



Attracting Big Business to Your City

**TML Economic Development Conference
October 16 & 17, 2015
Bastrop, TX**

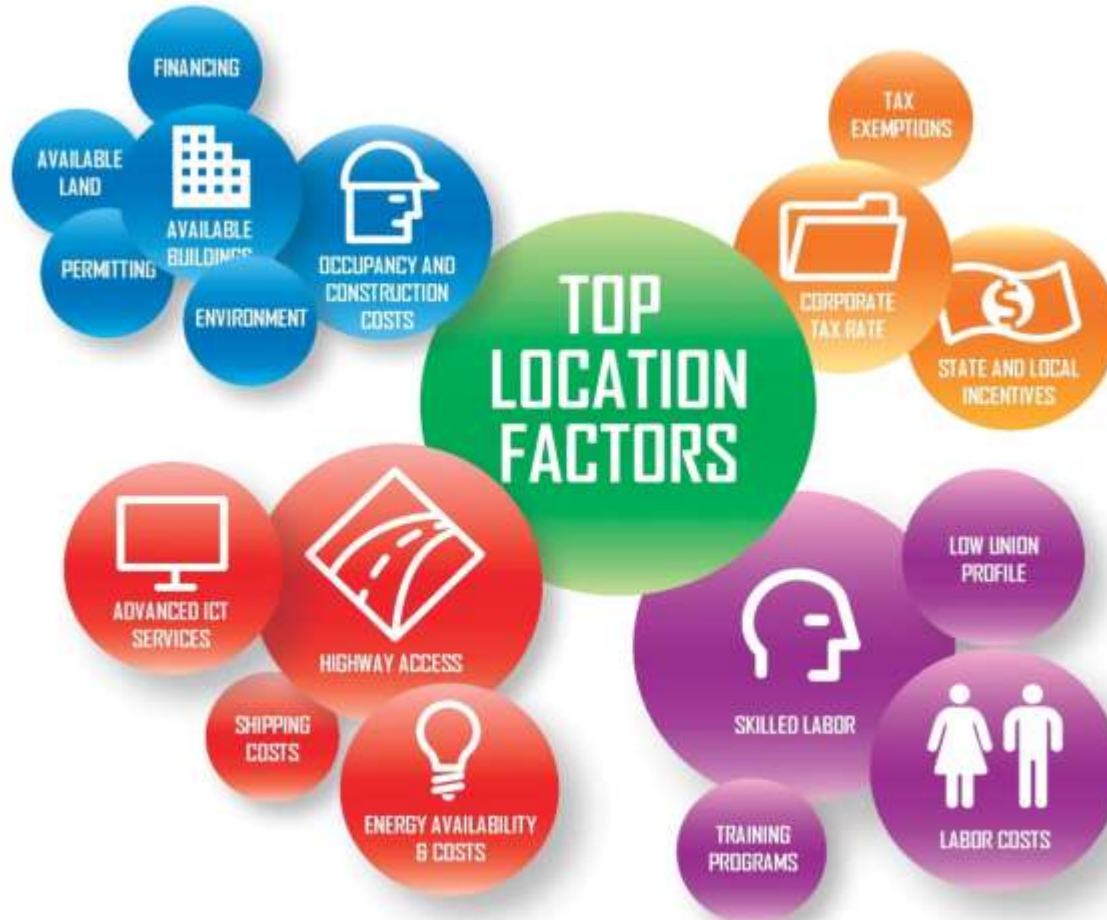


WHY ECONOMIC DEVELOPMENT?

- ❖ Create job opportunities to provide access to wealth through economic growth
- ❖ Diversify the economic base to cushion against economic shock
- ❖ Increase tax base to provide services to citizens

