

ECONOMIC VITALITY DIVISION MISSION

The mission of the **Community Investment Section** is to retain and strengthen existing local businesses while helping to grow and attract innovative companies for sustainable economic health.

The **Airport Section** mission dedicates its efforts to provide quality service for the ever-growing transportation needs of our community.

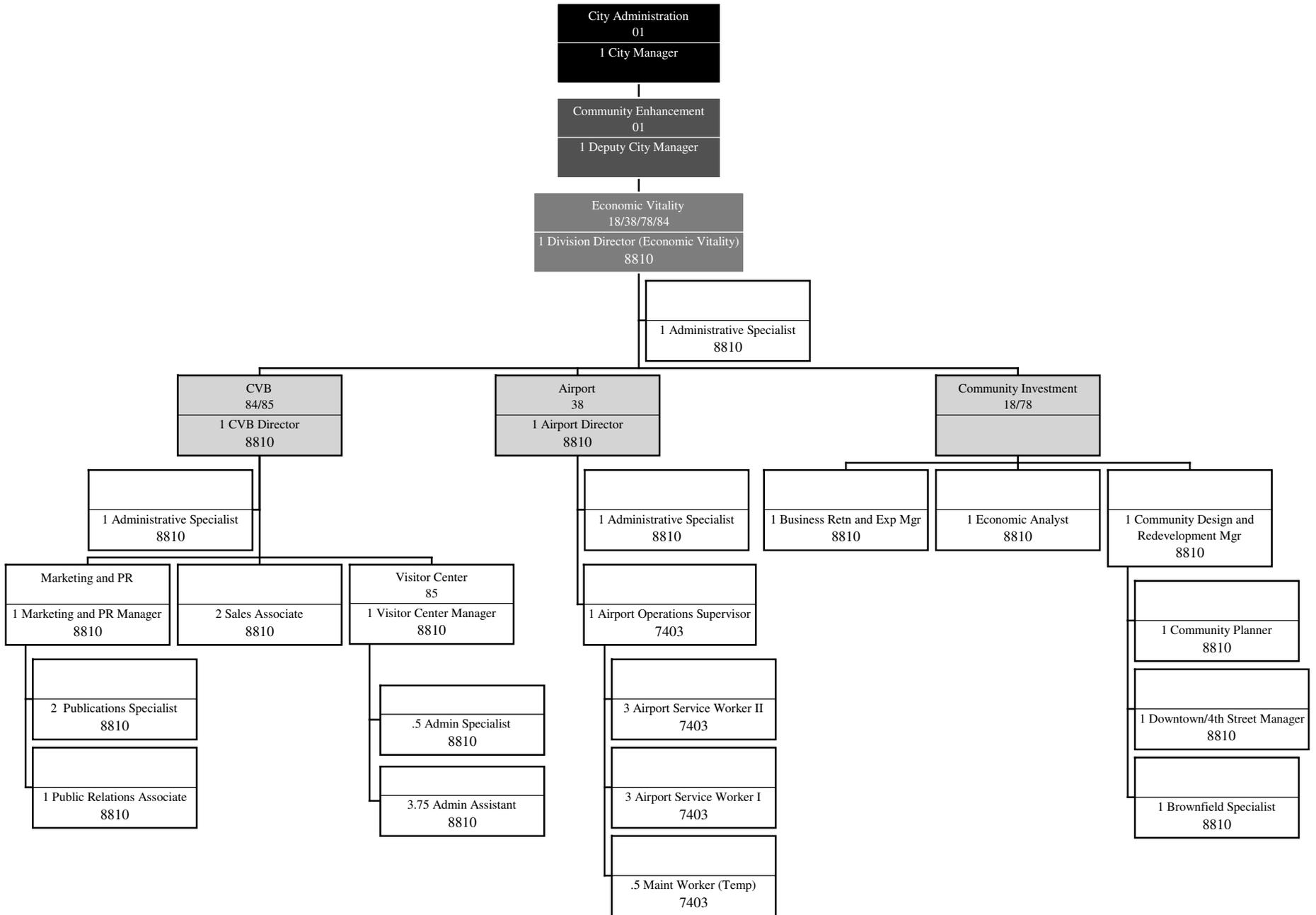
The mission of **The Arts and Science Section** is to deploy Bed, Board, and Beverage tax monies efficiently and effectively to create, enhance, and preserve the cultural heritage of Flagstaff.

