



CHAPTER 6

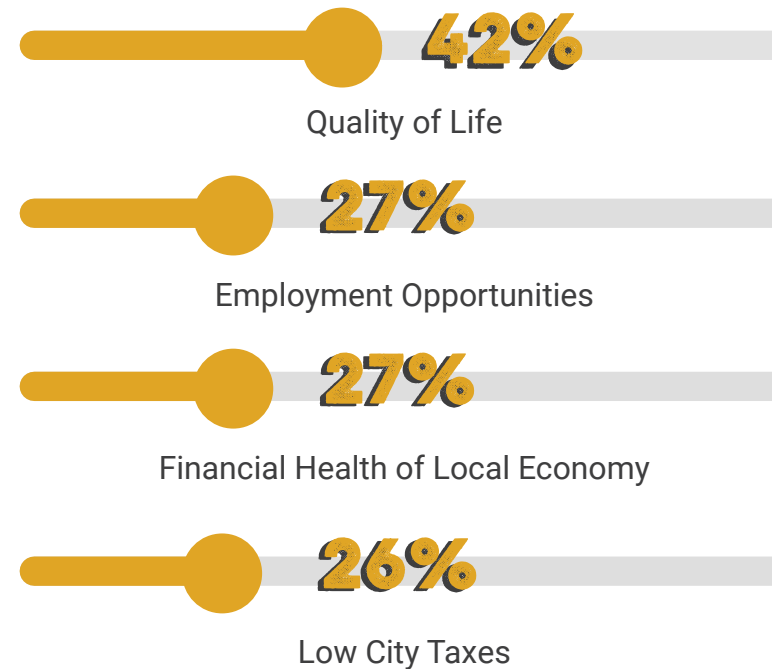
ECONOMIC DEVELOPMENT & FISCAL RESILIENCE

WHAT'S INCLUDED IN THE CHAPTER

This chapter provides an overview of the economic trends in the City of Tyler. The chapter presents the results of the fiscal analysis conducted based on the FLUM acreages. It also provides strategies for economic development in the City.

WHAT WE HEARD

FOUR ASSETS MOST IMPORTANT TO RESPONDENTS



Source: Statistically Valid Survey

OTHER

- Invest in creating more economic opportunities for residents particularly in areas beyond south Tyler.
- Lower property taxes and better job opportunities.
- Add employers to the tax base to financially support the future plans.



TYLER TODAY

As Tyler seeks to broaden its economy and build a more dynamic employment base, it finds itself in a favorable position. Demographics trends that include a growing regional population and a new Downtown Square create opportunities for businesses recruitment and retention. The Socioeconomic Analysis evaluates demographic and economic trends emerging in Tyler and Smith County. The results of the analysis can help the City of Tyler build long-term economic resilience.

Population

The City of Tyler is one of the largest cities in East Texas. Since 2010, Tyler's population has increased by 15.4 percent, adding more than 14,000 new residents. The 2024 population estimate for Tyler is 112,204 residents. Tyler has consistently represented about half of Smith County's overall population. As a point of reference, Smith County's population expanded by 18.3 percent over this period. Tyler's population growth is above the city of Longview, but well behind the much faster State of Texas. Over the next 20 years, the Texas Water Development Board projects the Tyler area will add 20,000 residents. In the short term, Tyler should continue to grow at a compound annual growth rate of 1.0 percent per year. This will create demand for local goods and services, but might not create enough excess labor supply to recruit a large employer.

Figure 36. Regional Population (2024)

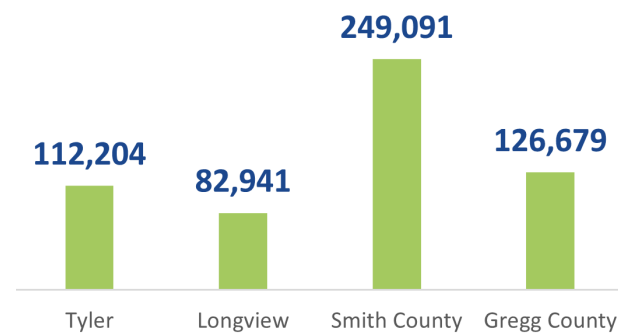


Figure 37. Population Growth Rates (2010 to 2024)

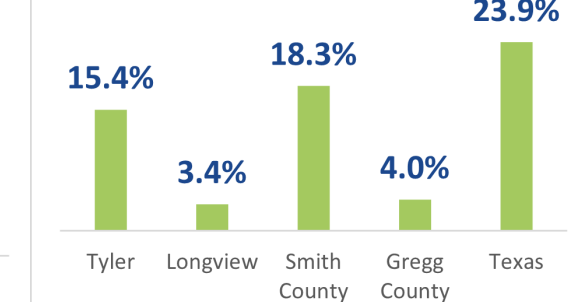
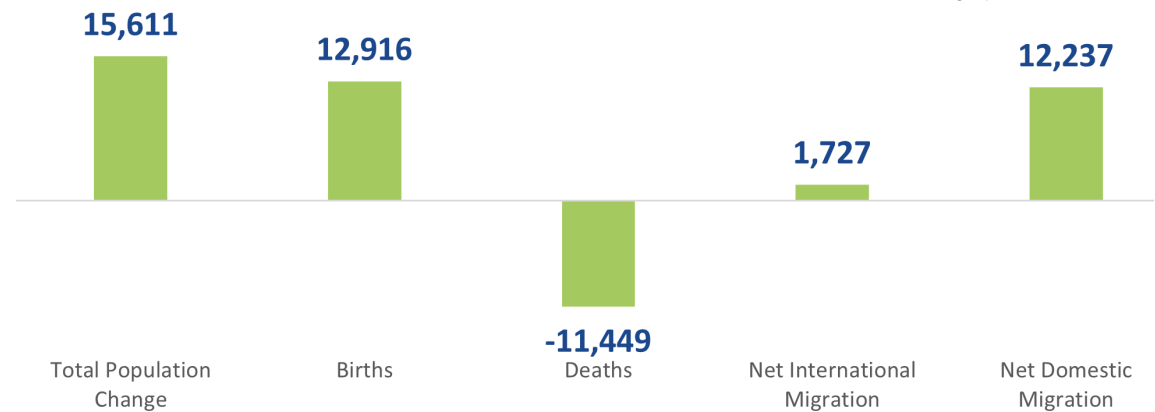


Figure 38. Components of Resident Population Change for Smith County (2020 to 2024)

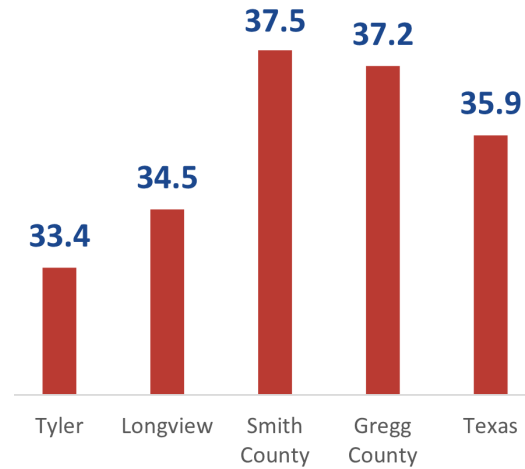


Source: U.S. Census Bureau

Age

Tyler's population is similar to the state of Texas, but has a slightly larger percentage of residents 65 and over. This group represents nearly 16.9 percent of the local population compared to 14 percent of the total Texas population. The median age of a Tyler resident is 33.4 versus the Texas median age of 35.9. The age distribution has changed little over the past 10 years. Tyler and Smith County's overall population and age distribution is influenced by the positive net migration of residents moving to the region. Without this positive net in migration, Tyler's population would be relatively flat.

