

Goal I: Enhance McAllen's Image as a Creative Class City

Assumptions

Creative Class is the number one sector for new business start ups and economic innovation.

Young educated people are attracted to communities before they select careers.

Creative Class sector will improve City's per capita income.

McAllen has a challenge retaining our best and brightest.

Studies show that the Creative Class have an appreciation for the arts, culture, music, recreation, technology, and diversity.

Studies show that the number two reason Mexico visitors come to McAllen is cultural activities.

Objective	Selected by City Commission	Priority	Index Number	Strategy	Budget
1. Create an aesthetically pleasing environment; Implement Foresight McAllen		Low	1.1.1	Consider east/west linear parks - Plan only; Business 83; Canal; Drainage	\$0
		Low	1.1.2	Landscape nodes at mile by mile intersection; Business 83	\$200,000
		High	1.1.3	Install decorative street lights along arterial roadways; Main Street; Archer Park	\$250,000
	<input checked="" type="checkbox"/>	Low	1.1.4	Decorate 10th Street with Christmas lights from Wichita to Trenton	\$250,000
		High	1.1.5	Landscape nodes at drainage channel and roadway crossings; Nolana	\$50,000
			1.1.6	Install decorative bus shelters	
	<input checked="" type="checkbox"/>	High	1.1.7	Intense landscaping near Airport and La Plaza Mall	\$100,000
		Low	1.1.8	Architectural design guidelines for commercial development	\$0
	<input checked="" type="checkbox"/>	High	1.1.9	Accent LED lighting at public buildings; City Hall; Water Towers; Police; Fire Station	\$150,000
		High	1.1.10	Connect Art Walk and Downtown through Austin Street (Streetscape) Pedestrian improvements that connect parking garage to the Entertainment District	\$100,000
		Medium	1.1.11	Review ordinances for aesthetic improvements	0
		Low	1.1.12	Consider enhancements to landscape regulations	
	<input checked="" type="checkbox"/>	High	1.1.13	Matching grant program expand to include key business corridor improvements and for neighborhood association	\$250,000

Objective	Selected by City Commission	Priority	Index Number	Strategy	Budget
2. Continue to enhance City-wide Arts and Cultural image and expand night life in City		Medium	1.2.2	Classic Arts showcase during slow times on Channel 12	
		Low	1.2.3	Create strategy for using the old Library to enhance Art District	
3. Create "big city" appeal (visual) with small City flavor	<input checked="" type="checkbox"/>	High	1.3.1	Skyline enhancement matching grants or incentives for private sector buildings (lighting)	\$40,000
	<input checked="" type="checkbox"/>	High	1.3.2	LED lighting on five expressway overpasses	\$100,000
	<input checked="" type="checkbox"/>	High	1.3.3	Continue expressway greenery enhancements	\$15,000
4. Raise city's profile and enhance image with branding campaign		High	1.4.1	Develop a state-wide, year-long (print, online and television) multi-media advertising, marketing and public/media relations campaign; hire Texas agency that "gets" McAllen-by McAllen Chamber of Commerce.	\$250,000
5. Improve "green" image/Environmental Awareness		Low	1.5.1	Develop a sustainable environmental policy for the City	
		High	1.5.2	Build Green house at Quinta Mazatlan to promote green image and Environmental Awareness	
		High	1.5.3	"Native McAllen" program including promotions, native and adaptive vegetation, low water usage along Business 83	
		High	1.5.4	Develop Plan to dramatically increase residential recycling compliance	\$20,000
	<input checked="" type="checkbox"/>	High	1.5.5	Develop a campaign to minimize the use of plastic bags	\$20,000
		Medium	1.5.6	Develop campaign to educate citizens to use less energy	\$0
6. Provide Unique City Services		Medium	1.6.1	Greeters at public buildings	\$0
		Medium	1.6.2	Develop Customer appreciation programs for all departments	\$0
	<input checked="" type="checkbox"/>	High	1.6.3	Develop a Park and Ride for special events (4th of July, La Posada)	\$10,000
		Low	1.6.4	Develop a Plan for a Performing Arts Center	\$0
		Low	1.6.5	Increase hotel occupancy tax rate from 7% to 9% to help pay for Performing Art Center	\$0
7. Improve Recreational Opportunities		Low	1.7.1	Develop policy to allow seasonally concessions at parks, trails and public venues	\$0
		High	1.7.2	Host annual Green Conference for Citizens	\$25,000
		High	1.7.3	Create new Music Festival	\$0
		High	1.7.4	Expand and grow Art and Film Festival	\$0
		High	1.7.5	Expand and grow Innovation Grant Program	\$0

