

**CITY OF MERCED
2011-2012 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 investment and job attraction programs include the 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, corporate real estate officers, and those influencing business location and capital investment decisions.

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.

SERVICES TO BE PROVIDED

- Support for management of the Merced Regional Enterprise Zone
- Site location assistance and resource coordination for major corporate projects
- Project navigation services for entitlements and permits
- Small business services through the Alliance Small Business Development Center
- Virtual industrial and commercial investment and job generation attraction
- Membership with TeamCalifornia for industrial recruitment
- Participation in one International Council for Shopping Centers for retail recruitment

ECONOMIC DEVELOPMENT

SERVICES THAT DO NOT FIT INTO THE BUDGET

- Annual agreement with the Merced County Economic Development Corporation
- Active local business retention and expansion program
- Annual Merced Success Program
- Face to face interaction with site consultants, brokers, corporate real estate officers, and those involved with the decision making process for business location and capital investment programs
- Outreach via trade shows and missions such as Food Processing Expo, Solar Power International, Bio Convention, Packaging Expo, Corporate Real Estate Summit, and Retail Idea Exchange and Alliances
- Involvement with the Governor's Office of Economic Development
- Promotional events including hosting industrial and retail influencers
- TeamMerced Rapid Response

2011-2012 BUDGET HIGHLIGHTS

The Economic Development budget continues to support existing staffing levels, as well as the City's contribution to the Alliance Small Business Development Center 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 2008-09	ACTUAL 2009-10	FINAL BUDGET 2010-11	CITY MGR. RECOM. 2011-12	COUNCIL APPROVAL 2011-12
571.01-00	Regular Salaries	66,736	67,966	69,197	46,996	46,996
571.03-00	Extra Help	0	406	0	0	0
571.04-01	Regular Overtime	34	209	0	0	0
571.10-02	Unused Sick Leave	1,069	1,017	979	979	979
571.10-05	Retirement PERS	11,384	11,627	11,996	9,429	9,429
571.10-06	Social Security-OASDI	4,361	4,171	4,542	3,198	3,198
571.10-07	Social Security-Medicare	1,059	1,047	1,062	759	759
571.10-08	State Unemployment	149	148	0	0	0
571.10-12	Workers Compensation	40	106	339	273	264
571.10-18	Management Physicals	0	0	88	0	0
571.10-20	Earned Benefit	5,202	2,422	2,939	4,116	4,116
571.10-21	Bilingual Pay Program	0	59	150	0	0
571.10-32	Cash Back-Biweekly Allow	295	271	0	0	0
571.10-33	Core Allowance	12,260	12,332	12,724	10,952	10,952
571.10-35	Post Employment Benefits	506	2,699	0	0	0
Personnel Services		103,095	104,480	104,016	76,702	76,693
572.11-00	Utilities	0	457	0	0	0
572.12-00	Telephone	1,076	1,309	1,500	1,000	1,000
572.13-00	Postage	1,278	2,224	1,500	1,000	1,000
572.14-00	Advertising	320	750	2,000	0	0
572.15-00	Office Supplies	4,793	2,695	4,000	1,500	1,500
572.16-00	Printing	0	84	1,500	0	0
572.17-00	Professional Services	65,394	21,955	92,700	73,000	73,000
572.18-00	Travel and Meetings	17,608	13,266	7,700	12,580	12,580
572.20-00	Training Expense	7,989	8,160	3,200	1,600	1,600
572.24-00	Memberships, Subscription	6,016	6,305	5,345	5,745	5,745
572.29-00	Other Materials Supplies	1,119	3,230	1,250	750	750
572.30-01	Dept Share of Insurance	2,079	2,329	1,721	1,449	1,449
572.35-00	Special Dept Expense	48,000	48,000	0	0	0
572.38-00	Support Services	5,937	6,661	6,028	4,923	4,923
572.45-00	Facilities Maint Charge	3,715	2,777	3,356	3,683	3,683
572.46-00	Computer Replacement Chrg	608	0	0	0	0
Supplies and Services		165,932	120,202	131,800	107,230	107,230
**	Economic Development	269,027	224,682	235,816	183,932	183,923

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.