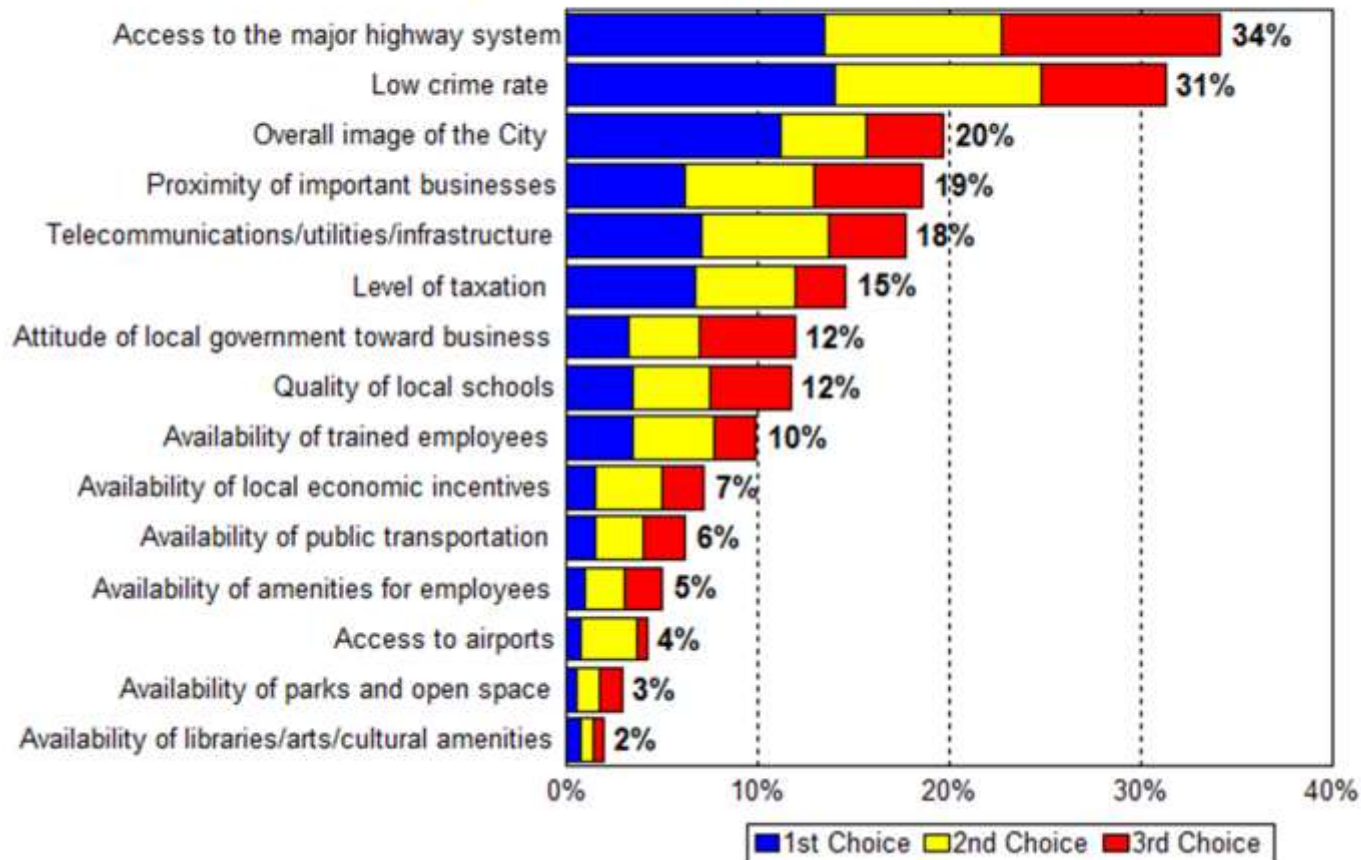


LOCATION FACTORS



Issues Most Important in the Decision to Stay in Plano for the Next 10 Years





by percentage of businesses who selected the item as one of their top three choices



Source: ETC Institute (2012 City of Plano Business Survey)



TYPICAL SITE SELECTION PROCESS

PHASE	Community Filtering 1 	Desktop Site Selection Analysis 2 	On-Site Community Due Diligence 3 	Economic Incentive Negotiations 4 	Real Estate Negotiations
KEY STEPS	<ul style="list-style-type: none"> • Strategy formation • Business drivers • Project timeline • Criteria weighting • Employee profile • Job creation • Logistics needs • Infrastructure needs • Capital investment • Geographic preference • Facility specifications 	<ul style="list-style-type: none"> • Demographic analysis • Workforce analysis • Saturation analysis • Logistics evaluation • Infrastructure assessment • Wage survey • Real estate research • Economic incentive research • Operating cost analysis • Decision matrix 	<ul style="list-style-type: none"> • State and local ED agencies • Community leaders • Workforce commission • Existing employers • Recruitment agencies • Real estate options • Infrastructure providers • Economic incentives 	<ul style="list-style-type: none"> • Tax abatements • Chapter 380 grants • Employee training grants • Real estate grants • Utility rebates • Infrastructure grants • Sales and use tax rebates • Special tax districts • Tax credits 	<ul style="list-style-type: none"> • Acquisitions • Dispositions • Sale lease-backs • Build-to-suits • Lease renewals • Lease restructuring • Subleases
RESULT	Filter Geographic Search Area	Evaluate 8-10 Candidate Communities	Identify 2 – 3 Finalist Communities	Secure Economic Incentives	Secure Real Estate

Economic Development: Plano's Approach

A local government pursues LED strategies for the benefit of its citizens to improve its economic competitiveness. It is about communities continually improving their investment climate and business environment to enhance their competitiveness, attract and retain jobs and improve the income opportunity for its citizenry.

Plano's Economic Development Department is divided into three areas:

- Business Attraction
- Business Retention and Expansion
- Marketing



Economic Development: Plano's Approach

- continued -

- October 2006, City Council created Economic Development Incentive Fund that represents two cents of the City's ad valorem rate.
- Fund has been vital in our ability to effectively compete for projects.
- Fund has allowed Plano to concentrate on serving the businesses that are here already with their expansion and retention opportunities while developing a culture that supports new business ideas.
- Dominant reality of economic development today is that we live and operate in a competitive worldwide economy.
- Plano must compete globally to attract those companies.
- Consequently, Plano must continue to build and support a strong economic platform for growth through its local economic development effort.