Figure 39. Median Age



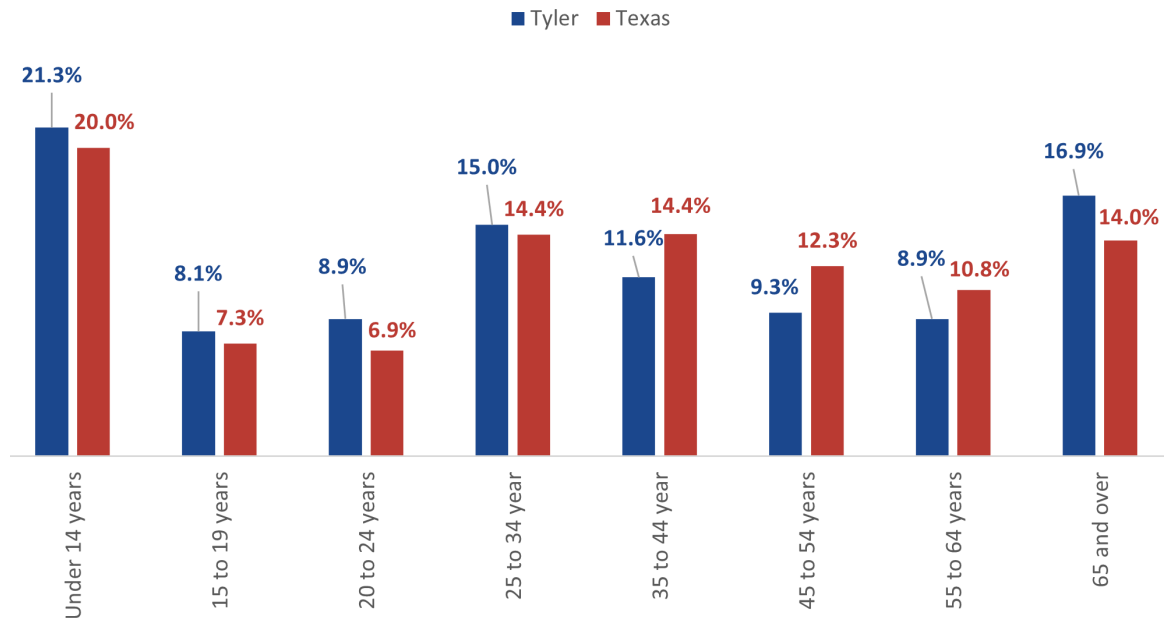
Source: U.S. Census Bureau - 2024 ACS 1-Year Estimate

Labor Force Participation

The number of Tyler residents in the labor force has increased at a slightly faster pace than population growth over the past decade. In 2024, the Texas Workforce Commission reported that 55,234 Tyler residents were in the labor force. The city's unemployment rate for 2024 was 3.8 percent, significantly below the peak of 7.9 percent in 2010. Approximately 64.0 percent of the Tyler population is categorized as in the labor force, comparable to the statewide labor force participation rate of 65.4 percent.

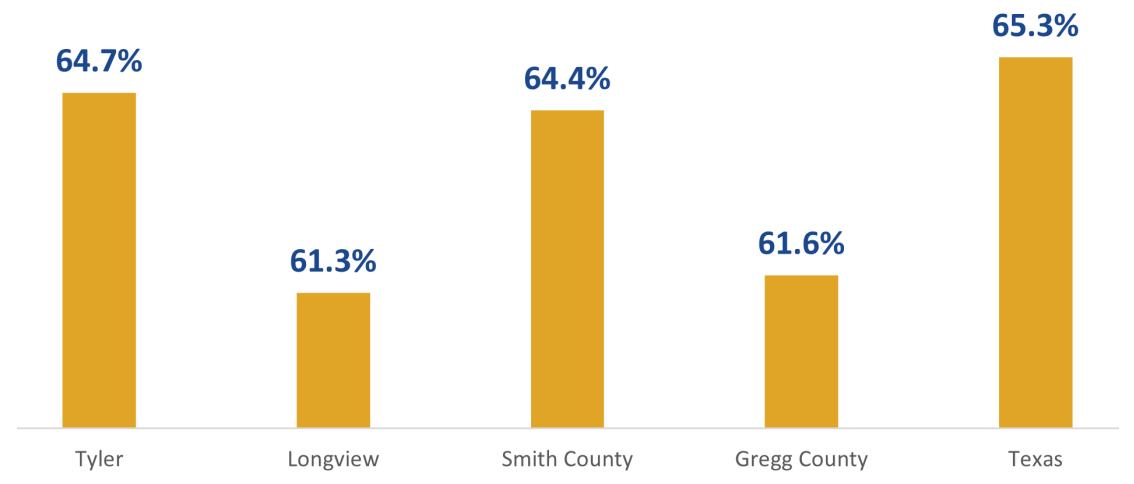
Another metric used to evaluate the health of a labor market is the share of local jobs held by residents. This can be evaluated using two statistics: 1) the % of Tyler residents who work in the city and 2) the % of overall jobs in the city held by Tyler residents. In 2022, 48.8 percent of Tyler residents indicated they worked at a job within their place of residence. This implies over 20,000 residents commute outside the city each day for work. Based on data from the US Census Bureau LEHD program, 71.0 percent of employees at Tyler-based businesses (or 55,000 workers) commute to the city each day for work. This indicates Tyler-based businesses can draw upon a regional labor market without overly relying on existing residents.

Figure 40. Age Distribution



Source: U.S. Census Bureau - 2024 ACS 1-Year Estimate

Figure 41. Percentage of Working Age Residents in the Labor Force (16 Years and Over)



Source: U.S. Census Bureau - 2024 ACS 1-Year Estimate

Where Residents Work

Based on full-time employment data for full-time workers over the age of 16, nearly 40.0 percent of Tyler residents work in the Educational Services, Health Care and Social Assistance, and Retail Trade sectors. This is not surprising given the city is home to several large hospitals as well as UT Health East Texas. The region is below the statewide average for high paying industries such as professional services, finance, and manufacturing.

For 2024, 6 percent of Tyler residents worked from home. This is much higher than the 2013 figure of 2.8 percent. This is a smaller percentage than the averages for Smith County and Texas. Remote or work-from-home jobs tend to be professional services jobs that pay high wages. However, more and more companies are asking employees to return to the office a few days a week. While many smaller and rural communities across the country attracted remote workers during the peak of the COVID-19 pandemic, this trend appears to be reversing.

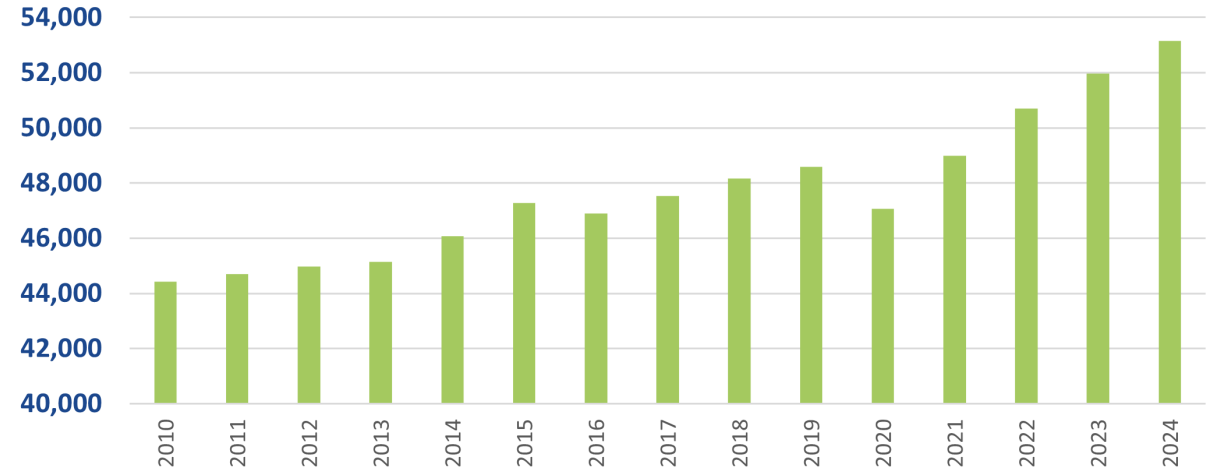
Tyler-Based Employment

Total employment at businesses located within Tyler has remained stable over the past decade. In 2022, there were approximately 78,874 jobs at Tyler-based employers. Between 2010 and 2022, Tyler-based companies lost 1,300 jobs, a growth rate of negative 1.7 percent. Since 2010, employment opportunities at Tyler-based companies have grown slower than overall population. While employment within Tyler remained stable, Smith County added over 6,600 new jobs. Depending on how Tyler expands its city limits, total employment might not fluctuate significantly over the next few years.