SERVICES TO BE PROVIDED

- Tourism promotion through the California Welcome Center Program which in 2011/2012 includes integration of the California Welcome Center message into the California Trade and Tourism Commission campaign. The Welcome Centers will be promoted through a heightened presence and viewed as the bricks and mortar extension of the CTTC. The California Welcome Center, Merced will be promoted through social media, website, California State tourism publications, tradeshow, and promoted through the international offices of the CTTC.
- Support and promotion of the tourism related industries and events in the City and County of Merced.
- Staff will respond to visitor requests for information and relocation information which are received through the 1-800 number and visitmerced.travel website. Staff will promote Merced through the use of social media.

SERVICES THAT DO NOT FIT INTO THE BUDGET

SERVICES NOT PROVIDED IN FY 2011-2012

- Will not attend tourism trade shows resulting in loss of prominence and visibility in the tourism trade.
- Substantially reduced support to the hospitality industry which includes hotels, restaurants, attractions, and retail.
- No financial support for Merced's annual events to include: Merco Cycling Classic in its 18th year and Tahiti Fete which is in its 32nd year.
- No advertisements in tourism trade publications such as AAA Magazines, Sunset Magazine, California Road Trips and the California State Visitors Guide which reduces Merced's visibility to the traveling consumer.
- Reduced participation with California Welcome Center program, Central Valley Tourism Association and Yosemite Gateway Partners where key contacts are made with meeting planners, tourism writers and event planners who are researching conference destinations, bus tours itineraries, and customized travel packages.
- Visitor Services Destination Guide will become out of date. No budget for updates or extra printing.
- Merchandise in the California Welcome Center will be depleted which will drive down revenues. Target revenues will be met in March for FY10-11.
- Quality of services provided by Merced Visitor Services and the California Welcome Center, Merced will be diminished due to insufficient products to purchase and outdated materials. We are the first stop for many people considering relocation and want to give that first positive impression of our community.
- Staffing levels will be reduced substantially which drops the level of service required by the California Welcome Center program.
- Facility maintenance will need to be outsourced to maintain levels of operation.

2011-2012 BUDGET HIGHLIGHTS

The Merced Visitor Services (MVS) program was fully operated by the City during FY 10/11. Efforts will be put towards protecting the regional market position of the local Welcome Center and establishing a stronger on-line presence. Staff will work with the CTTC to integrate marketing programs heightening the awareness that CWC's are the bricks and mortar of the CTTC. Staff is Co-Chair of the California Welcome Center program representing Northern California.

BUDGET DETAIL EXPENSES

001-2006 Merced Visitor's Services						
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL 2008-09	ACTUAL 2009-10	FINAL BUDGET 2010-11	CITY MGR. RECOM. 2011-12	COUNCIL APPROVAL 2011-12
571.01-00	Regular Salaries	55,968	60,770	60,420	60,420	60,420
571.03-00	Extra Help	25,601	27,864	32,132	18,635	18,635
571.04-01	Regular Overtime	1,718	1,376	0	0	0
571.10-05	Retirement PERS	9,499	10,373	10,453	12,110	12,110
571.10-06	Social Security-OASDI	3,581	3,763	3,626	3,594	3,594
571.10-07	Social Security-Medicare	1,216	1,286	1,314	1,111	1,111
571.10-08	State Unemployment	449	497	16,066	0	0
571.10-12	Workers Compensation	74	132	416	516	501
571.10-18	Management Physicals	0	0	140	0	0
571.10-20	Earned Benefit	1,107	0	0	0	0
571.10-27	PTS Plan FICA Alternative	339	364	418	242	242
571.10-33	Core Allowance	16,561	15,567	16,209	17,771	17,771
571.10-35	Post Employment Benefits	0	2,371	0	0	0
Personnel Services		116,113	124,363	141,194	114,399	114,384
572.12-00	Telephone	1,017	769	950	400	400
572.13-00	Postage	367	869	950	1,950	1,950
572.14-00	Advertising	5,459	9,349	4,325	0	0
572.15-00	Office Supplies	2,226	1,308	950	450	450
572.17-00	Professional Services	7,425	4,775	3,000	2,000	2,000
572.18-00	Travel and Meetings	2,807	3,209	1,000	1,000	1,000
572.20-00	Training Expense	749	273	1,000	1,000	1,000
572.21-00	Rents/Leases	0	0	500	500	500
572.24-00	Memberships, Subscription	4,939	7,066	5,710	5,710	5,710
572.29-00	Other Materials Supplies	17,940	17,831	14,000	14,000	14,000
572.30-01	Dept Share of Insurance	0	3,366	2,446	3,277	3,277
572.38-00	Support Services	0	5,184	4,636	4,281	4,281
572.45-00	Facilities Maint Charge	0	8,560	8,553	9,306	9,306
Supplies and Services		42,929	62,559	48,020	43,874	43,874
**	Merced Visitor's Services	159,042	186,922	189,214	158,273	158,258