Objective	Selected by City Commission	Priority	Index Number	Strategy	Budget
8. Coordinate festivals/Leisure time/shopping		High	1.8.1	Fireworks program on Friday nights during the summer	\$25,000
			1.8.2	Veteran's Memorial	\$350,000
Goal 1 Total Cost					\$960,000

Goal 2: Sustain and Expand Retail Sales Tax Income

Assumptions

McAllen has lost market share from 55% in 2000 to 51.45% currently.

Destination retail will help enhance the diversity of McAllen economy.

McAllen is highly dependent upon sales tax and retail spending from non-McAllen citizens.

Many changes are occurring in Mexico which may reduce our ability to depend on historical Mexican shopping in future decades.

Based upon current trends, geographic growth is expected to push regional shoppers away from our core and city limits in coming decades.

Mexican shoppers are McAllen's most profitable, traditional income sources, followed by regional shoppers. Both are considered threatened over the long term.

Objective	Selected by City Commission	Priority	Index Page	Strategy	Budget
1. Maintain market share from Mexican shoppers		High	2.1.1	RFQ for firm specializing in Mexico; City Commission hires firm; action Plan to be done with the McAllen Chamber of Commerce	\$250,000
		High	2.1.2	Facilitating La Plaza Mall expansion	\$0
		High	2.1.3	Work with Volaris Mexico airlines to establish shopping tours/packages to McAllen and get air service and bus tours between other Mexico cities and McAllen	\$0
		Low	2.1.4	Work with states in Mexico to expand a Mexico craft, during Palm Fest	\$0
2. Sustain and expand market share from regional (US resident) shoppers			2.2.1	Develop a policy to attract those specific stores/venues that are determined to be critical or desired by Consultant (MX) to help keep Mexico retail traffic coming to McAllen. Create reasons for Mexico shopper to come to McAllen. Focus on 3 areas: 1) Destination retail not currently in McAllen's market area (150 mile) - unique product or venue - will only have one outlet in market area, meet community character design standards; 2) Expansion of existing city retail - must expand on current site or new building at second site, or renovate historic structures (meet Foresite standards); 3) Neighborhood retail - locate in city-defined redevelopment area. Create 380 Agreement with specific "destination retail" and "destination entertainment" (to be determined by marketing study) "What do Mexico consumers want?"	\$0
3. Broaden Sales Tax		High	2.3.1	City Commission to approve authorization for residential electric and gas sales tax - dedicate to Arts & Entertainment Projects	

Goal 2 Total Cost **\$0**

 **City of McAllen**
Strategic Business Plan

Goal 3: Diversify Area Economy and City Revenue so that City is Less Dependent on Sales Tax Over Time

Assumptions

It is expected that McAllen dependence upon ad-valorem taxes will increase over time due to an expected increase in services and costs and the expected leveling off of sales tax revenue increases.

As McAllen has grown geographically to its city limits to the south, west, east and northeast, its main geographic growth will be concentrated to the northwest of the current City. As such, an ever expanding ad-valorem tax base is not expected without redevelopment and increased density in the currently built out areas of the City.

Costs of service to a large geographic area are considerably more than costs in a densely populated area.A42

McAllen is heavily dependent upon the service economy, in particular retail sales. This dependence could become problematic as expenditures continue to increase, especially if slowdowns occur in any given year(s), possibly creating financial stress in the future.

McAllen's availability of skilled labor make it ideal for labor intensive uses such as manufacturing.

McAllen's climate and the expected increase in retirees nationwide may present an opportunity related to retirement living.

It is expected that Mexico will become the 4th largest world economy just behind the U.S. in the next few decades, creating a potential opportunity for McAllen to be a gateway community to that market and economy.

