

**CITY OF MERCED
2010-2011 ADOPTED BUDGET**

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ECONOMIC DEVELOPMENT

FUND NO. 001

ACCOUNT NO. 2002

DESCRIPTION

The Office of Economic Development stimulates and enhances the community's economic well-being. Business development and job creation programs include recruitment of new businesses, expansion of existing businesses, and retention of existing businesses by maintaining a mutually beneficial relationship between the client company and local government. In conjunction with the Economic Development Advisory Committee (EDAC), the Office of Economic Development oversees short and long-term economic development related activities to ensure investment opportunities are always abounding in the City.

The department coordinates economic development, business development, and marketing activities with local, regional, and state economic development organizations. By participating in trade shows, conducting missions, attending conferences, and hosting promotional events, the office fosters relationships with site location consultants, brokers, and corporation real estate officers.

MISSION

Expand economic opportunities in Merced and strengthen Merced's role as a regional center, by enhancing Merced's climate for business and industry, and continually improving the quality of the community.

GOALS

- ◇ Keep Merced as the center. Protect and build Merced's role as the region's center for retail trade, education, and professional and medical services.
- ◇ Move forward. Strengthen Merced's environment for technology-led industry, building upon relationships with the University of California Merced.
- ◇ Build community quality. Maintain and encourage high community standards for Merced's services, infrastructure, and private development.
- ◇ Seize each opportunity. Capitalize on opportunities to retain, expand, and recruit new basic jobs in Merced.
- ◇ Be prepared. Provide adequate job-generating land and infrastructure to assure a competitive community position.
- ◇ Connect the dots. Deliberately integrate all of Merced's economic development efforts.

ECONOMIC DEVELOPMENT

OBJECTIVES

PERFORMANCE MEASUREMENTS/INDICATORS

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| 1. Re-establish relationships with local businesses by face to face visits as part of the City's retention efforts. | Complete 12 visits by June 2011 with the assistance of the Merced Boosters and EDAC. |
| 2. Strengthen services offered to small businesses. | Work with small business development service providers to expand programs by June 2011. |
| 3. Re-position Merced as a business friendly city. | Evaluate and revise as necessary permit and entitlement processes and fee schedules partnering with the Development Services Department. |
| 4. Attract and foster commercial and industrial job generating investments to and in Merced. | Participate in missions and tradeshow offered through ICSC, TeamCalifornia, CCEDC, MCEDCO, and those arranged by the City. |
| 5. Explore avenues to introduce Merced to supporting green, knowledge-based, and entrepreneurship economic development | Coordinate with appropriate entities including UC Merced, BioTech Association, Community Partners Alliance, and others on creating programs to introduce transition. |

2010-2011 BUDGET HIGHLIGHTS

The Economic Development budget continues to support existing staffing levels, as well as the City's contribution to the Merced County EDC and funding for Enterprise Zone management through the Merced County Department of WorkForce Investment. More emphasis will be placed on expanding small business development programs through providers such as the Small Business Development Center.