Based on a review of Smith County establishment startups and exits datasets, businesses do not appear to have unique challenges in the Tyler area. About the same percentage of establishments open and close in Tyler County as elsewhere in the state. This indicates the region has a favorable businesses climate compared to other places in Texas. Given the limited labor force, promoting small business start-ups and entrepreneurship is an opportunity to attract small firms to the area, and diversify employment opportunities.

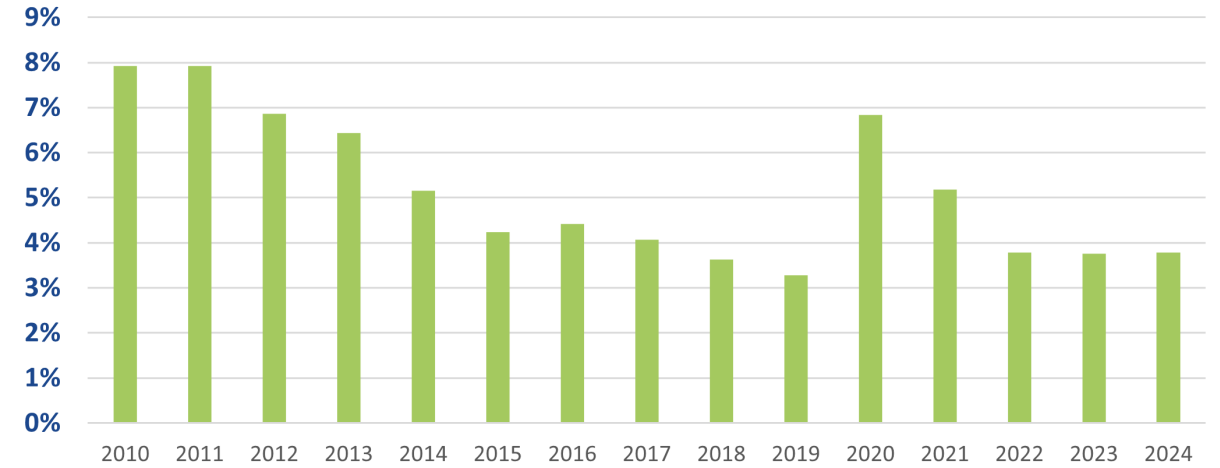
A location quotient (LQ) is an analytical statistic that measures a region's industrial specialization relative to the United States. An LQ is computed as an industry's share of total regional employment divided by the industry's share of the national total employment. Using employment data from ESRI, it was possible to compute Tyler's LQ. Tyler has relatively strong concentrations in Health Care & Social Assistance, Accommodation and Food Services, Mining, and Construction.

Figure 42. Employed Tyler Residents



Source: Texas Workforce Commission

Figure 43. Unemployment Rate for Tyler Residents

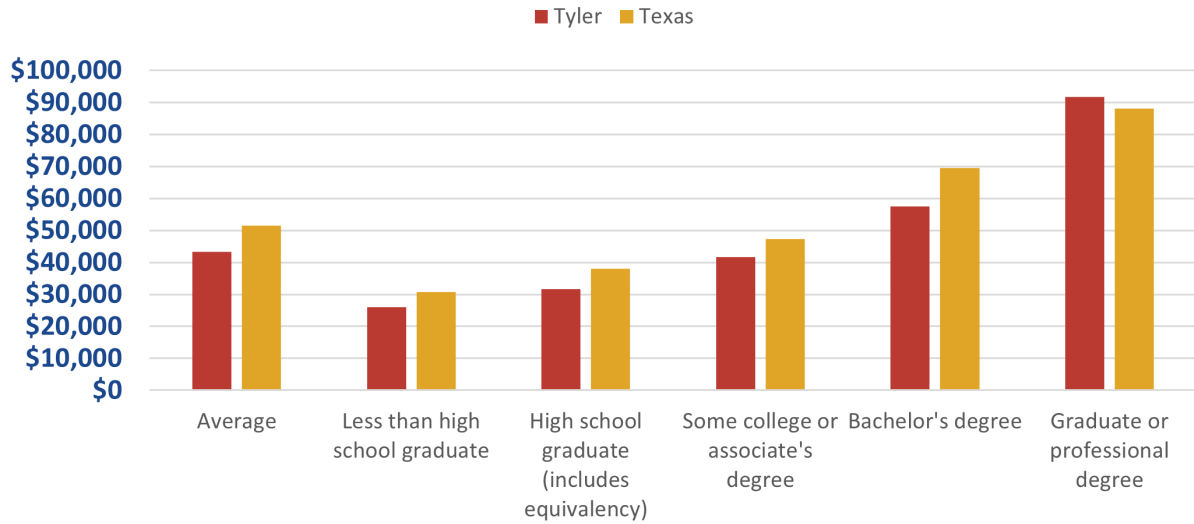


Source: Texas Workforce Commission

Wages and Income

Similar to other communities in East Texas, Tyler's wage and income levels are below the statewide averages. It is not projected that Tyler wage and income levels will reach parity with the statewide figures. In 2024, Tyler's median household income was \$70,101 versus \$79,721 for the State of Texas. Tyler's per capita income was \$34,705 versus \$41,614 for the State of Texas for this same period.