INDUSTRY TARGETS & RELOCATIONS

Industry Targets	Industry Relocations within the last 8 years
Headquarters/Regional Operations	19%
Software/Information Technology	18%
Professional & Business Services	15%
Financial Services	12%
Telecom	8%
Electronics	8%
Manufacturing	7%



Specifics About Plano

- **72 Square Miles**
- **271,000 Citizens**
- **Average Home Value is \$291,700**
- **\$31.3 Billion in Assessed Property Value**
- **AAA Bond Rating**
- **One of the Lowest Tax Rates in the Region - \$.4886**



MESSAGES ASSOCIATED WITH PLANO

- ❖ **Educated workforce**
“Smart People”
- ❖ **World-class business parks**
“Smart Place”
- ❖ **Top city for working families**
- ❖ **Low business costs**
- ❖ **Business-friendly city**



Why Do Business in Plano?

- **Safe City**
- **Excellent city services**
- **Excellent school system**
- **Excellent access to air, light rail, public transit & roads**
- **Developed and development-ready infrastructure**
- **Access to quality healthcare**
- **Responsive/Cooperative city government**



Highly Recognized City

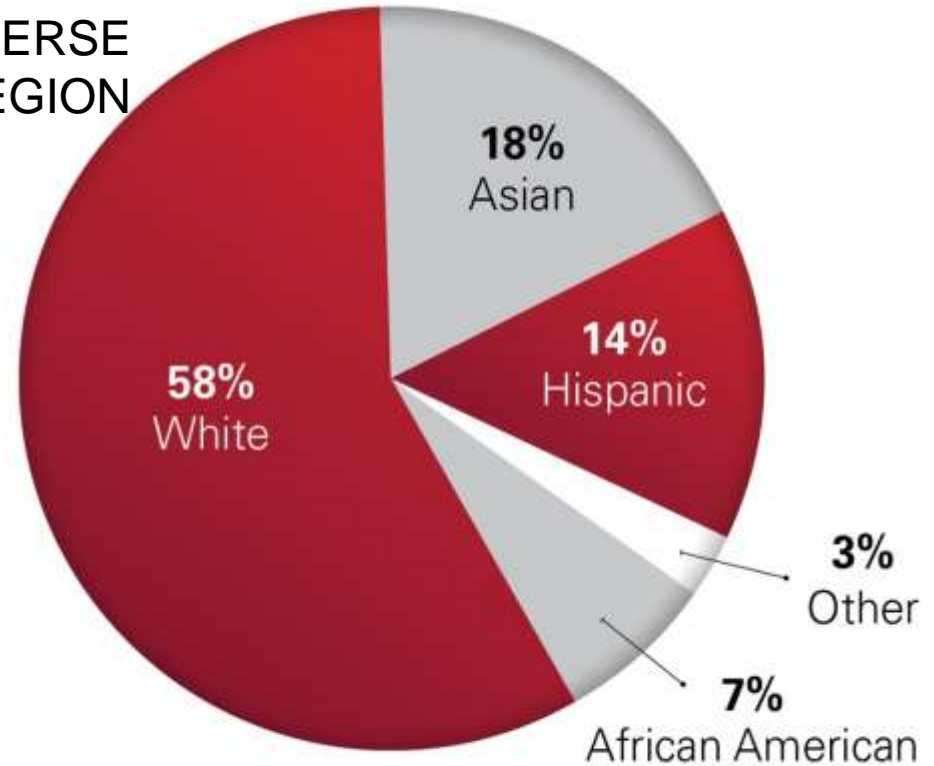
- **Best Place for Staying Safe** – *TIME Magazine*
- **One of 10 Healthiest Cities in America** – *TIME Magazine*
- **“America’s Best Places to Move”** – *Forbes*
- **“Best Run City in America”** – *24/7 Wall St*
- **“2015 Most Affordable City to Live in U.S.** – *True Value Builder*
- **“#1 Best City to Build Personal Wealth”** – *Salary.com*
- **Second city in Texas Awarded a 4-STAR Community Rating for Sustainability**



Demographics

AN EDUCATED AND DIVERSE POPULATION IN A GROWING REGION

- Asian population is 18% and Hispanic population is 14%
- Collin County is one of the nation's fastest growing counties



POPULATION & GROWTH

	2000	2010	2014	Growth 2000-2010
Plano	222,030	259,841	266,740	17%
Collin County	491,675	782,341	854,778	59.1%
DFW	5,161,544	6,520,941	6,810,913	23.4%

