

**BUSINESS AND ECONOMY
GOALS AND POLICIES**

GOALS	POLICIES
Continue to foster a business-friendly environment.	<ul style="list-style-type: none"> • Continue incentives for industry expansion. • Continue policies that result in low property taxes and avoidance of general obligation debt.
Continue to promote a diversified economy.	<ul style="list-style-type: none"> • Aggressively pursue industry recruitment and expansion effort. • Continue and expand support for tourism.
Establish Tyler's identity as a regional market leader for retail, medical services, and higher education.	<ul style="list-style-type: none"> • Coordinate a community effort to market Tyler as a regional retail market, and a center of medical and educational institutions.
Encourage international partnerships for future economic development.	<ul style="list-style-type: none"> • Foster relationships with sister cities and other international contacts.
Provide physical and social infrastructure to support economic development.	<ul style="list-style-type: none"> • Ensure completion of Loop 49. • Extend water and sewer infrastructure to support growth. • Support investment in the public school system.
Protect and enhance Tyler's road, air and rail networks, facilities and services.	<ul style="list-style-type: none"> • Promote more commercial flights to and from Tyler. • Protect potential expansion area around the airport from residential encroachment. • Support rail facilities and policies that ready the region for new rail opportunities.
Continue to lead regional coordination for legislative support.	<ul style="list-style-type: none"> • Work with regional partners for state attention to East Texas' issues.



Steering Committee Meeting

Rose Garden Center – Rose Room
July 17, 2013 - 8 to 11 a.m.

Business and Economy

Agenda

- 1. Breakfast – 8 to 8:30 a.m.**
- 2. Introductions – 8:30 a.m.**
 - Welcome: Barbara Bass, Mayor
 - Prayer
- 3. Parks, Recreation, Open Space and Lakes Review – 8:35 a.m.**
 - Stephanie Rollings, Director of Parks & Recreation
- 4. Business and Economy Update– 8:45 a.m.**
 - Susan Guthrie, Assistant City Manager
- 5. Public/Private Partnership Group Discussion – 9:05**
- 6. BREAK – 9:20**
- 7. Exercise/Table Discussion – 9:30**
 - Lori Ellis/Brian Brandt, Facilitators
- 8. Table Report Out – 10:00**
- 9. “What Else?” Discussion – 10:20**
- 10. Wrap Up/Next Steps – 10:50**
 - Public Facilities and Services at Police Station

Building Our Future Together

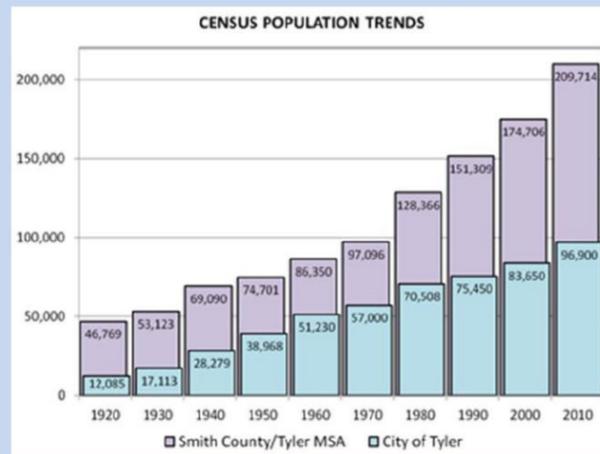
Building Our Future Together



DOING BUSINESS IN TYLER

EMPLOYMENT:

- 2013 total workforce: 101,182
- March 2013 unemployment rate: 6.4% (down from 6.9% in 2012)
- 2007 to 2012 *increase* in health/education sector jobs: 15.4%.
- 2007-2012 *decrease* in retail jobs: 9.1%
- 2007 – 2012 *increase* in leisure jobs: 10.8%
- 2007-2012 *decrease* in manufacturing: 39%



WORKER CHARACTERISTICS (2011):

- 63.1% of residents 16 and over are in the labor force (up from 61% in 2007)
- 78.1% work in the private sector
- 14.7% work in government
- 7.1% are self-employed (down from 10% in 2007)
- 0.2% are unpaid family workers

WHAT DOES IT MEAN?

- Tyler's economy is based in the medical, education, retail and leisure trade sectors.
- The majority of employment is in the service producing sector.
- Tyler serves as a major regional retail center.
- Retail sales continue to boost Tyler's economy.
- Tyler has unused office and retail capacity.
- Municipal finances are in good shape.

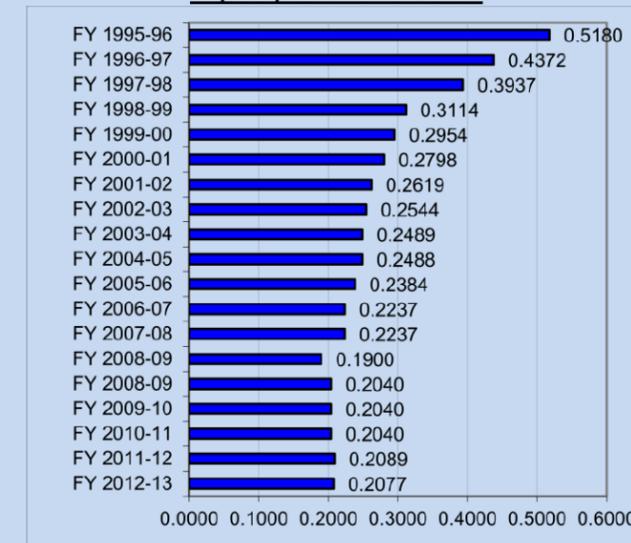
RETAIL AND OFFICE MARKET (2012/13):

- Nearly 2.2 million square feet of office space
- 2.5 million square feet of retail space
- Retail 2013 occupancy rate: 87%
- Average retail lease rate in 2013: \$14.55 per sq. ft. (up from \$10.80 in 2004)
- Downtown 2012 office occupancy rate: 80% (down from 86% in 2004)
- Suburban 2012 office occupancy rate: 88.8% (down from 91.9% in 2004)
- Average office lease rate in 2012: \$14.51 per sq. ft. (up from \$11.81 in 2004)

MUNICIPAL FINANCES:

- Standard and Poor's (2012): AAA bond rating
- 2012 total tax rate: \$2.10 per \$100 valuation
- The City of Tyler property tax rate: \$0.207 (down 60% since the mid 1990's)

City of Tyler Historic Tax Rate



- The City of Tyler tax rate is the lowest among all cities with populations over 16,000 in Texas
- The City of Tyler has no General Obligation (tax supported) debt
- Smith County has a total of \$14.1 billion in assessed property and the City of Tyler has \$7.03 billion worth of property on the tax rolls (2013 Smith County Assessor)
- Tyler ISD tax rate: \$1.4660
- Sales tax: 8.25%
 - 1.5% City of Tyler
 - 0.5% Smith County
 - 6.25% State of Texas
- 2012 City of Tyler sales tax receipts: \$41.8 million