Figure 44. Tyler Median Earnings by Educational Attainment



Source: U.S. Census Bureau - 2024 ACS 1-Year Estimate

Figure 45. Median Household Income

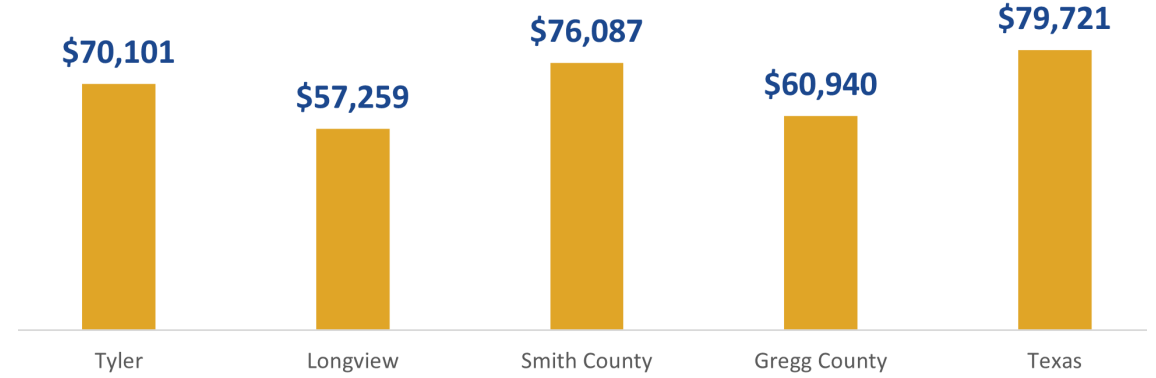


Figure 46. Average Household Income

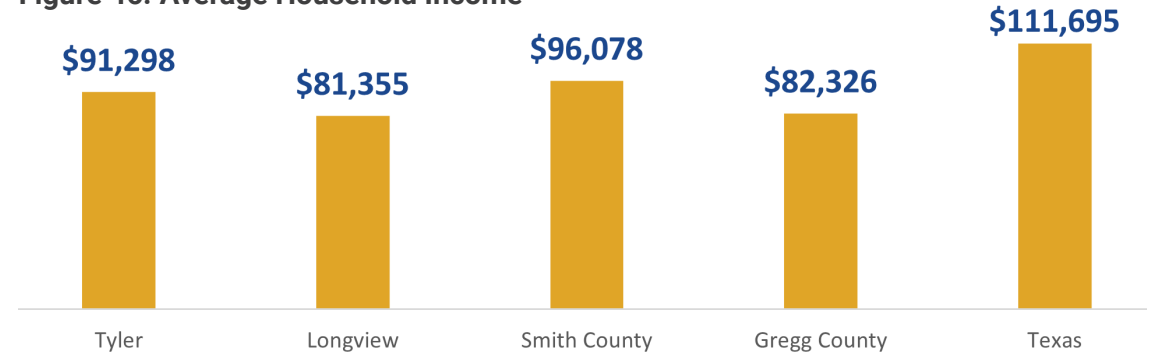
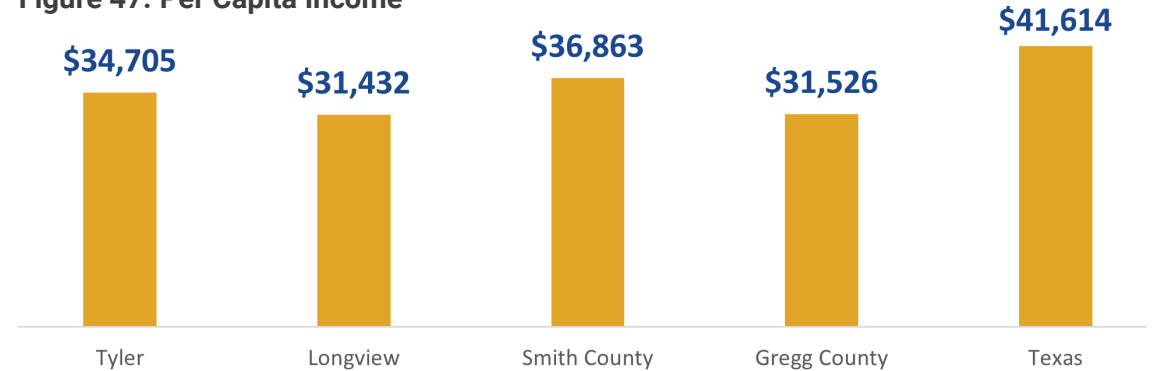


Figure 47. Per Capita Income



Source: U.S. Census Bureau - 2024 ACS 1-Year Estimate

Visitor Activity

Visitor activity plays an important role in the Tyler economy. According to the Governor’s Economic Development & Tourism Department, tourism spending supports over 3,100 local jobs, \$107.0 million in direct earnings, and \$6.4 million in local tax receipts. Direct tourism spending supports roughly 3.9 percent of all jobs in Tyler. To capture the full potential of tourism activity, Tyler should focus on developing unique destinations and experience that keep people in Tyler for multiple days spending money.

Table 5. Tourism Activity in Tyler

Year	Total Direct Travel Spending	Total Direct Earnings	Total Direct Employment	Local Visitor Tax Receipts
2010	\$251,405,255	\$58,726,299	2,660	\$3,261,875
2011	\$266,333,098	\$59,108,569	2,680	\$3,458,570
2012	\$274,389,771	\$62,559,807	2,770	\$3,623,487
2013	\$285,162,886	\$64,960,529	2,800	\$3,784,645
2014	\$298,266,059	\$68,524,265	2,840	\$4,022,184
2015	\$285,525,670	\$69,010,277	2,770	\$4,255,408
2016	\$267,780,053	\$70,636,746	2,730	\$4,054,871
2017	\$282,530,023	\$78,086,139	2,960	\$4,495,725
2018	\$294,216,823	\$75,514,459	2,940	\$4,625,681
2019	\$311,608,569	\$82,646,072	3,120	\$4,970,898
2020	\$254,439,955	\$75,328,238	2,680	\$4,189,331
2021	\$333,158,548	\$88,673,398	2,920	\$6,159,360
2022	\$353,627,646	\$98,416,126	3,080	\$5,956,306
2023	\$353,449,799	\$104,494,651	3,140	\$6,168,455

Source: State of Texas, Office of the Governor, Economic Development & Tourism

Figure 49. Occupancy Rate in Tyler

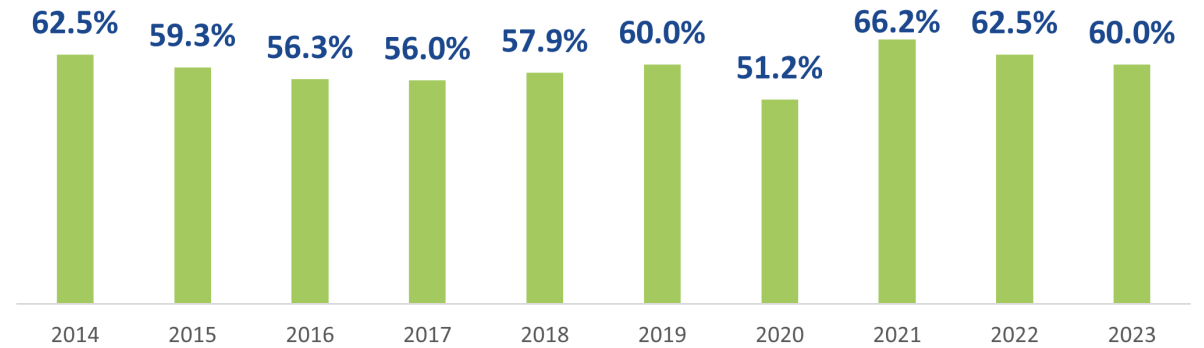


Figure 48. Number of Rooms Available in Tyler

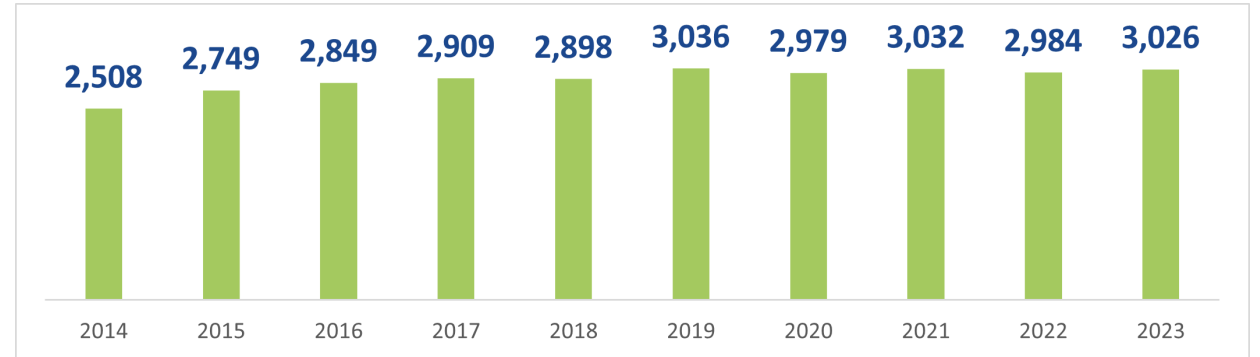


Figure 50. Revenue per Available Room in Tyler



Source: Source Strategies

Real Estate

New single-family and multifamily housing trends are correlated with population growth. Since 2010, an average of 279 single-family housing units per year have been permitted. Multifamily starts (more than 2 units) averaged 78 units per year over this same period. According to data from the Texas A&M Real Estate Center, the average sales price of a Tyler home has increased from \$177,607 in 2011 to \$354,972 in 2024. This far outpaces the growth in local income levels. Relative to other peer communities within the region, Tyler's housing costs are more expensive than most communities. The total number of annual home sales has fallen 20.1 percent from the peak in 2020. Tyler's available inventory of single-family housing has risen to 1.45 months of supply. The Texas A&M Real Estate Center believes an inventory level of around 4.1 months represents a balanced housing market. When inventory levels fall to less than 6 months, sellers have more control over price, often resulting in a rise in housing prices.