MERCED THEATRE RESTORATION
FUND NO. 462
ACCOUNT NO. 2007

PROGRAM

Accounts for the restoration of the historic Merced Theatre, currently owned by the City of Merced and operated by Merced Theatre Landlord, L.L.C.

MISSION

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

SERVICES TO BE PROVIDED

- ◇ Provide a financing source for the historic restoration of the building.
- ◇ Assist in securing appropriate tenants for the main level of the facility while preserving its historic character.

OBJECTIVES

**PERFORMANCE
MEASUREMENTS/INDICATORS**

- | | |
|---|---|
| 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. Complete restoration of the Merced Theatre building. | Complete physical improvements to restore the building to its original grandeur. Open the restored Merced Theatre to the public within the fiscal year. |
| 3. Attract tenants for the commercial spaces. | Assist the Merced Theatre Foundation in attracting high quality retail vendors for the Merced Theatre retail spaces. |

SERVICES THAT DO NOT FIT INTO THE BUDGET

Utilities, maintenance and property management costs previously provided by the City will now be supplied by Merced Theatre Landlord, L.L.C..

2011-2012 BUDGET HIGHLIGHTS

This budget has been reduced due to leasing operations of the building being transferred to Merced Theatre Landlord, L.L.C.. Capital project funds from State and Federal grants will be used in the fiscal year.

BUDGET DETAIL EXPENSES

462-2007	Merced Theatre Restoraton					
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL 2008-09	ACTUAL 2009-10	FINAL BUDGET 2010-11	CITY MGR. RECOM. 2011-12	COUNCIL APPROVAL 2011-12
572.11-00	Utilities	1,892	5,136	11,000	0	0
572.17-00	Professional Services	12,594	10,908	13,000	0	0
572.25-00	Maintenance Matls & Svcs	543	706	3,000	0	0
	Supplies and Services	15,029	16,750	27,000	0	0
575.92-96	Interdept DSC-RDA Housing	12,201	12,201	12,201	0	0
575.92-98	Interdept DSC-RDA2General	18,750	11,500	11,500	0	0
	Interdepartmental	30,951	23,701	23,701	0	0
677.65-00	Capital Imp. Projects	335,519	179,569	2,450,773	0	0
	Capital Outlay	335,519	179,569	2,450,773	0	0
706.71-02	Principal-City Loans	0	0	0	2,357,500	2,357,500
	Debt Services	0	0	0	2,357,500	2,357,500
918.93-20	Trsf-Downtown Maint (120)	0	1,325	1,325	0	0
	Other	0	1,325	1,325	0	0
**	Merced Theatre Restoraton	381,499	221,345	2,502,799	2,357,500	2,357,500

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.

SERVICES TO BE PROVIDED

- Market Airport Industrial Park Property to site consultants and industrial users.
- Adjust price of Airport Industrial Park Property to reflect the current market.
- Accommodate expansions within the Airport Industrial.

SERVICES THAT DO NOT FIT INTO THE BUDGET

- Capital improvements including upgrades such as fiber optics.
- Increase the supply of industrial land through annexation.

2011-2012 BUDGET HIGHLIGHTS

The proposed budget for fiscal year 2011-12 is substantially similar to that of the previous year.