The mission of **Beautification General Administration** is to deploy Bed, Board, and Beverage tax monies efficiently and effectively to create, enhance, and preserve the sense of place, both the built and natural environment, of Flagstaff.

The mission of the **Convention and Visitors Bureau** is to develop, promote, and maintain Flagstaff as a year-round visitor destination with professional visitor services that will benefit the community economically, environmentally, and socially.

The mission of **Visitor Services** is to introduce and educate visitors about the vast tourism opportunities within Flagstaff and the surrounding areas, and to increase the frequency of visits and length of stay to Flagstaff.

ECONOMIC VITALITY



ECONOMIC DEVELOPMENT

Includes 1801 (Community Investment General Administration), 78 (Business Retention and Expansion and Business Attraction)

MISSION

Retain and strengthen existing local businesses while helping to grow and attract innovative companies for sustainable economic health.

PROGRAM DESCRIPTION

Promote sustainable retail, commercial, and industrial development that enhances high wage/low impact employment and increases revenues by providing support, analysis and programs for businesses; developing and cultivating infrastructure that preserves quality of life and allows access to intellectual resources; and, developing connections between businesses, people, and the organizations that can help take them to the next level.

FY 10 ACCOMPLISHMENTS

- ✓ Assisted Southwest Windpower in the retention of their base operations in Flagstaff; and, provided workforce training opportunities.
- ✓ Worked with Prent Corporation to retain their facility in Flagstaff preserving more than 100 jobs.
- ✓ Nestle-Purina entered GPLET Agreement in 2003 with total FTE's at 176 and an average wage of \$48,323. As of CY09, they now employ 225 FTE's at an average wage of \$63,253.
- ✓ Completed GPLET agreement with the Orpheum Theater enhancing the vibrancy of the downtown retail/entertainment core.
- ✓ Added new Volkswagen dealership to the Flagstaff Auto Park.
- ✓ Hired commercial real estate marketing organization to actively market and recruit new dealers for the Flagstaff Auto Park.
- ✓ Revised the University to Business Connection program with NAU's College of Engineering and W.A. Franke College of Business to align the program with the University's academic year and take advantage of the Capstone project process.

- ✓ Established new client for University to Business program.
- ✓ Commenced construction of the Lumberyard Taproom and Grille at the former Copeland Lumber building resulting in a \$2.6 million investment and 36 new FTE jobs.
- ✓ Identified and commenced interviews with over 90 business for the B3 (Building Bridges to Business) Program.
- ✓ Provided support and over 10 referrals to the Northern Arizona Center for Emerging Technologies (NACET).
- ✓ Facilitated USGS expansion on McMillan Mesa.
- ✓ Facilitated assignment of the lease with the developer for approximately 200,000 square feet of commercial space for the Science and Technology Park on McMillan Mesa.
- ✓ Conducted "Listening Tour" with key economic development stakeholders to gain a greater understanding of the needs, abilities and resources to revitalize the City's economic development program.
- ✓ Revised Economic Development collateral materials and included the "Live, Work, Play" brand in new brochures and rack cards.
- ✓ Completed rework of the CityofInnovation.com website, highlighting the community's advances in the sciences, renewable energy, and medical device manufacturing.
- ✓ Expanded FlagstaffProspector.com by adding the participation of 20 commercial brokers and/or property owners, as well as Google Streets and enhanced demographic information.
- ✓ Completed Retail Analysis and presented results to community stakeholders and targeted companies at the International Council of Shopping Centers trade shows in Las Vegas and San Diego.
- ✓ Promoted Flagstaff at the Medical Device & Manufacturing trade show and Solar International trade show, as part of a coordinated statewide effort.
- ✓ Developed partnership with Greater Phoenix Economic Council (GPEC), Tucson Regional Economic Organization (TREGO) and Greater Yuma Economic Corporation (GYEC) for targeted business attraction program.

- ✓ Conducted a wage study comparing Flagstaff to 12 other communities in the Southwest region and presented results to stakeholders.
- ✓ Worked with Sustainable Economic Development Initiative (SEDI) to measure economic sustainability and assisted in the development of a business plan for the proposed Workforce Training Center.