Figure 51. Annual Home Sales

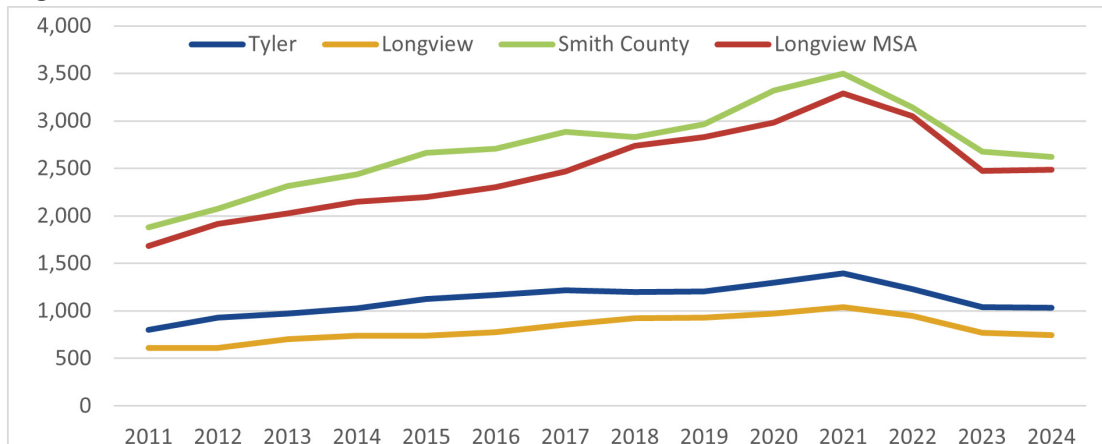
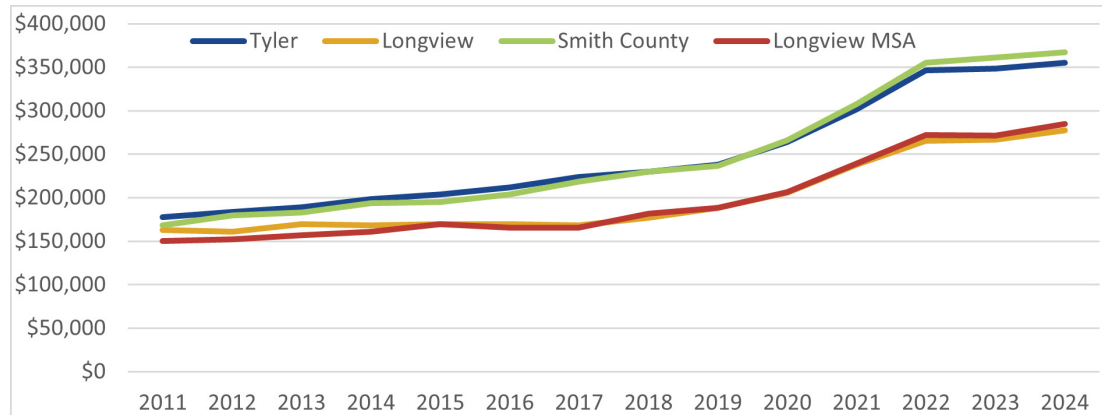
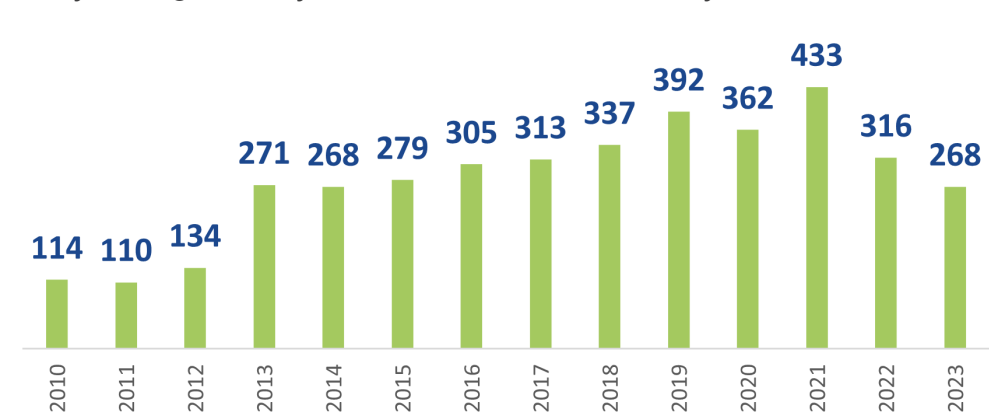


Figure 52. Average Home Sales Price



Source: Texas A&M Real Estate Center

Figure 53. Tyler Single-Family Residential Units Permitted by Year



Source: US Census Bureau Building Permits Survey

Figure 54. Tyler Multifamily Residential Units Permitted by Year



Source: US Census Bureau Building Permits Survey

Tax Revenue

Over the past decade, Tyler's property tax revenue has increased by more than 83.6 percent. In FY 2024, general fund property tax revenue was \$29.1 million. Sales tax revenue has also been growing in Tyler. For FY 2024, sales tax collections were \$65.6 million. Between FY 2015 and FY 2024, sales tax revenue increased by 45.7 percent. For 2023, hotel occupancy tax revenue was approximately \$4.1 million.