BUDGET DETAIL EXPENSES

448-2003 Airport Industrial Park						
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL 2008-09	ACTUAL 2009-10	FINAL BUDGET 2010-11	CITY MGR. RECOM. 2011-12	COUNCIL APPROVAL 2011-12
575.92-17	Interdept DSC-Develop Svc	33,108	30,672	45,655	3,175	3,175
	Interdepartmental	33,108	30,672	45,655	3,175	3,175
647.65-00	Capital Imp. Projects	93,354	142,909	124,242	8,067	8,067
	Capital Outlay	93,354	142,909	124,242	8,067	8,067
938.93-61	Trsf-Airport Debt Sr(361)	53,944	0	0	0	0
	Other	53,944	0	0	0	0
948.93-61	Trsf-Airport Capital(461)	1,193,659	43,330	21,523	45,494	45,494
	Other	1,193,659	43,330	21,523	45,494	45,494
958.93-61	Trsf-Airport Fund (561)	53,299	8,500	0	0	0
	Other	53,299	8,500	0	0	0
**	Airport Industrial Park	1,427,364	225,411	191,420	56,736	56,736

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.

SERVICES TO BE PROVIDED

OBJECTIVES

1. Respond to requests for parking modifications.
2. Monitor supply of parking to comply with Mainplace Merced DDA.
3. Improve awareness and visibility of Downtown parking lots by replacing Public Parking Lot signage.

PERFORMANCE

MEASUREMENTS/INDICATORS

- Initial response within 48 hours of receipt of request.
- Review compliance document bi-annually and update.
- Complete a Parking Lot Signage program by Summer 2012.

SERVICES THAT DO NOT FIT INTO THE BUDGET

None

2011-2012 BUDGET HIGHLIGHTS

This budget is substantially similar to previous years.

BUDGET DETAIL EXPENSES

005-2001	Downtown Parking					
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL 2008-09	ACTUAL 2009-10	FINAL BUDGET 2010-11	CITY MGR. RECOM. 2011-12	COUNCIL APPROVAL 2011-12
512.21-00	Rents/Leases	0	9,900	4,950	4,950	4,950
512.29-00	Other Materials Supplies	4,754	3,293	104,926	269,987	269,987
512.38-00	Support Services	288	1,944	1,798	3,887	3,887
	Supplies and Services	5,042	15,137	111,674	278,824	278,824
514.91-01	Adm Exp-City Manager	137	340	342	496	496
514.91-02	Adm Exp-City Attorney	56	57	31	1	1
514.91-09	Adm Exp-Finance	318	868	1,026	1,860	1,860
514.91-10	Adm Exp-Purchasing	50	134	151	214	214
514.91-16	Adm Exp-City Council	44	150	170	241	241
	Administrative	605	1,549	1,720	2,812	2,812
677.65-00	Capital Imp. Projects	9,189	0	127,000	25,458	25,458
	Capital Outlay	9,189	0	127,000	25,458	25,458
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
**	Downtown Parking	29,236	31,086	254,794	321,494	321,494

FUND NO. 005
ACCOUNT NO. 2001

DOWNTOWN PARKING FUND

29-00 Appropriation for anticipated expenses such as surface maintenance, re-stripping, 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.

SERVICES TO BE PROVIDED

OBJECTIVES

**PERFORMANCE
MEASUREMENTS/INDICATORS**

- | | |
|---|--|
| 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. |

SERVICES THAT DO NOT FIT INTO THE BUDGET

None

2011-2012 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 2008-09	ACTUAL 2009-10	FINAL BUDGET 2010-11	CITY MGR. RECOM. 2011-12	COUNCIL APPROVAL 2011-12
572.11-00	Utilities	28,273	27,008	26,800	40,000	40,000
572.17-00	Professional Services	15,549	12,775	16,000	16,000	16,000
572.29-00	Other Materials Supplies	7	12,925	73,125	79,914	79,914
572.30-01	Dept Share of Insurance	1,217	1,103	864	4,670	4,670
572.38-00	Support Services	698	1,383	1,090	2,083	2,083
	Supplies and Services	45,744	55,194	117,879	142,667	142,667
573.43-00	Machinery/Equipment	0	0	7,000	7,000	7,000
	Property	0	0	7,000	7,000	7,000
574.91-01	Adm Exp-City Manager	398	191	151	219	219
574.91-02	Adm Exp-City Attorney	164	32	14	1	1
574.91-09	Adm Exp-Finance	926	489	454	820	820
574.91-10	Adm Exp-Purchasing	146	76	67	95	95
574.91-16	Adm Exp-City Council	128	85	75	106	106
	Other	1,762	873	761	1,241	1,241
**	Bell Station Facility	47,506	56,067	125,640	150,908	150,908