FY 11 NEW INITIATIVES AND GOALS

- Broaden business retention and expansion efforts by conducting interviews with over 50 businesses and documenting critical performance standards by utilizing B3 as a data management tool to gauge economic activity and foster relationships between the City and local industry.
 - Attend Medical Device & Manufacturing and Solar International trade shows to attract businesses that complement existing companies in an effort to build a transferrable workforce.
 - Establish an additional company for the University to Business program.
 - Build upon our community partnerships to identify and target needed workforce development programs.
 - Develop additional employee recruiting materials that feature Flagstaff as an ideal place to live, work and play.
 - Expand the "Business Toolbox" on the City of Innovation website to provide all necessary information and links to starting, relocating, or expanding a business in Flagstaff.
 - Develop a database and collaborative marketing materials that identifies federal, state and local incentive programs available to businesses.
 - Utilize enhanced demographic data to target compatible retail opportunities for various developments including Mall and Marketplace, Aspen Place and Mountain View Village.
 - Lead the development process for the USGS expansion at McMillan Mesa.
 - Work with NACET on facility expansion with the goal of making leasable space sustainable.
 - Increase interest and awareness of the Airport Business Park and secure at least one ground lease.
 - Market Auto Park to secure dealers and provide signage enhancements to improve dealer exposure.
 - Continue our relationship with the statewide alliance (GPEC, TREO, GYEC) for targeted business attraction and meeting with a minimum of 10 companies interested in relocating to Northern Arizona.
 - Implement Economic Development Coordinating Council as a result of the "Listening Tour" to further enhance the economic development community wide effort.
 - Develop a baseline of primary sector economic activity in the greater Flagstaff region whereby overall industrial expansion or contraction can be measured.
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ECONOMIC VITALITY	SECTION 18/78	COMMUNITY INVESTMENT
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PERFORMANCE MEASURES

Council Priority: Community Sustainability

Goal: Create an environment that retains and expands local businesses in Flagstaff.

Objective: Monitor health of businesses in the community and provide tools and programs for existing businesses to improve their performance.

Type of Measure: Program outcome

Tools: Trend analysis through B3, City and State incentive programs, staff advocacy, workforce development tools, and other business performance programs.

Frequency: Regular contact via phone, email, and in-person business visits, CityofInnovation.com updates, Quarterly e-newsletter.

Scoring: Retaining 95% of Flagstaff’s major employers (75 or more employees).

Trend: ←→

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Actual	FY 11 Proposed
Local businesses retained and/or expanded	N/A	N/A	100%	95%

Council Priority: Fiscal Health and Community Sustainability

Goal: Create an environment that is attractive to high wage/low impact companies.

Objective: Market aggressively to targeted sectors and utilize incentive policies.

Type of Measure: Policy/Program outcome

Tools: Statewide Alliance, Arizona Department of Commerce, CityofInnovation.com, FlagstaffProspector.com, trade shows, advertising and other marketing pieces, and generating appropriate leads through existing companies.

Frequency: Regular meetings with existing companies, planned trade shows, ongoing web site updates and quarterly e-newsletter.

Scoring: Respond to 100% of appropriate leads through/from Arizona Department of Commerce, site locators, and existing companies.

Trend: ←→

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Actual	FY 11 Proposed
Respond to appropriate new business leads	N/A	N/A	100%	100%
Percentage of total commercial listings on Prospector site	N/A	N/A	75%	85%

Council Priority: Fiscal Health and Community Sustainability

Goal: Sustain existing development projects

Objective: Facilitate and support existing developments, developers, leasing agents, and funders by providing assistance in locating appropriate tenants and helping to navigate the DRB process.

Type of Measure: Program Outcome

Tool: FlagstaffProspector.com, Development Review Process, LDC, Regional Plan, Incentive Policies, Retail Analysis and other data research

Frequency: Quarterly e-newsletter to site location firms, regular business meetings, annual ICSC attendance.

Scoring: Based on Economic Development staff contacts from committed projects/tenants, 80% of viable developments and signed leases transitioned to DRB process.

Trend: ↓

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Actual	FY 11 Proposed
Transition viable projects to DRB process	N/A	N/A	80%	80%
Number of current listings on Prospector site	N/A	N/A	75%	85%

COMMUNITY DESIGN & REDEVELOPMENT

Includes 1807 (Community Design), 1815 (Brownfield Land Recycling Program), 71 (Arts and Science), and 73 (Beautification General Administration)

MISSION

The Community Design and Redevelopment Program creates, enhances, and preserves the sense of place, the built and natural environment, and the cultural heritage of Flagstaff by implementing the community's vision for character and design, the environment, resources, and economic sustainability.