Figure 55. Tyler Property Taxes, Levied for General Purposes by Fiscal Year

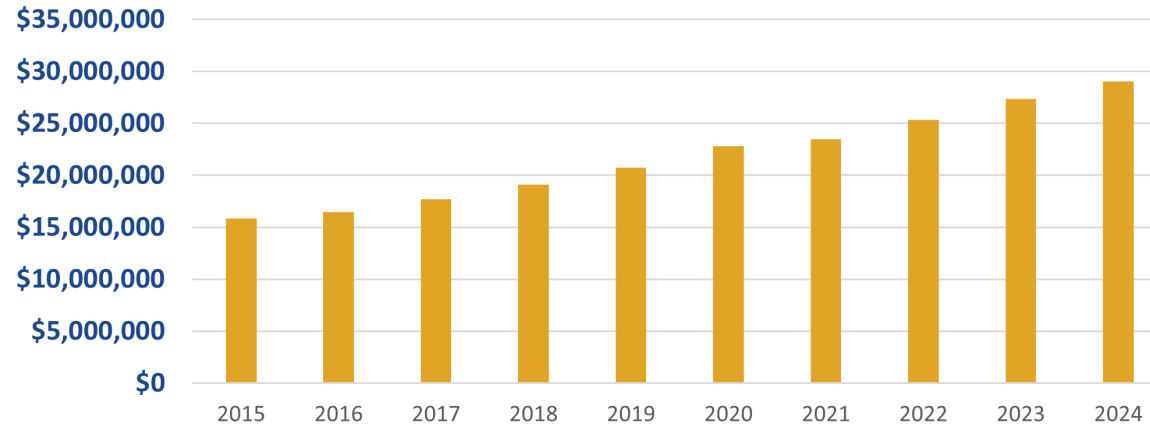
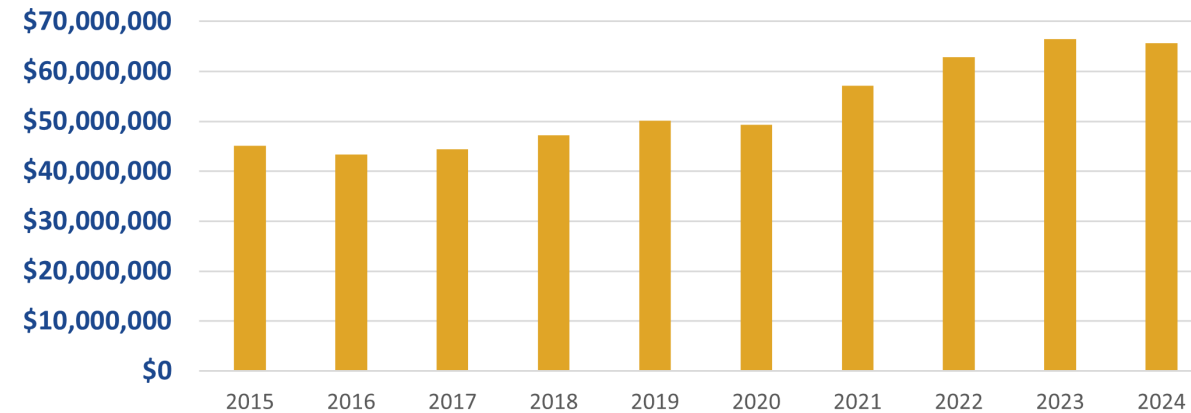
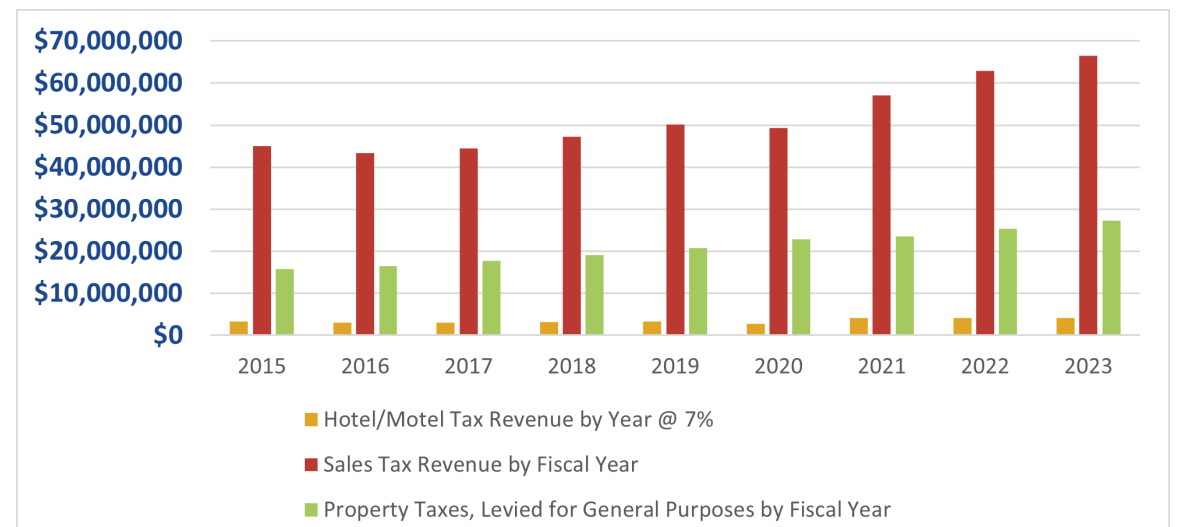
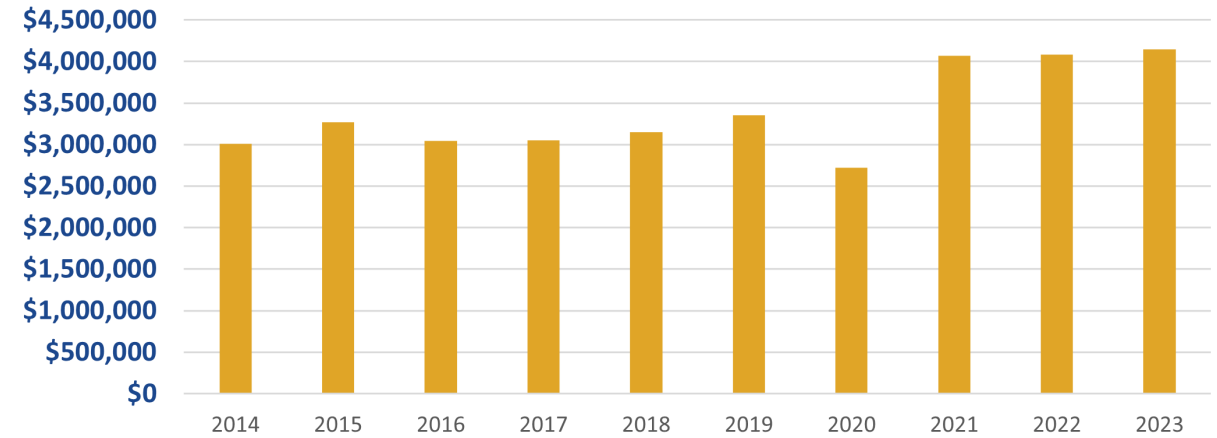


Figure 56. Tyler Sales Tax Revenue by Fiscal Year



Source: City of Tyler Annual Comprehensive Financial Report

Figure 57. Tyler Hotel/Motel Tax Revenue by Year @ 7%



Source: Source Strategies, TXP

Future Demand

Based on a forecast from Moody's Analytics, Smith County businesses are projected to add 16,000 employees by 2034. A large percentage of these jobs will likely be in Tyler. The Education & Health Services sector, for example, is forecasted to add over 4,300 jobs. These jobs will likely be located near the existing large facilities in Tyler. The Professional & Business Services sector is expected to generate 1,900 jobs. A separate retail demand forecast from ESRI projects strong consumer demand for restaurants, entertainment, and shopping in Tyler. Taken together, the future for Tyler is bright but consistent with past growth trends. If Tyler wants to change its future trajectory, the community will need to develop a bold plan that leverages the resources of all economic development partners.