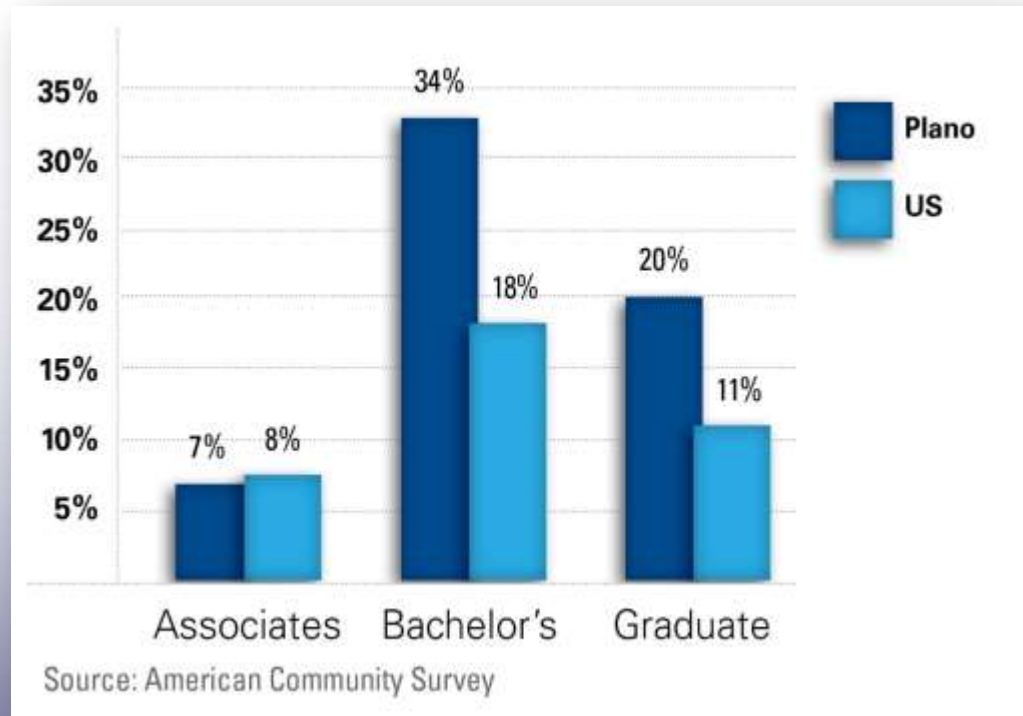


Workforce

A HIGHLY-EDUCATED LOCAL
WORKFORCE WITH PROXIMITY TO
DFW'S LARGE LABOR POOL

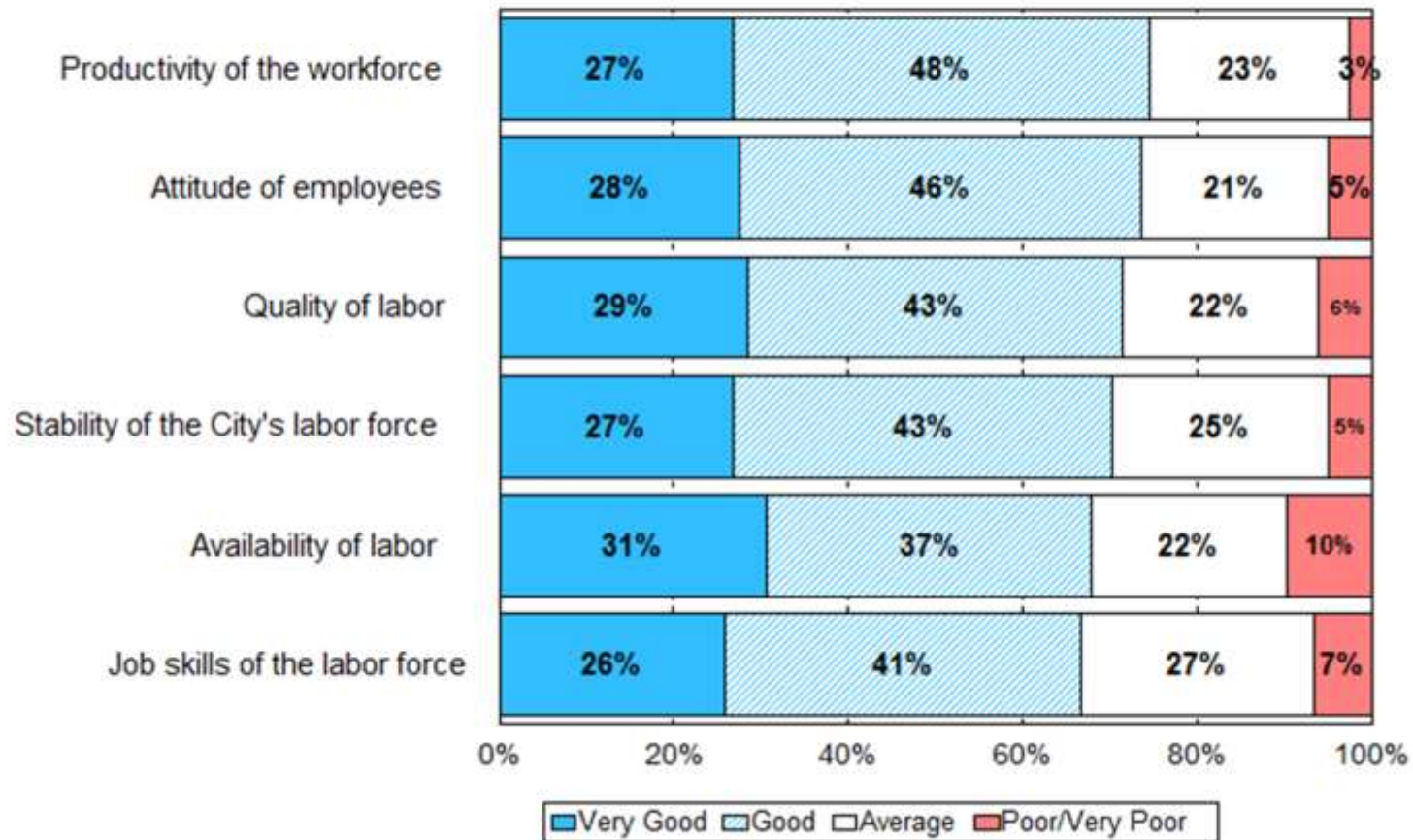
- 54% of Plano's adults have a bachelor's degree or higher
- Over 3.5 million reside in the DFW Metropolitan Statistical Area
- Right-to-Work state with 3% unionization
- Workforce-training grants