Objective	Selected by City Commission	Priority	Index Number	Strategy	Budget
1. Substantially increase density, especially near McAllen's sales tax generators		Medium	3.1.1	Develop and adopt an incentive policy to encourage higher buildings, increased density, mixed-use developments. Create 380 Agreements for existing property owners with Expressway frontage	\$0
		Medium	3.1.2	Develop Urban Central Complex (Key Recommendation)	\$37,000,000
2. Attract High end jobs		Medium	3.2.1	Recruit Corporate Headquarters (Auto plant) Business 83 development program (incentives)	\$28,000,000
3. Develop University related research park		High	3.3.1	Work with University of Texas Pan American to get funding for building of 80 acre research park site; identify potential tenants; divide project into two phases; EDA application/Development Corporation Local Match. 1: Driscoll (children's health issues) at existing Ridge Road site; 2: UTPA site Downtown next to Parking Garage as part of neighborhood Improvement District	\$350,000
4. Redevelop Business 83 Railroad area	<input checked="" type="checkbox"/>	High	3.4.1	Develop a matching grant program for businesses on Business 83 from Expressway 83 to Taylor Road	\$50,000
		High	3.4.2	Build sidewalks along Business 83	\$200,000
	<input checked="" type="checkbox"/>	High	3.4.3	Submit Grant to landscape along Business 83	\$250,000
5. Develop a Strategic Plan to grow McAllen's medical community		Low	3.5.1	Attract medical specialties and services not currently available in McAllen and develop a plan to bring them here	\$0
		Medium	3.5.2	Work with the University medical research facility to attract medical manufacturing opportunities to McAllen; establish a plan to work with drug companies to do clinical trials here	

Objective	Selected by City Commission	Priority	Index Number	Strategy	Budget
6. Market McAllen to wealthy retirees		Medium	3.6.1	Attract Housing Developers for wealthy retirees	

Goal 3 Total Cost **\$300,000**

Goal 4: Promote McAllen as a Safe City

Assumptions

The border areas has been impacted recently due to a marked increase in violence south of the border.

There are increased concerns for security of citizens on the U.S. side of the border.

McAllen has long been a leader in providing excellent police and fire service, but is being impacted with increasing costs related to that service.

Our reputation for having good public safety and image provides an opportunity for economic growth.

Improved fire rating will result in lower home insurance rates.

Objective	Selected by City Commission	Priority	Index Number	Strategy	Budget
1. Enhance Code Compliance to improve public safety		Low	4.1.1	Develop options so that City employees can communicate problems better (computers, etc.)	\$0
		High	4.1.2	Target highly visible areas	\$0
		High	4.1.3	Signage related to Video Monitoring	\$5,000
		Low	4.1.4	Include public safety awareness component in McAllen marketing initiatives	\$0
		High	4.1.5	Consolidate all code enforcement efforts	\$0
2. Implement law enforcement Video Surveillance system	<input checked="" type="checkbox"/>	High	4.2.1	Install video mounting at parks, trails, and downtown	\$500,000
		High	4.2.2	Expand Video Monitoring into neighborhood in a partnership relationship	\$10,000
3. Develop a Strategic Plan for Fire Safety rating		High	4.3.1	Improve Fire ISO rating with an adopted plan by Mayor and City Commission	\$0

Goal 4 Total Cost

\$500,000

Goal 5: Continue Policies which Enhance and Secure McAllen's Long-Term Financial Position

Assumptions

Secure revenue to build assets, improve quality of life, and provide basic municipal services.

Historically Cities cannot sustain a 9% growth in expenditures annually.

Financial stability is crucial for business recruitment and retention.

At the present course, the City's General Fund is expected to begin more Revenue/Expenditure stress in the next few years.

Consumer price index is estimated to increase by 7.7% in FY 2009.