BUDGET DETAIL EXPENSES

001-2002 Economic Development						
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL 2007-08	ACTUAL 2008-09	FINAL BUDGET 2009-10	CITY MGR. RECOM. 2010-11	COUNCIL APPROVAL 2010-11
571.01-00	Regular Salaries	65,462	66,736	68,784	69,197	69,197
571.03-00	Extra Help	564	0	0	0	0
571.04-01	Regular Overtime	18	34	0	0	0
571.10-02	Unused Sick Leave	943	1,069	979	979	979
571.10-05	Retirement PERS	11,397	11,384	11,763	11,996	11,996
571.10-06	Social Security-OASDI	4,166	4,361	4,504	4,542	4,542
571.10-07	Social Security-Medicare	1,015	1,059	1,054	1,062	1,062
571.10-08	State Unemployment	158	149	143	0	0
571.10-12	Workers Compensation	366	40	279	339	339
571.10-18	Management Physicals	0	0	88	88	88
571.10-20	Earned Benefit	3,386	5,202	2,939	2,939	2,939
571.10-21	Bilingual Pay Program	0	0	0	150	150
571.10-27	PTS Plan FICA Alternative	8	0	0	0	0
571.10-32	Cash Back-Biweekly Allow	100	295	249	0	0
571.10-33	Core Allowance	11,666	12,260	10,488	12,724	12,724
571.10-35	Post Employment Benefits	0	506	2,699	0	0
	Personnel Services	99,249	103,095	103,969	104,016	104,016
572.12-00	Telephone	1,086	1,076	1,500	1,500	1,500
572.13-00	Postage	2,446	1,278	1,500	1,500	1,500
572.14-00	Advertising	0	320	2,000	2,000	2,000
572.15-00	Office Supplies	5,442	4,793	4,000	4,000	4,000
572.16-00	Printing	487	0	3,000	1,500	1,500
572.17-00	Professional Services	88,852	65,394	101,000	92,700	92,700
572.18-00	Travel and Meetings	17,774	17,608	16,300	7,700	7,700
572.20-00	Training Expense	8,024	7,989	7,100	3,200	3,200
572.24-00	Memberships, Subscription	9,586	6,016	3,145	5,345	5,345
572.29-00	Other Materials Supplies	943	1,119	1,250	1,250	1,250
572.30-01	Dept Share of Insurance	1,570	2,079	2,943	1,721	1,721
572.35-00	Special Dept Expense	48,000	48,000	0	0	0
572.38-00	Support Services	7,451	5,937	6,661	6,028	6,028
572.45-00	Facilities Maint Charge	4,437	3,715	2,777	3,356	3,356
572.46-00	Computer Replacement Chrg	1,013	608	0	0	0
	Supplies and Services	197,111	165,932	153,176	131,800	131,800
575.92-01	Interdept DSC-General Fnd	4,000	0	0	0	0
	Interdepartmental	4,000	0	0	0	0
**	Economic Development	300,360	269,027	257,145	235,816	235,816

ECONOMIC DEVELOPMENT

- 13-00 Includes mailings to local employers, Enterprise Zone businesses, and marketing mailings to regional, state, and national targeted clients.
- 14-00 Advertising with TeamCalifornia, other site selection journals, and International Council of Shopping Centers promotions.
- 16-00 Printing of Merced Developments, Merced Opportunities, industrial site catalog, and other informational newsletters.
- 17-00 Graphics and marketing services for brochures and promotional materials, marketing for investment missions, industrial prospecting services, web and GIS site maintenance and updates, and contract with Merced County Economic Development Corporation.
- 18-00 California Association of Local Economic Development (CALED), California Association of Enterprise Zones (CAEZ) Conference, , International Council of Shopping Centers (ICSC) tradeshow, Opportunity Merced, Merced Success Breakfast, and recruiting missions
- 20-00 Registration for CALED, CAEZ, ICSC conferences and professional training seminars
- 24-00 American Economic Development Council; CALED; ICSC; CAEZ; Manufacturers and Industry Directories; National Association of Manufacturers Leads Service; various demographics reports
- 29-00 Public presentation materials

MERCED VISITOR SERVICES

FUND NO. 001

ACCOUNT NO. 2006

DESCRIPTION

The Office of Economic Development oversees the Merced Visitor Services (MVS) program formerly known as the Merced Conference and Visitors Bureau. Duties of the MVS program include responding to inquiries generated by travelers or potential visitors whether received by phone, email, or in-person. In addition to travel counseling, the MVS program will be responsible for managing and operating the California Welcome Center. The Merced Visitor Services program will be supervised by a Development Associate and will have a staff of two part-time Recreational Aides and a base of volunteers. The MVS program and staff will be housed from the Merced Transportation Center

MISSION

Increase the number of visitors to Merced and increase the amount of visitor spending in Merced.

