracts and electricity
- **Destination El Paso** – Increase in capital and convention contracts
- **Economic Development** – Increase is due to an increase in EPE Auxiliary Franchise fee
- **International Bridges** – Increase in compensation, additional staffing, transfer to the general fund, security and janitorial contracts and traffic control
- **Planning & Inspections** – PMZ code inspectors compensation increases

EXPENSES - NON-GENERAL FUND

| CATEGORY | FY 2022 Adopted | FY 2023 Adopted | FY 2024 Preliminary | Amount | Percent |
|----------------------------|--------------------|--------------------|---------------------|-------------------|-------------|
| PERSONAL SERVICES | 30,976,196 | 31,942,201 | 36,950,150 | 5,007,949 | 15.7% |
| CONTRACTUAL SERVICES | 37,558,255 | 35,404,617 | 38,802,232 | 3,397,615 | 9.6% |
| MATERIALS AND SUPPLIES | 4,865,538 | 5,362,850 | 5,646,049 | 283,199 | 5.3% |
| OPERATING EXPENDITURES | 8,712,700 | 9,033,366 | 9,891,009 | 857,643 | 9.5% |
| NON-OPERATING EXPENDITURES | 12,214,824 | 12,247,671 | 11,698,231 | (549,440) | -4.5% |
| OTHER USES | 24,495,302 | 35,718,908 | 37,335,516 | 1,616,608 | 4.5% |
| CAPITAL OUTLAY | 3,611,500 | 3,915,000 | 4,806,090 | 891,090 | 22.8% |
| TOTAL EXPENDITURES | 122,434,314 | 133,624,614 | 145,129,277 | 11,504,664 | 8.6% |

Variance Highlights:

- **Personal Services** – Compensation increases and position reclassifications for Aviation and International Bridges, increase in Destination El Paso due to staffing additional events
- **Contractual Services** – Increase in Bridges for security contract and traffic control, increase in Aviation for airline management services, increase in Economic Development for 380 agreement payments
- **Materials and Supplies** – various increases due to inflationary impacts for Aviation, International Bridges, Destination El Paso
- **Operating Expenditures** – Increase in Destination El Paso for travel and utilities, increase in Aviation due to utilities
- **Non-Operating Expenditures** – Decrease due to paying off debt service requirement for International Bridges
- **Other Uses** – Increase transfer to fund balance in Aviation due to an increase in Passenger Facility Charge Investment Interest, International Bridges’ increase in transfer to the general fund, increase in Economic Development for El Paso Auxiliary Franchise Fund and TIRZ 5
- **Capital Outlay** – Increase in Destination El Paso for Convention Center upgrades, decrease in Aviation for one-time equipment replacement

STAFFING – ALL FUNDS

| DEPARTMENT | | FY 2022 Adopted | FY 2023 Adopted | FY 2024 Preliminary | Variance |
|-----------------------------------|--------------------------|--------------------|--------------------|------------------------|-------------|
| Goal 1 | AVIATION | 222.60 | 231.60 | 231.60 | - |
| | ECONOMIC DEVELOPMENT | 17.00 | 30.00 | 25.50 | (4.50) |
| | INTERNATIONAL BRIDGES | 69.00 | 70.00 | 76.00 | 6.00 |
| ECONOMIC DEVELOPMENT TOTAL | | 308.60 | 331.60 | 333.10 | 1.50 |
| Goal 3 | PLANNING AND INSPECTIONS | 139.00 | 141.00 | 141.00 | - |
| VISUAL IMAGE TOTAL | | 139.00 | 141.00 | 141.00 | - |
| VISION BLOCK TOTAL | | 447.60 | 472.60 | 474.10 | 1.50 |

Variance Highlights:

- **Economic Development** – Transfer of the Real Estate Division to Streets and Maintenance
- **International Bridges** – Increase in toll collectors and deletion of the managing director

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FY24 PRIORITIES & PLANNED ACCOMPLISHMENTS

Goal 1 (Economic Development)
Goal 3 (Visual Image)

GOAL 1 FY 2024 PRIORITIES

- **Airport**

- Expand air service for our community
- Expand development for non-aeronautical revenue growth

- **Destination El Paso**

- Develop campaigns and programs related to ecotourism and cultural heritage to stimulate visitation
- Continue growth in convention sales + expand entertainment bookings for performing arts venues

- **Economic Development**

- Attract new investments + improve the competitiveness of existing businesses, including small local businesses, focusing on key industries that align with regional assets
- Continue to activate targeted redevelopment to stimulate economic growth in key areas + corridors

- **International Bridges**

- Continue coordination efforts with Bridges + Parking Steering Committees
- Implement ITS at Ysleta-Zaragoza and BOTA + design pedestrian improvements at Ysleta-Zaragoza