EDUCATIONAL ATTAINMENT AGE 25 & OLDER



Ratings of the Labor Pool in Plano

by percentage of businesses who rated the item as a 1 to 5 on a 5-point scale, where a rating of 5 meant "very good" and a rating of 1 meant "very poor" (excluding don't knows)



Source: ETC Institute (2012 City of Plano Business Survey)



Education



Enrollment.....	54,813
Schools	72
SAT Composite	1693
ACT Composite	25.7
Completion Rate	95.8%
National Merit Scholar Semi-Finalists	80
Texas Education Agency Rating	Recognized

Source: Plano ISD



- ▶ Rated “Exemplary” on all reported academic indicators to date
- ▶ 23 National Blue Ribbon Schools
- ▶ Awarded the highest rating of ‘Superior Achievement’ in the state’s FIRST program for eight consecutive years



Transportation

DFW International Airport, the world's third-busiest in flight operations, is the hub of American Airlines.

- Fly to every city in the continental US within 4 hrs
- Non-stop service to 147 domestic & 55 international destinations
- Served by 24 passenger airlines and 17 cargo carriers
- 30 minutes from Plano with direct access from both President George Bush Turnpike & Sam Rayburn Tollway



Business Climate

A pro-business location in a pro-business state

- ▶ No personal or corporate income tax in Texas
- ▶ Right-to-Work state
- ▶ Pro-business regulatory environment
- ▶ “AAA” Bond Rating - City of Plano

Local Incentives

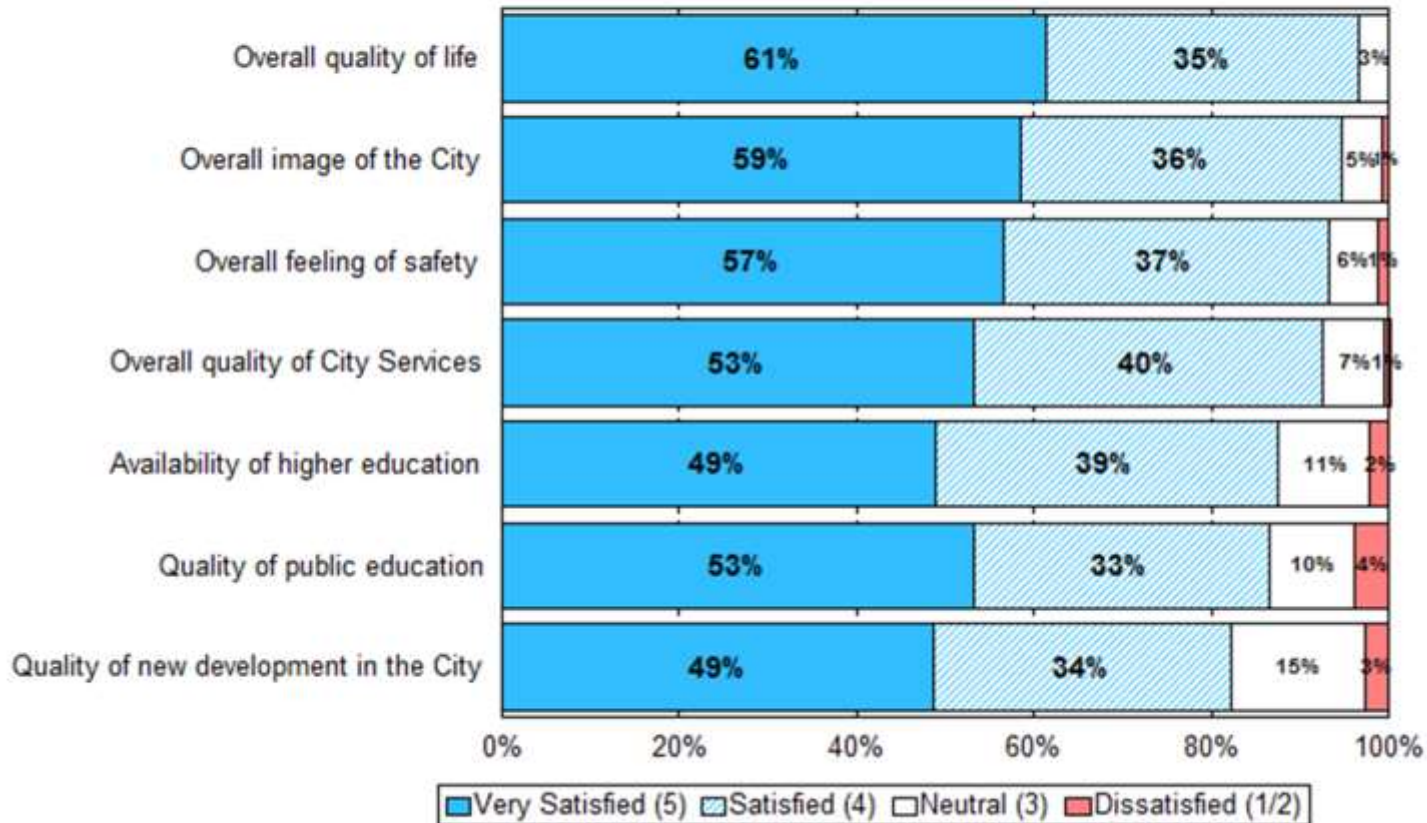
- ▶ Cash Grants
- ▶ Tax Abatement
- ▶ Freeport Exemption
- ▶ Tax Increment Finance (TIF)

