

October 11, 2022



Item 6

Attracting Destination Entertainment Opportunities: An Economic Development Strategy



Requested Action

- Approve a Resolution to authorize the City Manager to sign a Consulting Services Agreement by and between the CITY OF EL PASO and the JLL VALUATION & ADVISORY SERVICES, LLC (“JLL”), for JLL to provide consulting services related to the planning of a regional economic development strategy in an amount not to exceed \$240,000.

Destination Entertainment Opportunities

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Next Steps: Update + Conduct Feasibility Studies

- Update **JLL Report** completed in 2018 for Great Wolf Lodge in Northwest El Paso
- Key Findings of 2018 Study:
 - Feeder Market Radius is **400 miles** (including Mexico);
 - After adjusting for income, cost of living and household age demographics, it is estimated that more than **1.4 million households** within feeder market will be **potential resort guests**
 - Comparable water park resorts in 5 cities across the U.S. generate between 1.4 and 1.7 million households that are potential guests
 - Study finds that **Year 3 (stabilized) annual occupancy rate** of 70% is **achievable**
 - However, given market environment and the niche nature of waterpark resort investments, the **project is not feasible without financial incentives**

Next Steps: Update + Conduct Feasibility Studies

- Update **JLL Report** completed in 2018 for Great Wolf Lodge in Northwest El Paso
- Current proposal includes:
 - **Update** market and financial feasibility and economic impact for a **waterpark resort** in **Northwest El Paso**; and
 - **Add** market and financial feasibility and economic impact for a **theme park**
- Timeline and Cost: **10 to 12 weeks** for completion at \$240,000

Next Steps: Develop Proposals

- Identify Strongest Opportunities for Success using JLL Study Results
- Develop Unsolicited Proposals for Targeted Destination Entertainment Brands to include:
 - Market Data (including international component)
 - Financial Feasibility
 - Incentive Proposal (leveraging State Convention Center Hotel Program)
 - Economic & Fiscal Impact
- Negotiate Public Private Partnerships



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Mission

Deliver exceptional services to support a high quality of life and place for our community



Vision

Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government



Values

Integrity, Respect, Excellence, Accountability, People