FY2024 PLANNED ACCOMPLISHMENTS – GOAL 1

Aviation

Grow the core business of air transportation



Activate targeted (re)development
Airport Development

- Expand **air service** for our community
 - Present business cases to airlines for **new or expanded routes**
 - Engage the local business community
 - Present business cases to U.S. + Mexican carriers for **international flights to Mexico**
 - Remodel the Federal Inspection Station to process international flights and meet current design standards
- Expand **air cargo** development
- Grow **non-aeronautical revenue** through land development
 - Extension of George Perry
 - Begin construction of the **Advanced Manufacturing District**
- Implement **sustainability** strategies to address financial and environmental interests
 - Installing solar panels
 - Installing energy-efficient lighting terminal and ramp
- Invest in **innovation** – digitalization, electrification, drones, passenger experience

FY2024 PLANNED ACCOMPLISHMENTS – GOAL 1

Destination El Paso

Enhance visitor revenue opportunities

 **Expand Downtown revitalization/redevelopment to include Convention Center renovation**
Maximize venue efficiencies through revenue growth

- Maintain strong **Hotel Occupancy** at **68% or greater** to lead state and national averages
- Develop and conduct ongoing public awareness, education and training programs related to **ecotourism** and **cultural heritage** to **stimulate visitation** to the region.
- Increased sales initiatives to **attract meeting and convention activity**, featuring new downtown hotel development and convention center renovations
- Expand **entertainment offerings** in the ACT and the Plaza Theatre
- Capital Improvement plan to include network infrastructure upgrade, completion of the Ballroom conversion, CPAC Fire & Life Safety Upgrades

FY2024 PLANNED ACCOMPLISHMENTS – GOAL 1

Economic Development

Stabilize and Expand El Paso's Tax Base



Activate targeted (re)development

Medical Center of the Americas/Alameda, Reimagine Cohen/Angora Loop/Northeast Parkway, Five Points, Airport Development, High priority corridor development plans, Infill growth strategies, Parking strategies, Disposition of City-owned properties



Expand Downtown revitalization/redevelopment to include

Streetcar corridor vibrancy, Convention center renovation, Parking management plans, Uptown



Grow existing and attract new target industries

including advanced manufacturing and international development; creating an innovation-driven culture of technology that fosters economic prosperity and creates high-paying career pathways

- Increase **residential density** in Downtown + Uptown El Paso
- Revise **Infill + TOD incentive** policies to align with adopted Plans
- Leverage key **City-owned land** as a redevelopment tool
- Redesign the City's ED website to **increase online presence**
- Attract **new investment** by targeting existing businesses' suppliers
- Deploy **BRE program** focusing on major employers + key industries
- Expand international business relationships to **attract FDI**
- Assist in development of the **ELP Advanced Manufacturing District**
- Complete the rollout of ARPA-funds, including **launch of the "BOSS"**
- Assist in development of the El Paso **Public Procurement Playbook**
- Expand **CDFI capacity** with a focus on minority-owned businesses

FY2024 PLANNED ACCOMPLISHMENTS – GOAL 1

International Bridges

Stimulate economic growth through cross border mobility, trade, and tourism



Enhance cross-border mobility experience for bridge users

Capital Improvement Plan implementation- Revamp toll operations schedules and lane management

- Design and implementation of **ITS project** at Ysleta-Zaragoza and BOTA
 - Upgrade of toll collection system, dynamic message signs, traffic cameras, traffic counters and wait time collection devices
- Design of **pedestrian improvements** at Ysleta-Zaragoza
- Implementation of **parking meter technology upgrades**
 - Display time on all meters from Park 915 App
 - Display bi-lingual instructions on all parking meters
 - Install NFC technology to enable Apple and Google Pay
- Update **capital improvement program** and phasing implementation

GOAL 3 FY 2024 PRIORITIES

Planning and Inspections

- **Deliver key projects to the City via rezoning and development process**
- **Council adoption of code revisions to Historic Preservation provisions**
- **Implementation of new building code**

FY2024 PLANNED ACCOMPLISHMENTS – GOAL 3

Planning & Inspections

Streamline processes to provide a solid foundation for development



Launch new business-friendly practices and services improving

Speed-to-market and supporting entrepreneurship/microenterprises

- Finalize **revisions** to El Paso City Code 20.20 addressing improvements for **historic preservation**
- Continue **collaboration and coordination** with developers, home builders, and other partners
- Maintain mindset of **improving existing processes** for improved customer service

Provide business-friendly permitting and inspection process



Launch new business-friendly practices and services improving

Speed-to-market and supporting entrepreneurship/microenterprises

- Enhance and **expand online presence** for licensing, permitting, and payments
- Continue to **educate the construction community** on tools to improve permitting and inspection outcomes
- Support **Quality Assurance** and Training Specialist to enhance customer service and experience for all staff
- Enhance **cross-training** for more knowledgeable and experienced workforce across all levels

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GOAL 1

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