Table: Smith County Employment Forecast

Description	2024	2034	Change	% Change
Natural Resources & Mining	1,668	1,818	149	9.0%
Construction	5,850	6,850	1,000	17.1%
Manufacturing	7,570	8,000	430	5.7%
Wholesale Trade	5,872	6,533	661	11.3%
Retail Trade	14,456	16,665	2,209	15.3%
Transportation, Warehousing, & Utilities	5,498	6,199	701	12.7%
Information	1,499	1,614	115	7.7%
Financial Activities	4,697	5,425	728	15.5%
Professional & Business Services	11,818	13,699	1,881	15.9%
Education & Health Services	27,048	31,369	4,321	16.0%
Leisure & Hospitality	12,410	14,213	1,804	14.5%
Other Services (except Public Administration)	4,331	4,939	608	14.0%
Government	14,865	16,293	1,429	9.6%
Total	117,581	133,616	16,035	13.6%

Source: Moody's Analytics

Table: Tyler Retail Demand Outlook for Key Sectors

Description	2024	2029	Projected Growth
Apparel and Services	\$87,046,136	\$101,254,202	\$14,208,066
Entertainment & Recreation	\$142,062,249	\$165,303,752	\$23,241,503
Food	\$402,729,350	\$468,542,661	\$65,813,311
Food at Home	\$261,492,698	\$304,224,205	\$42,731,507
Food Away from Home	\$141,236,652	\$164,318,456	\$23,081,804
Health			
Nonprescription Drugs	\$6,503,948	\$7,567,611	\$1,063,663
Prescription Drugs	\$15,844,515	\$18,435,832	\$2,591,317
Eyeglasses and Contact Lenses	\$4,427,643	\$5,151,374	\$723,731
Household Furnishings and Equipment			
Household Textiles	\$4,771,481	\$5,550,989	\$779,508
Furniture	\$35,300,066	\$41,072,664	\$5,772,598
Rugs	\$1,512,439	\$1,760,347	\$247,908
Major Appliances	\$20,611,056	\$23,991,772	\$3,380,716
Housewares	\$3,768,071	\$4,383,844	\$615,773

Source: ESRI

ECONOMICS OF LAND USE

Land use plays a pivotal role in Tyler’s economic health and it’s ability to deliver high-quality services over time. Each development pattern whether low-density residential or high-density mixed-use carries a distinct cost and revenue implications for the City. As Tyler continues to grow, an understanding of the fiscal impact of land use will be necessary to continue making informed decisions that promote financial resilience, maximizing existing infrastructure and balancing long-term service obligations with the resources available.

Efficient Use of Land

An efficient use of land allows Tyler to grow in a way that maximizes the return on public investment while preserving the character and function of the community. Thoughtful development patterns can reduce infrastructure costs, support more efficient service delivery and generate stronger tax revenue per acre. Whether the goal is to maintain fiscal responsibility, make better use of existing roads and utilities, or ensure that growth pays for itself, efficient land use is a key driver of long-term economic resilience.

Utilization of Existing Infrastructure

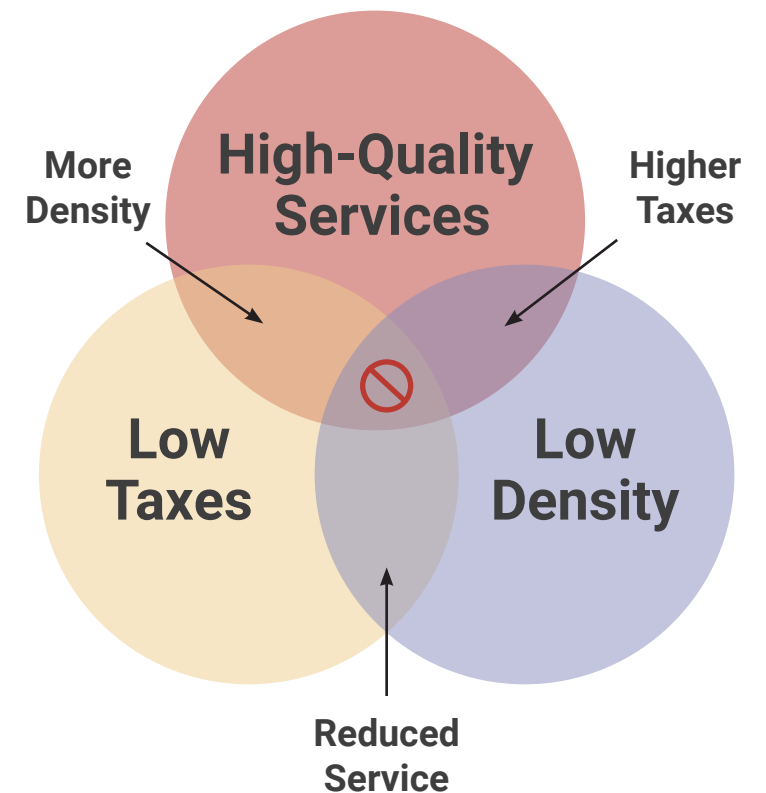
The use of existing infrastructure allows Tyler to grow more efficiently by avoiding the high costs of building new roads, utility systems and public facilities. Focusing development in areas where infrastructure already exists helps reduce capital expenses and ongoing maintenance, and helps keep taxes lower over time. By prioritizing infill and redevelopment, the City can manage growth in a way that strengthens its financial position without compromising the quality of essential services.

Maximizing City Revenue

Some land uses generate more revenue than others, making the efficient use of land a critical tool for supporting Tyler’s financial stability. Compact, higher-value development such as mixed-use developments and commercial corridors can produce significantly more tax revenue per acre than low-density residential areas, while also placing fewer demands on infrastructure and services. By encouraging land uses that offer a substantial fiscal return, the City can better fund public services, maintain infrastructure and reduce the ong-term financial burden on residents.

Land Use Trade-Offs

All land use decisions involve trade-offs. Low-density residential development generally have higher service costs, which means higher taxes - or accepting diminished service quality over time. Conversely, high-density development is more likely to pay for itself and helps distribute the tax base.



FISCAL ANALYSIS

To estimate the cost to serve each land use category, this analysis starts with the City of Tyler’s adopted General Fund budget for Fiscal Year 2025-2026, totaling \$255.9 million. Rather than dividing this amount evenly across all land, the approach separates expenses into fixed and variable costs and revenues into household- and job-related shares. Using 2025 estimates for population and households, the model calculates average revenues and expenses per household and per job. These per-unit values are then applied to the FLUM categories, based on their expected population, density, and employment levels once completely built out. Multipliers and service units are also used to reflect how different land uses place greater or lesser demand on city services like police, fire, and public works. This method provides a more direct link between the preferred land use pattern and the City’s long-term fiscal outlook.

Table 6. FLUM Buildout Assumptions












LAND USE CATEGORY		BUILDOUT POPULATION	BUILDOUT EMPLOYMENT
	Neighborhood Residential	29,311	6,092
	Mixed Residential	34,863	3,481
	Innovation Mixed Use	6,216	7,866
	Neighborhood Center	2,680	2,283
	Downtown	667	1,391
	Commercial	728	6,828
	Community Activity Center	9,410	7,358
	Regional Activity Center	4,436	3,468
	Campus	508	3,390
	Manufacturing and Logistic	-	21,840
	Parks and Preserve	-	-
Total		88,818	63,997

Table 7. Per Acre Fiscal Analysis - Undeveloped FLUM

FLU Category	Per Acre					
	Property Tax	Sales Tax	Other GF	Total	Cost	Net
Neighborhood Residential	\$2,564	\$794	\$1,143	\$4,501	-\$4,543	-\$42
Mixed Residential	\$7,400	\$1,324	\$3,771	\$12,495	-\$14,991	-\$2,496
Parks and Preserves	\$0	\$0	\$0	\$0	\$0	\$0
Commercial	\$2,529	\$10,376	\$1,218	\$14,123	-\$4,843	\$9,281
Campus	\$4,673	\$5,271	\$2,320	\$12,264	-\$9,224	\$3,040
Downtown	\$4,660	\$7,906	\$2,623	\$15,189	-\$10,428	\$4,762
Manufacturing & Logistics	\$3,203	\$2,471	\$837	\$6,511	-\$3,327	\$3,184
Innovation Mixed Use	\$3,170	\$6,424	\$1,872	\$11,465	-\$7,440	\$4,026
Neighborhood Center	\$3,758	\$6,176	\$2,335	\$12,270	-\$9,281	\$2,988
Community Activity Center	\$4,596	\$7,412	\$2,977	\$14,985	-\$11,835	\$3,150
Regional Activity Center	\$5,515	\$8,894	\$3,573	\$17,982	-\$14,202	\$3,780
Total	\$42,068	\$57,048	\$22,669	\$121,785	-\$90,114	\$31,673

Low Density Residential Properties Do Not Typically Have High ROI

Low density residential properties represent the largest land use within Tyler. Based on a review of residential buildings permits over the past ten years, this trend is not projected to change in the near term. While low density neighborhoods are often viewed as desirable for their character and quality of life, they also carry significant long-term fiscal implications. These areas might require more linear miles of streets, water lines, stormwater systems, and other public infrastructure compared to single-family homes on smaller lots or higher-density multifamily developments. At the same time, residential properties of all sizes generate limited property tax revenue due to Tyler's low maintenance-and-operations tax rate and homestead exemptions. Unless low density single-family homes are high-value and generate substantially more value per acre, it becomes increasingly difficult for this development pattern to financially sustain the full lifecycle costs of the public infrastructure it relies upon.