PROGRAM DESCRIPTION

The Community Design and Redevelopment Program is accomplished through a series of programs described as follows:

Arts and Sciences – This program involves the preservation and enhancement of the aesthetic, scientific, and cultural environment of Flagstaff. Program staff works with the Beautification and Public Art Commission for public art and with Flagstaff Cultural Partners for support of local arts, science, and cultural activities and projects.

Community Design – This program generates and executes beautification projects, as well as provides demonstrative design work for economic development, the Design Review Board, heritage preservation, capital improvements, and other internal and external customers. Program staff works with the Beautification and Public Art Commission for beautification projects.

Design Review – Program staff serves as a member of the Design Review Board, providing design review, comments, and conditions to assure that public and private development is consistent with the community's vision and meets design and aesthetic standards.

Heritage Preservation – Sustaining heritage and cultural resources, through preservation and re-use, is the focus of this program. Work includes inventories, landmark and historic district formation and maintenance, design review, and impact analysis. Program staff works with the Historic Preservation Commission on heritage preservation efforts.

Redevelopment – This program facilitates infill, redevelopment, revitalization, and preservation within targeted areas through policy development, planning, infrastructure development, and other community investment projects. Program staff also assists property owners and developers with planning, design, and permit processing.

Brownfields – The Brownfield Land Recycling Program is dedicated to revitalization of abandoned, idle, or underused commercial and industrial properties with real or perceived environmental contamination. Program staff assists property owners and developers by providing technical assistance, grants, and resource information for site assessment, clean-up, and redevelopment.

FY 10 ACCOMPLISHMENTS

- ✓ Installed outdoor public art notably a new community mural on Summit Street and the PAWS (Mountain Lion) Project.
- ✓ Installed various forms of indoor public art in four municipal facilities.
- ✓ Installed water-wise and aesthetic median landscaping along U.S. 89.
- ✓ Landscaped parcel at Milton and Clay Avenues as a neighborhood beautification project.
- ✓ Worked with staff and Walmart on design of supercenter to meet design standards.
- ✓ Approved second floor addition, two-story outbuilding, and other projects in Townsite Historic District.
- ✓ Listed Southside Historic District on the National Register of Historic Places.
- ✓ Completed painting for preservation and aesthetic maintenance of "Two Spot" the train.
- ✓ Completed CBD Parking Study and 2009 Concept Downtown Management Plan.
- ✓ Completed conceptual plans for the redevelopment of Fourth Street public realm.
- ✓ Initiated process, including stakeholder outreach, for update of redevelopment and infill policies and plans.

- ✓ Completed grant funded Brownfield Assessment Program and received additional grant for second program area.
- ✓ Completed grant funded Brownfield Sensitivity Map within GIS for planning purposes. Completed grant funded redevelopment plan and clean-up of Phoenix Avenue Brownfield.

- Continue to provide design assistance and excellent customer service in design review.
- Integrate heritage preservation into the Land Development Code.
- Develop final Downtown Management Plan and form merchant district.
- Seek capital for Fourth Street improvements, with possible formation of a merchant district.
- Present for Council consideration, redevelopment and infill policy and plan options, including Brownfield opportunities.
- Integrate Brownfields knowledge into project review information through GIS database.
- Expand program opportunities by identifying and securing Brownfield clean-up funding sources.

FY 11 NEW INITIATIVES AND GOALS

- Install significant public art piece (i.e. King's House Mural).
- Install new streetscape on Beaver and San Francisco Streets (Southside).
- Install water-wise and aesthetic median landscaping along Beulah and Woodlands Village Blvd.

PERFORMANCE MEASURES

Council Priority: Family, Youth, and Community, Community Sustainability, and Fiscal Health

Goal: Improve citizens' quality of life, protect our natural and built environment, and utilize our resources efficiently by stimulating redevelopment and infill.

Objective: Facilitate the stakeholder development of sustainable strategies for resource and operational management for Downtown and East Flagstaff.

Type of Measure: Outcome

Tool: Survey seeking stakeholder satisfaction with process, timeliness, and output.

Frequency: Quarterly

Scoring: Percent satisfaction.