GOALS

- ◇ Establish Merced as a brand.
- ◇ Raise awareness of the destination beyond being known as the Gateway to Yosemite.
- ◇ Deliberately link activities to overall economic development efforts for the community and downtown.

MERCED VISITOR SERVICES

OBJECTIVES

PERFORMANCE MEASUREMENTS/INDICATORS

- | | |
|---|--|
| <p>1. Stabilize Welcome Center revenue streams and strive to increase sales of local merchandise.</p> | <p>Establish the Welcome Center as Merced premier local product store establishing partnerships with UC Merced and local vendors to maintain revenue stream.</p> |
| <p>2. Maintain the Merced Visitor Service's website to insure it contains accurate and current information about Merced events, destinations, and hospitality venues.</p> | <p>Continually update calendar of events and increase visibility by driving the Merced community and visitors to the Merced Visitor Service's website.</p> |
| <p>3. Participate in efforts to establish a County-wide sustainable tourism program.</p> | <p>Attend regular monthly meetings and provide technical and marketing expertise.</p> |
| <p>4. Provide staff expertise for festivals, events, and conferences.</p> | <p>Market selected festivals, events, or conferences within the City which complement the Economic Development and Downtown Strategies.</p> |
| <p>5. Strengthen Merced's position as a destination by building upon relationships with the University of California Merced.</p> | <p>Coordinate marketing efforts with the University and secure student interns as volunteers.</p> |

2009-2010 BUDGET HIGHLIGHTS

The Merced Visitor Services (MVS) program was fully operated by the City during FY 08/09. Efforts will be put towards protecting the regional market position of the local Welcome Center and establishing a stronger on-line presence.

BUDGET DETAIL EXPENSES

001-2006 Merced Visitor's Services						
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL 2007-08	ACTUAL 2008-09	FINAL BUDGET 2009-10	CITY MGR. RECOM. 2010-11	COUNCIL APPROVAL 2010-11
571.01-00	Regular Salaries	2,334	55,968	60,420	60,420	60,420
571.03-00	Extra Help	964	25,601	32,132	32,132	32,132
571.04-01	Regular Overtime	230	1,718	0	0	0
571.10-05	Retirement PERS	404	9,499	10,312	10,453	10,453
571.10-06	Social Security-OASDI	143	3,581	3,697	3,626	3,626
571.10-07	Social Security-Medicare	51	1,216	1,331	1,314	1,314
571.10-08	State Unemployment	0	449	300	16,066	16,066
571.10-12	Workers Compensation	0	74	348	416	416
571.10-18	Management Physicals	0	0	140	140	140
571.10-20	Earned Benefit	0	1,107	0	0	0
571.10-27	PTS Plan FICA Alternative	16	339	418	418	418
571.10-33	Core Allowance	0	16,561	16,594	16,209	16,209
571.10-35	Post Employment Benefits	0	0	2,371	0	0
Personnel Services		4,142	116,113	128,063	141,194	141,194
572.12-00	Telephone	0	1,017	1,500	950	950
572.13-00	Postage	0	367	1,500	950	950
572.14-00	Advertising	0	5,459	9,000	4,325	4,325
572.15-00	Office Supplies	0	2,226	2,000	950	950
572.17-00	Professional Services	0	7,425	5,000	3,000	3,000
572.18-00	Travel and Meetings	0	2,807	2,000	1,000	1,000
572.20-00	Training Expense	0	749	2,500	1,000	1,000
572.21-00	Rents/Leases	0	0	0	500	500
572.24-00	Memberships, Subscription	0	4,939	6,200	5,710	5,710
572.29-00	Other Materials Supplies	0	17,940	14,000	14,000	14,000
572.30-01	Dept Share of Insurance	0	0	4,253	2,446	2,446
572.38-00	Support Services	0	0	5,184	4,636	4,636
572.45-00	Facilities Maint Charge	0	0	8,560	8,553	8,553
Supplies and Services		0	42,929	61,697	48,020	48,020
**	Merced Visitor's Services	4,142	159,042	189,760	189,214	189,214

MERCED THEATRE RESTORATION
FUND NO. 462
ACCOUNT NO. 2007

PROGRAM

Accounts for operation and maintenance of Merced Theatre, currently owned by the City of Merced.