State Incentives

- ▶ Texas Enterprise Fund (TEF)
- ▶ Emerging Technology Fund (ETF)
- ▶ Texas Enterprise Zone Program
- ▶ Skills Development Training Grants

Satisfaction With Items That Influence Perceptions of Plano

by percentage of businesses who rated the item as a 1 to 5 on a 5-point scale, where a rating of 5 meant "very satisfied" and a rating of 1 meant "very dissatisfied" (excluding don't knows)

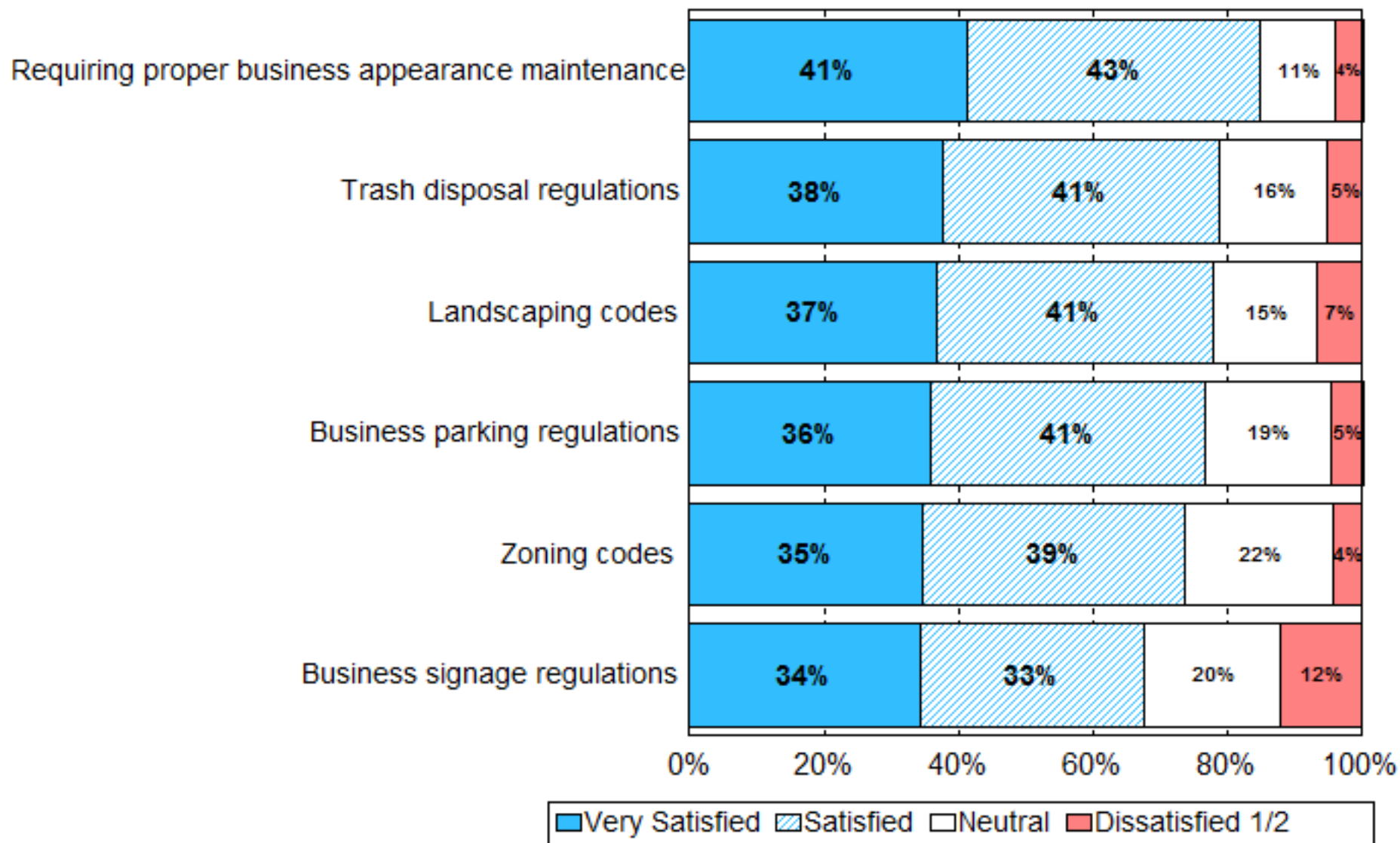


Source: ETC Institute (2012 City of Plano Business Survey)