Trend: ← →

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Stakeholder satisfaction with facilitation and strategy development.	N/A	N/A	80%	80%

ECONOMIC VITALITY	SECTION 18/71/73	COMMUNITY INVESTMENT
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Council Priority: Public Safety, Family, Youth, and Community, Community Sustainability

Goal: Remove existing environmental hazards, improve citizens' quality of life, and protect our natural and built environment, by assisting in the clean-up of contaminated properties.

Objective: Continue to provide community education, funding, and technical assistance for the identification, assessment, and clean-up of Brownfields.

Type of Measure: Output

Tool: Monitoring outcome.

Frequency: Annual

Scoring: Count

Trend: ← →

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Number of customer properties with clean-up completed or determined to not be required.	N/A	N/A	5	5

Council Priority: Family, Youth, and Community

Goal: Improve citizens' quality of life through the preservation and enhancement of the aesthetic, scientific, and cultural environment of Flagstaff.

Objective: Tangible, accessible preservation or enhancement programs or works in beautification, art, sciences, or cultural arts.

Type of Measure: Output

Tool: Monitoring outcome.

Frequency: Quarterly

Scoring: Count.

Trend: ← →

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Number of programs or works	N/A	32	32	32

ECONOMIC VITALITY

SECTION 18

COMMUNITY INVESTMENT

SECTION: 18-COMMUNITY INVESTMENT					
EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2008-2009	Adopted Budget 2009-2010	Estimated Expenditures 2009-2010	Proposed Budget 2010-2011	Budget-Budget Variance
PERSONAL SERVICES	\$ 776,820	\$ 411,082	\$ 251,919	\$ 283,593	\$ (127,489)
CONTRACTUAL	35,576	53,514	156,267	306,714	253,200
COMMODITIES	13,445	12,963	9,512	15,788	2,825
TOTAL	\$ 825,841	\$ 477,559	\$ 417,698	\$ 606,095	\$ 128,536
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 320,236	\$ 314,620	\$ 159,920	\$ 188,857	\$ (125,763)
COMMUNITY DESIGN	192,276	68,505	65,805	66,555	(1,950)
REINVEST AND ECONOMIC DEV	41,706	4,330	2,451	-	(4,330)
HOUSING	178,960	-	-	-	-
COMMISSIONS	-	400	-	-	(400)
LAND TRUST PROGRAM	92,663	-	-	-	-
BROWNFIELDS	-	89,704	78,905	89,992	288
BROWNFIELDS	-	-	102,117	-	-
RT 66 CREOSOTE PIT SITE	-	-	8,500	118,400	118,400
GREATER SUNNYSIDE REDEV	-	-	-	142,291	142,291
TOTAL	\$ 825,841	\$ 477,559	\$ 417,698	\$ 606,095	\$ 128,536
SOURCE OF FUNDING:					
GENERAL FUND				\$ 295,749	
LIBRARY FUND				37,938	
HIGHWAY USER REVENUE FUND				36,623	
TRANSPORTATION FUND				38,240	
WATER AND WASTEWATER FUND				105,675	
STORMWATER FUND				5,436	
AIRPORT FUND				10,849	
ENVIRONMENTAL SERVICES FUND				75,585	
				\$ 606,095	
COMMENTARY:					
<p>The Community Investment operating budget has increased 27% as a result of two grants being approved. There are no capital expenditures. Personal Services decreases are from eliminating the Community Investment Director (1.0 FTE). Contractual & Commodities increases are due to the grant funded projects. There are no major capital (>\$10,000) expenditures or one time expenditures planned for this section.</p>					

SECTION: 78-ECONOMIC DEVELOPMENT GENERAL ADMINISTRATION					
EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2008-2009	Adopted Budget 2009-2010	Estimated Expenditures 2009-2010	Proposed Budget 2010-2011	Budget-Budget Variance
PERSONAL SERVICES	\$ 110,119	\$ 198,148	\$ 162,323	\$ 185,289	\$ (12,859)
CONTRACTUAL	509,895	751,331	587,204	769,290	17,959
COMMODITIES	9,659	38,390	16,602	15,055	(23,335)
TOTAL	\$ 629,673	\$ 987,869	\$ 766,129	\$ 969,634	\$ (18,235)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 110,416	\$ 62,622	\$ 78,871	\$ 59,742	\$ (2,880)
INCUBATOR PROGRAM	286,981	311,800	309,938	313,201	1,401
MARKETING	60,563	-	1	-	-
CONTRIBUTIONS	106,275	74,400	74,400	114,400	40,000
PARTNERSHIP TRAINING	62,213	-	300	-	-
BUS RETENTION & EXPANSION	-	161,942	108,217	122,492	(39,450)
BUSINESS ATTRACTION	-	113,865	84,865	105,621	(8,244)
REDI GRANT	3,225	-	-	-	-
DEBT SERVICE	-	263,240	109,537	254,178	(9,062)
TOTAL	\$ 629,673	\$ 987,869	\$ 766,129	\$ 969,634	\$ (18,235)
SOURCE OF FUNDING:					
ECONOMIC DEVELOPMENT FUND				\$ 969,634	
				\$ 969,634	
COMMENTARY:					
The Economic Development overall budget has decreased 2% and there are no capital expenditures budgeted. Reductions in budgeted expenditures include the areas memberships, travel, lodging & meals, work order charges, and promotional materials. The Contributions Program was increased for the Coordinating Council. Personnel Services reductions were due to the reclassification of the Business Retention & Expansion Manager position.					