MISSION

Restore the Merced Theatre to its original 1931 condition supported by a mix of vibrant retailers.

GOALS

- ◇ Secure appropriate tenants for the main level of the facility while preserving its historic character.

OBJECTIVES

***PERFORMANCE
MEASUREMENTS/INDICATORS***

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|---|---|
| 1. Continue the partnership between the City of Merced and Merced Theatre Foundation. | Attend regularly scheduled Foundation meetings and provide expertise relative to fundraising and construction projects. |
| 2. Commence restoration of the Merced Theatre building. | Secure plans, specifications, and permits to begin construction and improvements during the fiscal year. |
| 3. Attract tenants for the commercial spaces. | Use forums such as ICSC and other networks to attract tenants to the Merced Theatre retail spaces. |

2010-2011 BUDGET HIGHLIGHTS

This budget is substantially similar to previous years.

BUDGET DETAIL EXPENSES

462-2007	Merced Theatre Restoraton					
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL 2007-08	ACTUAL 2008-09	FINAL BUDGET 2009-10	CITY MGR. RECOM. 2010-11	COUNCIL APPROVAL 2010-11
572.11-00	Utilities	0	1,892	11,000	11,000	11,000
572.17-00	Professional Services	0	12,594	13,000	13,000	13,000
572.25-00	Maintenance Matls & Svcs	0	543	1,000	3,000	3,000
	Supplies and Services	0	15,029	25,000	27,000	27,000
575.92-96	Interdept DSC-RDA Housing	0	12,201	12,201	12,201	12,201
575.92-98	Interdept DSC-RDA2General	0	18,750	11,500	11,500	11,500
	Interdepartmental	0	30,951	23,701	23,701	23,701
677.65-00	Capital Imp. Projects	0	335,519	510,779	2,450,773	2,450,773
	Capital Outlay	0	335,519	510,779	2,450,773	2,450,773
918.93-20	Trsf-Downtown Maint (120)	0	0	1,325	1,325	1,325
	Other	0	0	1,325	1,325	1,325
**	Merced Theatre Restoraton	0	381,499	560,805	2,502,799	2,502,799

AIRPORT INDUSTRIAL PARK

FUND NO. 448

ACCOUNT NO. 2003

DESCRIPTION

The Economic Development Office, with the counsel of the Economic Development Advisory Committee, promotes economic development activity in the Airport Industrial Park consisting of land sales and property leasing. Installation, improvement, and maintenance of infrastructure are programs undertaken to assure existing, expanding and future industrial tenants will be well served in the Airport Industrial Park.

MISSION

The Airport Industrial Park provides opportunities for economic growth in Merced through sale of land to job generating industries that will benefit the community.

GOALS

- ◇ Encourage new job generating industry to locate at the Airport Industrial Park.
- ◇ Accommodate the expansions or necessary relocations of local industries.
- ◇ Generate revenues for airport self-support and airport capital improvement projects.
- ◇ Monitor and adjust as necessary the sales price of the Airport Industrial Park property to be equal with market rate.

OBJECTIVES

PERFORMANCE MEASUREMENTS/INDICATORS

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|---|---|
| 1. Protect the land use designation and purpose of the Airport Industrial Park from incompatible land uses. | Development policies protecting industrial land use designations through the current General Plan update process. |
| 2. Position the Airport Industrial Park as the Affordable Industrial Park for new businesses and expansion. | Evaluate Airport Industrial Park land pricing and adjust as necessary by December 2010. |
| 3. Increase the supply of industrial designated property in the Southern Airport Industrial Park area. | Facilitate the annexation of contiguous properties adjacent to the South Airport Industrial Park by June 2010. |

2010-2011 BUDGET HIGHLIGHTS

The proposed budget for fiscal year 2010-11 is substantially similar to that of the previous year.