Objective	Selected by City Commission	Priority	Index Number	Strategy	Budget
1. Improve the efficiency of City Operations (Reduce annual increase in O&M to 3.5% maximum to previous year budget within 3 years)		High	5.1.1	Create a Lean Six Sigma program to streamline processes; develop an assessment program through which Department Heads identify obsolete services	\$110,000
		High	5.1.2	Evaluate all in-house versus out source purchase opportunities	\$0
		Low	5.1.3	Implement a City wide asset management program	\$500,000
		Medium	5.1.4	Implement and improve a purchasing software	\$250,000
2. Coordinate City infrastructure planning for cost minimization		Medium	5.2.1	Conduct a study on the impact of water/sewer and growth policies on Fire Protection and other services	\$0
3. Evaluation of current policies and Ordinances on City strategic goals, objectives, and strategies		High	5.3.1	Review large expenditures (Capital, recurring) to determine if any policies or Ordinances are causing some/all of expenditures	\$0
4 Adopt Alternative Scenario Planning models		Low	5.4.1	Scenario modeling to show long-term impacts of low-income housing concentration versus dispersed throughout the City	
5. Governmental Relations		High	5.5.1	Lobby state and federal elected officials to secure funding	
		High	5.5.2	Enhance McAllen's position among state and national decision makers by hosting hearings, private meetings and attending hearings in Austin and Washington D.C.	\$0
		High	5.5.3	Work with contract lobbyist to leverage contacts and state appointed leaders for funding possibilities; get to know and work collaboratively with state and federal program directors and bureaucrats to accomplish our funding goals on transportation, public transit, Anzalduas, the multi institutional teaching center and other issues	
6. Develop a contingency plan to continue essential operations in the event of a disaster or other major emergency		Medium	5.6.1	Identify core services (i.e. Police Department and Utilities)	

Goal 5 Total Cost	\$0
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Goal 6: Optimize McAllen's Infrastructure

Assumptions

Strong infrastructure is critical to residential and commercial growth.

Deferred maintenance results in higher future maintenance costs.

City's with good infrastructure have a competitive advantage.

Urban Land Institute in May 2007 and the American Public Works Association reported that Cities are in a state of crisis as it relates to infrastructure.

Objective	Selected by City Commission	Priority	Index Number	Strategy	Budget
1. Improve Mobility		High	6.1.1	Construct North Bus Transfer Station at New Main Library (Solar Power)	\$140,000
	<input checked="" type="checkbox"/>	Low	6.1.3	Apply for long range transit plan	\$40,000
		Low	6.1.4	Pilot new bus routes to test densities/viability of light rail	\$280,000
		Low	6.1.5	Charge staff to begin acquiring land for light rail and HOV lanes, in conjunction with recommendations from Foresight McAllen	
		Low	6.1.6	Evaluate regional bus service (Mission/Edinburg/Pharr - STC/UTPA) and potential Regional Transit Authority	\$0
		High	6.1.7	Adopt Airport Master plan elements	\$0
2. Reduce infrastructure operation and maintenance		Medium	6.2.1	Evaluate privatization opportunities	\$0
		Low	6.2.2	Explore solar and wind power for City facilities	\$0
		High	6.2.3	Reduce the number of City vehicles	\$0
		High	6.2.4	Increase onsite detention to 50 year storm	\$0
		Medium	6.2.5	Encourage compact development (high density and high rise)	\$0
		Medium	6.2.6	Encourage infill development through incentives	\$0

Objective	Selected by City Commission	Priority	Index Number	Strategy	Budget
3. Evaluate Road and Street Expenditures for significant savings and implement policies to reduce road and street expenditures		High	6.3.1	Analyze "Thoroughfare Plan" for cost/benefit of pavement area/travel lanes needed/turn lanes/ bike lanes/expansion, etc.	\$0
		High	6.3.2	Consider new Foresight McAllen recommendation related to setbacks/residential street widths	\$0
		High	6.3.3	Consider new Foresight McAllen "concurrency" requirements that delay development based upon City's ability to provide infrastructure	\$0
4. Develop a Strategic Plan for City Infrastructure		Medium	6.4.1	Aggressively reconcile PUB and other Utility Service providers vs. City growth policies	\$0
		High	6.4.2	Require financial modeling for all annexation, voluntary or involuntary	\$0
		Medium	6.4.3	Consider finance strategies for infrastructure growth	\$0
		Medium	6.4.4	Evaluate existing infrastructure in potential context of overall Strategic Plan	\$0
		Medium	6.4.5	Consider new infrastructure categories such as communication cable and mass transit options	\$0
		High	6.4.6	At least annually, create an "action item" on the City Commission and Public Utility Board agenda (including state and federal) to deal with policies with hidden, unfunded liabilities	\$0
5. Improve Drainage Infrastructure by creating drainage CIP for existing developed areas		High	6.5.1	Issue debt to construct improvements	\$0
		High	6.5.2	Authorize monthly drainage Utility fee	\$0
6. Implement energy efficiency measures		Medium	6.6.1	Transition from fossil fuel to electric cars and trucks for City fleet	\$0
		High	6.6.2	Sustainable Designs for Public Buildings	\$0
		Medium	6.6.3	Evaluate solar powered street and trail lights	\$0
		High	6.6.4	Alternative solid trash collection strategies	\$0