MISSION

The Airport Section is dedicated to providing quality air service to meet the ever-growing transportation needs of northern Arizona.

PROGRAM DESCRIPTION

The Airport Section operates and maintains Flagstaff Pulliam Airport. The Airport is certificated as a non-hub air carrier and general aviation airport by the Federal Aviation Administration (FAA). Responsibilities of the section include administration, safety, operation, and maintenance of all buildings, pavements and airfield lighting with federal mandates to provide aircraft rescue/ firefighting, medical first response and area security. Certain segments of passenger and terminal security are also Airport responsibilities as outlined in Department of Homeland Security (DHS) and Transportation Security Administration (TSA) directives. Other services are provided through lease agreements with the direct service providers (i.e., airlines, car rental agencies, fixed base operator and other concessionaires). The Airport Section is also partnering with the Economic Development staff to expand development of the Airport Business Park.

FY 10 ACCOMPLISHMENTS

- ✓ Gained FAA approval and worked with Mesa Air as they introduced regional jet service to Flagstaff
- ✓ Successfully worked with FAA airspace planners to publish four additional instrument approaches to FLG's two runways
- ✓ Helped Community Investment reach agreement with FedEx to construct and occupy their large airpark ground sorting facility

- ✓ Enjoyed another discrepancy-free annual FAA Certification and Safety Inspection
- ✓ Recognized as Arizona's 2009 Airport of the Year by the state's Aeronautics Division
- ✓ Selected for the FAA Western-Pacific Region 2009 Safety Award in competition with airports from Arizona, Nevada, California and Hawaii
- ✓ Set new airport records for total commercial enplanements (68,296 passengers) and flight cancellation reductions; a remarkably low 2.4%
- ✓ Successfully negotiated with Horizon Air to extend their commercial contract with FLG for an additional two years
- ✓ Hosted a hugely successful 2009 Armed Forces Day Open House

FY 11 NEW INITIATIVES AND GOALS

- Continue to meet passenger air travel needs for both reliability and choice using at least two different air carriers
- Seek opportunities to expand Flagstaff's air service direct destination choices, especially to the north and/or east
- Seek additional Business Park revenue and employment opportunities through new business lease agreements
- Streamline airport operations and maintenance costs to preserve budget dollars
- Continue to enhance airport snow removal capability to minimize both the number and length of runway closures during snow events
- Maintain full occupancy of airport general aviation hangar and shade storage facilities to maximize aircraft storage revenues
- Plan and host a third annual no-fee airport open house to increase community awareness of their airport's capabilities, functions and equipment

PERFORMANCE MEASURES

Council Priority: Facilities and Basic Services

Goal: Ensure all of the airport’s operational and facility tasks function in concert to promote and support reliable commercial air travel.

Objective: Reduce commercial flight cancellations through effective runway and taxiway maintenance, timely snow removal operations and regular maintenance of airfield navigation aids.

Type of Measure: Program Outcome

Tool: Air carrier flight activity and landing reports, daily operations inspection logs, published Notices to Airmen and passenger feedback.

Frequency: Monthly

Scoring: 5% or less cancelled – Progressing, average. 5+ to 7% cancelled – Caution, warning. More than 7% cancelled, Need to review, discuss.

Trend: ↓

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Percentage of scheduled commercial flights cancelled	5.1%	2.4%	2.5%	3.0%

Council Priority: Community Sustainability

Goal: Provide a safe and secure environment where air passengers have multiple travel destination choices at affordable prices.