FLUM categories Neighborhood Residential and Mixed Residential appear to show a negative ROI under current fiscal modeling. This outcome is largely a function of Tyler's relatively low property tax rate compared to peer communities.

Commercial Sales Tax Generators Drive City Revenue

Tyler maintains one of the lowest property tax rates among mid- to large-sized cities in Texas, reflecting the community's desire for lower taxes while still meeting the City's ongoing operational and long-term planning needs. Sales tax revenue has been essential in supporting this balance. The Half-Cent Sales Tax, for example, serves as a primary funding source for critical infrastructure projects. This strong reliance on sales tax could create budgeting challenges moving forward. These areas not only generate strong revenues through property and sales taxes, but they can also create positive spillover effects by supporting nearby residential values, attracting private investment, and reducing infrastructure costs per household.

FLUM categories with the highest ROI are centered on commercial activity (particularly retail, restaurants, and entertainment uses) that generate substantial sales tax revenue. In contrast, the Campus FLUM category is more challenging to model for Tyler because many of the large employers are tax exempt (ex. healthcare and higher-education institutions). Manufacturing & Logistics areas show more variability in fiscal performance, as their ROI depends heavily on the amount of taxable personal property located at each site.

Level of Service Matters

The fiscal projections are based on Tyler's current General Fund revenues and expenditures, effectively assuming that today's level of municipal services will continue into the future. Under this approach, the model scales operating costs proportionally with new households and jobs but does not account for enhanced or expanded service levels. If the City chooses to increase service standards (e.g., expanding police coverage, enhancing parks, or upgrading infrastructure) the cost side of the ledger will rise, and the per-unit cost to serve each land use category will increase accordingly.

Future Land Use Map Supports Many Long-Term Community Goals

While some land uses generate a more positive ROI, it is important to balance these fiscal considerations with the community's broader goals related to housing affordability, workforce recruitment and retention, and shared prosperity. Over reliance on any land use category can create unintended consequences on the performance and value of adjacent properties. Every FLUM category carries fiscal implications, but ROI is only one metric. It must be evaluated alongside community priorities such as the need for parks, recreation spaces, strong neighborhoods, and a high quality of life. The FLUM strives to achieve the balance of the community's goals with long-term fiscal .

ECONOMIC DEVELOPMENT STRATEGIES

As Tyler implements the Comprehensive Plan, several key factors will shape the city's economic development outlook and guide its strategic priorities. Tyler's role as the regional hub of East Texas creates significant opportunities, yet infrastructure limitations and talent retention challenges influence how and where growth can occur. The following considerations outline the key dynamics that will influence Tyler's ability to build a more resilient and sustainable economy.

Regional Hub: Tyler's economic development opportunities stem from its role as the regional hub of East Texas.

Infrastructure Constraints: Infrastructure challenges limit the scale and location of residential and commercial projects.

Talent Retention: Limited employment opportunities for college graduates and housing affordability issues make it difficult to retain and attract talent.

Industry Diversification: While higher education and healthcare drive the local economy, Tyler must diversify into new industries to increase employment opportunities for all skill levels.

Uneven Growth: Certain neighborhoods have not benefited from recent economic development projects, highlighting the need for place-based strategies.

Strategic Priorities

Define Success Metrics for Tyler's Economic Development Efforts

Tyler would benefit from a clear and shared definition of economic development success to guide its growth. Aligning public and private sector leaders around community priorities and job quality is critical. Periodically revisiting these goals helps ensure Tyler continues to capture its share of growth. This approach enables public, private, and civic partners to stay aligned and responsive as the economy evolves.

- Engage public, private, and civic leaders to define economic success (such as entertainment options, nightlife, recreation opportunities, conventions and events, and creation of high-wage jobs) and focus areas in Tyler.
- Develop measurable metrics such as retention of workforce and number of housing listings aligned with this shared definition of success.
- Reconvene stakeholders every five years to review and refine goals and objectives.

Economic & Community Development position

A dedicated economic development staff member can serve as the primary point of contact across city departments, partner organizations, and private-sector stakeholders. This role strengthens collaboration with groups like the Tyler Economic Development Council, Main Street, and Visit Tyler, preventing duplication and aligning efforts toward shared goals. A focused staff member can actively manage destination retail, entertainment, and quality-of-life projects. By integrating economic development considerations into policy decisions, this position helps the city consistently prioritize growth, investment, and community vitality.

- Designate a city staff member as Tyler's Economic & Community Development Liaison
- Collaborate with existing organizations (Tyler Economic Development Council, Main Street Program, Visit Tyler).
- Coordinate destination retail, entertainment, and quality of life projects that drive sales tax and hotel occupancy tax revenue.
- Work with City departments to ensure economic development considerations are integrated into policy decisions

Diversify Employment Opportunities

As Tyler looks to strengthen its economic base, diversifying employment opportunities is required to ensure that residents at all skill levels can access high-quality careers. By focusing on key target industries, coordinating with education partners, and aligning growth with the Comprehensive Plan, Tyler can attract employers that broaden the city's job base. Strategic infrastructure investments will also help make certain all areas of Tyler benefit from growth.

- Update Tyler's target industries (engineering and software) to provide quality jobs across all skill levels with coordination with Tyler ISD and higher education partners.
- Identify suitable locations for target industries consistent with the Comprehensive Plan.
- Use infrastructure investments to support the target industries while maintaining current or greater standards for existing areas.
- Coordinate recruitment efforts with workforce training programs offered at Tyler Junior College, The University of Texas at Tyler, and Texas College.

Promote Place-Based and Infill Real Estate Development

Place-based economic development is essential to Tyler's long-term resilience by strengthening existing neighborhoods and corridors. By investing more in underserved neighborhoods, Tyler can create vibrant places that attract residents, visitors, and businesses. Infill development and redevelopment play a critical role in this approach by making better use of existing infrastructure.

- Invest in Tyler's authentic downtown character by funding the Downtown Strategic Plan long-term.
- Target key corridors and underserved neighborhoods for catalytic projects leveraging existing infrastructure.
- Intentionally leverage existing assets like the redesigned Downtown Square, Rose Garden, and Caldwell Zoo.
- Engage property owners to explore reinvestment opportunities.
- Continue small, area-specific incentives for underserved corridors and neighborhoods.

Prioritize Return on Investment (ROI)

Tyler should review and update its incentive policies to align with the goals and priorities established in the new Comprehensive Plan. To support consistent and transparent decision-making, the City should establish a clear framework outlining how, when, and where incentives are appropriate. This shared approach helps ensure that public resources are directed toward projects that deliver the greatest long-term value for Tyler and its residents. As part of this process, the City should also explore creating an Economic Development Fund to support catalytic projects that advance Tyler's strategic goals.

- Update Tyler's incentive policies to align with the new Comprehensive Plan.
- Develop a minimum ROI threshold for evaluating incentive requests to ensure consistency.
- Consider creating an Economic Development Fund to support private sector catalytic projects.
- Leverage economic development growth to increase quality of life in Tyler.