Objective	Selected by City Commission	Priority	Index Number	Strategy	Budget
7. Increase Open Space Preservation		High	6.7.1	Develop a policy that combines on-site detention and open space requirements for residential development.	\$0
		Low	6.7.2	Amend park land dedication fees	\$0
Goal 6 Total Cost					\$40,000

Goal: 7 Enhance and Improve McAllen's Image Related to Education

Assumptions

A higher educated workforce makes the City more competitive in recruiting key industries.

Perception of the border area is that it has low educational attainment.

Perception is that there is a young trainable workforce in the region.

A higher educated population will result in a higher per capita income.

The City is currently spending \$2M to enhance education and training at the elementary, junior high, high school, and college level.

Objective	Selected by City Commission	Priority	Index Number	Strategy	Budget
1 Build by 2011 a M.I.T.C. (Multiple Institutional Teaching Center) to house MISD Math and Science Magnet School/IB program, STC programs & UTPA programs, other Universities		High	7.1.1	City of McAllen funds a revenue bond to build facility and manages property. McAllen ISD, STC and UTPA make long term lease agreements to fund debt and operational costs.	\$0
		High	7.1.2	Explore including the Multi Institution Teaching Center in the new Library to gear towards classroom studies	\$0
		Low	7.1.3	Work with STC on developing student housing and a future UTPA campus in McAllen	\$0
2. Market McAllen education success stories		Low	7.2.1	Monterrey Tech, or like institution as a possible addition to Central Park near planetarium; larger facility at Trade Zone or Medical Center	\$0
		Medium	7.2.2	Consider something like a Wi-Fi trial in an area with low educational attainment; Negraponte notebook (laptops) program for students	\$150,000
		Medium	7.2.3	Champion City-wide academic events	\$10,000
3. Incorporate as part of the M.I.T.C project a "art and design center" in conjunction with Monterrey Tech or other higher education institutions		Low	7.3.1	Develop a state-of-the-art design center at Multi Institution Teaching Center	\$10,000
4. Locate a Federal or State research facility in McAllen's research park. Develop and locate Texas A&M, UTPA and UT research branches/faculties		High	7.4.1	Develop and pursue a state-of-the-art research center as part of McAllen's R&D park	\$0
5. Form a Strategic Planning Committee for education		Medium	7.5.1	Evaluate and coordinate McAllen's annual investment and expenditures into education	\$0
		Low	7.5.2	Consider current and experimental programs that relate to education, especially amongst McAllen's transient, working poor	\$0
		Low	7.5.3	Form task force/Mayor's committee to review City expenditures and recommend future investments	\$0

Objective	Selected by City Commission	Priority	Index Number	Strategy	Budget
6. Try new strategies for City education expenditures/efforts		Low	7.6.1	Pull stakeholders into the process, making them more part of the strategy - and the difficult choices related to expenditures	\$0
		Medium	7.6.2	Require expenditures on City projects (affordable homes; medical clinics,) to assist or require educational objectives and outcomes, such as; parental involvement	\$0
7. Consider educational image impact for potential City projects		Medium	7.7.1	Evaluate expenditures needed for Planetarium, vs. Libraries, vs. Museum(s), vs. R&D showcases, Medical Education Buildings (i.e. prioritize expenditures)	\$0

Goal 7 Total Cost	\$0
Goals 1 through 7 Total Cost	\$1,800,000