BUDGET DETAIL EXPENSES

448-2003	Airport Industrial Park					
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL 2007-08	ACTUAL 2008-09	FINAL BUDGET 2009-10	CITY MGR. RECOM. 2010-11	COUNCIL APPROVAL 2010-11
575.92-17	Interdept DSC-Develop Svc	0	33,108	30,672	45,655	45,655
	Interdepartmental	0	33,108	30,672	45,655	45,655
647.65-00	Capital Imp. Projects	143,665	93,354	26,595	124,242	124,242
	Capital Outlay	143,665	93,354	26,595	124,242	124,242
938.93-61	Trsf-Airport Debt Sr(361)	0	53,944	0	0	0
	Other	0	53,944	0	0	0
948.93-61	Trsf-Airport Capital(461)	228,326	1,193,659	63,518	21,523	21,523
	Other	228,326	1,193,659	63,518	21,523	21,523
958.93-61	Trsf-Airport Fund (561)	0	53,299	0	0	0
	Other	0	53,299	0	0	0
**	Airport Industrial Park	371,991	1,427,364	120,785	191,420	191,420

REDEVELOPMENT - DOWNTOWN PARKING
FUND NO. 005
ACCOUNT NO. 2001

DESCRIPTION

The Redevelopment Agency operates and monitors downtown parking programs.

MISSION

Downtown Merced's first priority in parking is to welcome customers and visitors with abundant, convenient free parking; and secondly, to strive to meet the parking needs of employers and employees.

GOALS

- ◇ Provide abundant, convenient, and safe parking.
- ◇ Accommodate ever changing parking needs by adjusting and refining various designations of the existing parking supply to better serve the public.

OBJECTIVES

**PERFORMANCE
MEASUREMENTS/INDICATORS**

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| 1. Respond to requests for parking modifications. | Initial response within 48 hours of receipt of request. |
| 2. Monitor supply of parking to comply with Mainplace Merced DDA. | Review compliance document bi-annually and update. |
| 3. Enhance security in Downtown Parking Lots through the use of technology. | Identify locations for additional security cameras and installation by January 2011. |
| 4. Improve safety through alleys leading to Downtown Parking Lots by providing, enhancing, or replacing lighting. | Complete an alley access lighting enhancement project by January 2011. |

2010-2011 BUDGET HIGHLIGHTS

This budget is substantially similar to previous years.

Downtown Parking

EXPENSES	Actual 2007-08	Actual 2008-09	Final Budget 2009-10	City Mgr. Recom. 2010-11	Council Approval 2010-11
Personnel Expenses	0	0	0	0	0
Supplies and Services	8,030	5,647	127,055	113,394	113,394
Debt Service	0	0	0	0	0
Acquisitions	0	0	0	0	0
Capital Improvements	521	9,189	61,591	127,000	127,000
* Undefined *	114,400	14,400	14,400	14,400	14,400
TOTAL	122,951	29,236	203,046	254,794	254,794

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FINANCING SOURCES	Actual 2007-08	Actual 2008-09	Final Budget 2009-10	Estimated 2010-11
In-Lieu Parking Fees	46,875	58,395	58,305	63,525
Leased Parking Spaces	23,975	10,831	11,280	7,920
Investment Earnings	8,694	3,564	0	0
Downtown Parking-Sp Rv Fd	43,407	43,554-	133,461	183,349
TOTAL	122,951	29,236	203,046	254,794