Satisfaction With City Codes and Regulations

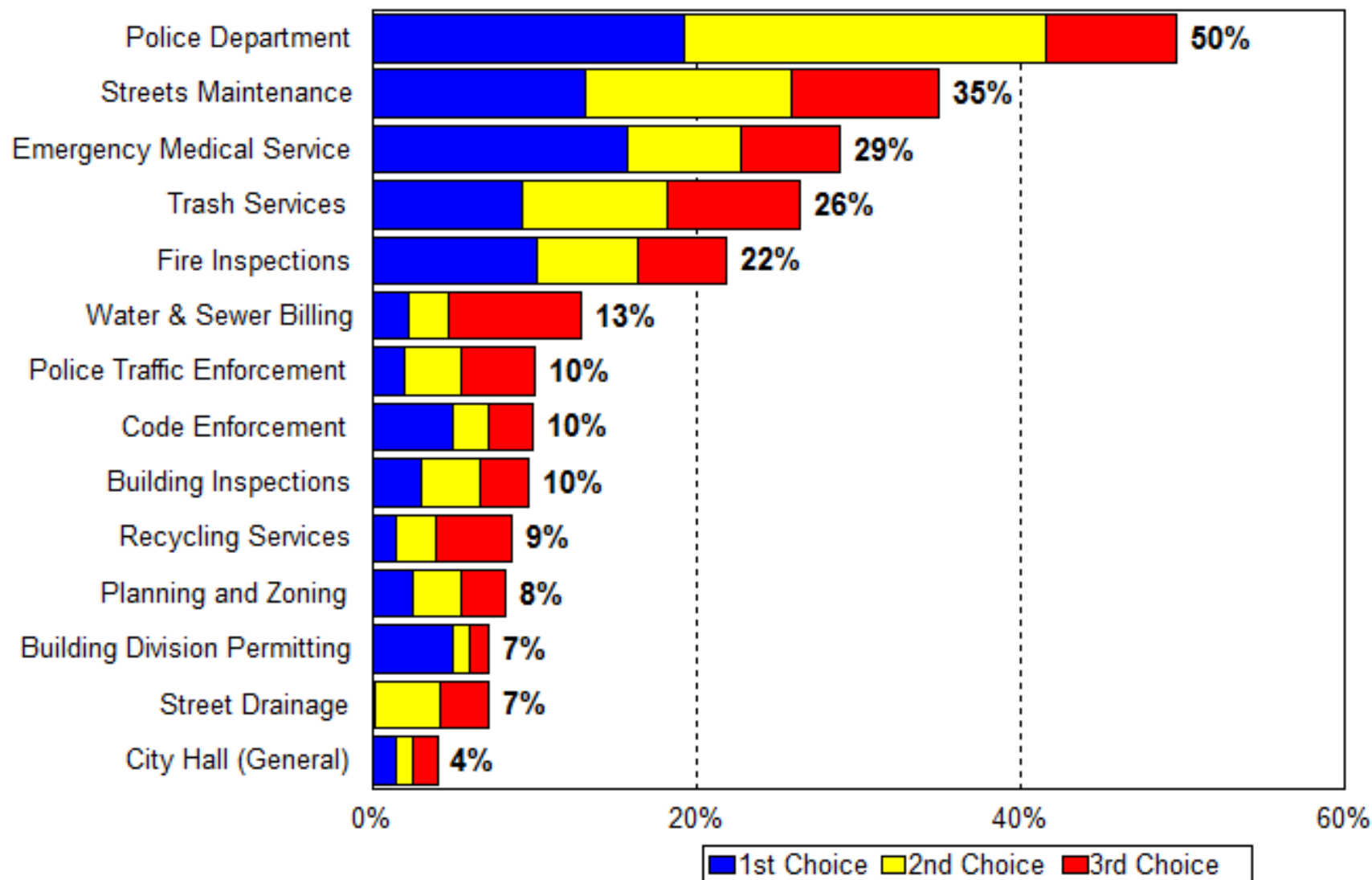
by percentage of businesses who rated the item as a 1 to 5 on a 5-point scale, where a rating of 5 meant "very satisfied" and a rating of 1 meant "very dissatisfied" (excluding don't knows)



Satisfaction with City Codes and Regulations is Very High

City Services, Departments and Programs Most Important to Plano Businesses

by percentage of respondents who selected the item as one of their top three choices



Police & Street Maintenance Are the Most Important Services to Businesses

Legacy of a Business Center

- **The City of Plano has a long history of being a place where people come to conduct business.**
- **Today, we are known as the location of 6 Fortune 1000 company headquarters and home to 15 companies who employ more than 1,000 people and 14 companies who employ more than 500 people.**