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BUDGET DETAIL EXPENSES

005-2001 Downtown Parking						
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL 2007-08	ACTUAL 2008-09	FINAL BUDGET 2009-10	CITY MGR. RECOM. 2010-11	COUNCIL APPROVAL 2010-11
512.11-00	Utilities	38	0	0	0	0
512.21-00	Rents/Leases	0	0	4,950	4,950	4,950
512.29-00	Other Materials Supplies	4,128	4,754	118,612	104,926	104,926
512.38-00	Support Services	2,273	288	1,944	1,798	1,798
	Supplies and Services	6,439	5,042	125,506	111,674	111,674
514.91-01	Adm Exp-City Manager	320	137	340	342	342
514.91-02	Adm Exp-City Attorney	150	56	57	31	31
514.91-09	Adm Exp-Finance	912	318	868	1,026	1,026
514.91-10	Adm Exp-Purchasing	108	50	134	151	151
514.91-16	Adm Exp-City Council	101	44	150	170	170
	Administrative	1,591	605	1,549	1,720	1,720
677.65-00	Capital Imp. Projects	521	9,189	61,591	127,000	127,000
	Capital Outlay	521	9,189	61,591	127,000	127,000
918.93-20	Trsf-Downtown Maint (120)	14,400	14,400	14,400	14,400	14,400
	Other	14,400	14,400	14,400	14,400	14,400
988.93-43	Trsf-Proj Area 2 CIP(843)	100,000	0	0	0	0
	Other	100,000	0	0	0	0
**	Downtown Parking	122,951	29,236	203,046	254,794	254,794

FUND NO. 005
ACCOUNT NO. 2001

DOWNTOWN PARKING FUND

29-00 Appropriation for anticipated expenses such as surface maintenance, re-striping, sign repair, etc.

BELL STATION FACILITY
FUND NO. 063
ACCOUNT NO. 2005

PROGRAM

Fund is used to account for operation and maintenance of the Bell Station, which is leased to the United States Post Office and used as a post office location at 415 West 18th Street.

MISSION

Maintain and preserve the Bell Station as a historic icon in Downtown Merced.

GOALS

- ◇ Secure appropriate tenants for the main level of the facility while preserving its historic character.

OBJECTIVES

***PERFORMANCE
MEASUREMENTS/INDICATORS***

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|---|--|
| 1. Establish a commercial recruitment program that supports the Bell Station. | Market the Bell Station to office users and local potential business owners through various types of media and venues. |
| 2. Maintain the character of the Bell Station. | Replace and repair fixtures, equipment, and grounds as needed. |

2010-2011 BUDGET HIGHLIGHTS

This budget is substantially similar to previous years. Use of the Bell Station is subject to the Agreement between the federal Department of Interior and the City of Merced.

BUDGET DETAIL EXPENSES

063-2005 Bell Station Facility						
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL 2007-08	ACTUAL 2008-09	FINAL BUDGET 2009-10	CITY MGR. RECOM. 2010-11	COUNCIL APPROVAL 2010-11
572.11-00	Utilities	19,207	28,273	26,800	26,800	26,800
572.17-00	Professional Services	11,610	15,549	16,000	16,000	16,000
572.29-00	Other Materials Supplies	2,429	7	37,002	73,125	73,125
572.30-01	Dept Share of Insurance	0	1,217	1,394	864	864
572.38-00	Support Services	0	698	1,383	1,090	1,090
	Supplies and Services	33,246	45,744	82,579	117,879	117,879
573.43-00	Machinery/Equipment	2,655	0	7,000	7,000	7,000
	Property	2,655	0	7,000	7,000	7,000
574.91-01	Adm Exp-City Manager	0	398	191	151	151
574.91-02	Adm Exp-City Attorney	0	164	32	14	14
574.91-09	Adm Exp-Finance	0	926	489	454	454
574.91-10	Adm Exp-Purchasing	0	146	76	67	67
574.91-16	Adm Exp-City Council	0	128	85	75	75
	Other	0	1,762	873	761	761
988.93-43	Trsf-Proj Area 2 CIP(843)	13,421	0	0	0	0
	Other	13,421	0	0	0	0
**	Bell Station Facility	49,322	47,506	90,452	125,640	125,640