JCPenney

CINEMARK

Fortune 1000 Headquarters

J.C. Penney

Dr Pepper Snapple Group

Alliance Data Systems

Rent-A-Center

Cinemark Holdings

Denbury Resources

DR PEPPER
SNAPPLE GROUP



Denbury 



Economic Development: Critical Investment & High Priority

- **Plano attracts companies of all sizes to all areas of the city.**
- **Plano places a priority on corporate and regional headquarters.**
 - **Increases the visibility of Plano**
 - **Brings high paying jobs**





JCPenney



CINEMARK



ERICSSON

CROSSMARK



McAfee



HILTI



HP Enterprise Services



FLEXTRONICS

intuit

City of Excellence



Economic Development: Indirect Benefits

- **A rising tide lifts all ships.**
- **Suppliers, contractors and service providers who work closely with corporations benefit from their location in Plano.**
- **Corporations want to locate in close proximity to other corporations they do business with.**



CHAPTER 380 AGREEMENTS APPROVED YTD

# Projects	Fiscal Year	TOTAL NET JOBS	Median Annual Salary*	TOTAL IMPROVEMENTS	NET AGMT. OBLIGATION
10	FY 14/15 YTD	5,489	\$72,300	\$451,989,760	\$10,705,555
5	FY 13/14	5,459	\$89,987	\$404,500,000	\$8,921,400
11	FY 12/13	2,249	\$69,720	\$53,781,856	\$1,686,959
11	FY 11/12	3,914	\$81,313	\$159,765,000	\$9,527,366
18	FY 10/11	2,395	\$74,416	\$247,078,000	\$2,056,073
16	FY 09/10	2,808	\$81,473	\$73,462,700	\$5,020,638
21	FY 08/09	3,169	\$65,899	\$139,528,000	\$2,834,900
14	FY 07/08	669	\$73,985	\$55,024,350	\$2,785,074
7	FY 06/07	1,703	\$77,553	\$76,572,000	\$1,560,404
113	PROGRAM APPROVED TOTAL FY 06/07 - YTD	27,855	\$77,582	\$1,661,701,666	\$45,098,369



OTHER INCENTIVE STATISTICS

Category	Total Number
“Small Business” Incentive Agreements (less than 100 employees)	45
Attraction	65
Retention/Expansion	48



LARGEST PROJECTS OF 2014 (calendar year)

Projects that have relocated to Plano or announced plans to do so – ranked by SF

Company	Square Feet	Jobs
Toyota Motor North America	2,100,000	4,100+
Renaissance Hotel	270,000	150
FedEx Office & Print Services	265,000	1,200
Heartland Payment Systems	81,000	375
Hilti North America	56,000	175
Mitel	52,800	170
Greatbatch	52,000	170
AMS-TAOS USA	50,500	80
TOTAL	2,927,300 SF	6,420



LARGEST PROJECTS OF 2015 (calendar year)

Projects that have relocated to Plano or announced plans to do so – ranked by SF

Company	Square Feet	Jobs
Liberty Mutual Insurance Company	900,000+	4,000
Cinemark Holdings	Existing	Retained 280 New 50
Ciber, Inc.	26,000	300
Pizza Hut	60,000	150
L-3 Mustang Technologies	Existing	96
TOTAL	986,000+ SF	4,596 New Jobs 280 Retained



Economic Development

Fiscal Impact of Toyota

- Over a 10 year period output will be in excess of \$7.2 billion dollars.

Output = regional domestic product, specific to the city of Plano, which is a component and smaller version of the gross domestic product. Output measure includes direct and indirect estimates.

- Payroll over a 10 year period will be in excess of \$4.1 billion dollars.
- Sales tax generated in Plano over a 10 yr period will be in excess of \$72.7 million.
- Property tax generated in Plano over a 10 yr period will be nearly \$70 million.



Economic Development

Fiscal Impact of Toyota

- continued -

Direct economic impact from the Toyota project include the following:

- **\$8.5 million dollars of property tax generated, net of the tax abatement agreement over a 10 year period.**
- **4,650 jobs**
- **\$350 million dollars in property improvements in the city of Plano.**



PLANO LEGACY WEST



\$2 Billion Development

- 240-acre Mixed-Use Development
- Urban Village
- Commercial/Corporate campus sites

PLANO LEGACY WEST URBAN VILLAGE

 LEGACY WEST



35 Acres

- 784 Luxury Apartments
- 300,000 SF Retail/Restaurants
- 260,000 SF Office Space
- 300 Room Renaissance Hotel

City of Excellence



PLANO LEGACY WEST COMMERCIAL



- 265,000+ SF
- 1,200 Employees



- 1.78 M+ SF
- 4,100+ Employees



- 900,000+ SF
- 4,000+ Employees



- 300,000+ SF
- 14-Story Office Tower

PLANO LEGACY WEST RESIDENTIAL



Villas of Legacy West:
126 one, two, and three-story townhomes.



Palladium:
312 luxury apartments in
30-story high-rise.



Windrose Tower:
90 luxury homes in 24-story
high-rise condominium tower.



PLANO LEGACY WEST RENAISSANCE HOTEL



\$82 Million Full-Service Hotel

- 270,000 SF
- 300 Rooms
- 26,000 SF Conference/Meeting

Granite Park



Downtown Plano



Questions

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Plano

City of Excellence