Objective: Grow commercial air travel to and from Flagstaff in the form of increased enplanements.

Type of Measure: Program Effectiveness

Tool: Air carrier flight activity and landing reports, passenger comment cards, CVB, Visitor Center and Chamber of Commerce feedback.

Frequency: Measured monthly; reported annually.

Scoring: 3% growth or more – Progressing, average. Less than 3% to zero growth – Caution, warning. Any annual decline – Need to review, discuss.

Trend: ↑

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Percentage change in annual passenger enplanements	-1.2%	+48.4%	+3.3%	+3.0%

Council Priority: Public Safety

Goal: Meet or exceed FAA requirements for Aircraft Rescue Firefighting and on-airport medical responses.

Objective: Consistently arrive at the scene within three minutes of alert notification

Type of Measure: Program Effectiveness

Tool: Air Traffic Control tower logs, Airport incident report forms, daily operations inspection checklists/logs.

Frequency: Measured monthly; reported annually

Scoring: 100% of responses within 3 minutes – Progressing, average. 99.9% to 97% response success – Caution, warning. Less than 97% of responses within 3 minutes – Need to review, discuss.

Trend: ↔

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Percentage of emergency call responses within 3 minutes	100%	100%	100%	100%

ECONOMIC VITALITY

SECTION 38

AIRPORT

SECTION:		38-AIRPORT			
EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2008-2009	Adopted Budget 2009-2010	Estimated Expenditures 2009-2010	Proposed Budget 2010-2011	Budget-Budget Variance
PERSONAL SERVICES	\$ 629,386	\$ 639,390	\$ 644,756	\$ 654,989	\$ 15,599
CONTRACTUAL	366,916	334,193	335,054	333,195	(998)
COMMODITIES	142,753	163,067	160,268	149,740	(13,327)
CAPITAL	539,820	12,500	-	12,500	-
TOTAL	\$ 1,678,875	\$ 1,149,150	\$ 1,140,078	\$ 1,150,424	\$ 1,274
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 395,684	\$ 415,538	\$ 409,657	\$ 429,289	\$ 13,751
SAFETY AND SECURITY	116,833	124,707	125,539	123,441	(1,266)
SNOW CONTROL	451,837	107,540	95,818	107,696	156
MAINT BLDGS AND GROUNDS	461,191	403,627	411,410	392,096	(11,531)
MAINT RUNWAY & TAXIWAY	242,837	97,438	97,354	97,602	164
AIRPORT COMMISSION	156	300	300	300	-
LAW ENFORCEMENT OFFICER	9,086	-	-	-	-
UNISOURCE GRANT	1,250	-	-	-	-
TOTAL	\$ 1,678,875	\$ 1,149,150	\$ 1,140,078	\$ 1,150,424	\$ 1,274
SOURCE OF FUNDING:					
	AIRPORT FUND			\$ 1,150,424	
				\$ 1,150,424	
COMMENTARY:					
The Airport budget has remained level from FY-2010 and capital expenditures total \$12,500. Personal Services increases are due to a retirement payout in the 1st quarter of FY2011. There are no staff reductions. Budget reductions were achieved in the Contractual and Commodities areas by reducing vehicle costs, supplies, maintenance, and workorder charges.					

MISSION

The Arts and Science Fund deploys Bed, Board, and Beverage Tax monies efficiently and effectively to create, enhance, and preserve the cultural heritage of Flagstaff.

PROGRAM DESCRIPTION

The Arts and Science Fund utilizes dedicated Bed, Board, and Beverage Tax monies to support the operations of local arts, science, and cultural organizations, and their projects, as well as to install public art within the community. Grant funding of organizations and their projects is administered by Flagstaff Cultural Partners, and overseen by program staff. Public art includes an indoor art program that utilizes City owned facilities including City Hall, Thorpe Park Community and Senior Center, Pulliam Airport Terminal building, and the Aquaplex for display. Permanent outdoor art pieces are installed at various locations throughout the City.

For planning purposes, the administration and implementation of the programs and activities of this section are combined with Section 18 (Community Design) and Section 73 (Beautification General Administration), and are planned comprehensively. See Section 18, Community Investment, for greater detail.

FY 10 ACCOMPLISHMENTS

- ✓ See Section 18, Community Investment.
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FY 11 NEW INITIATIVES AND GOALS

- See Section 18, Community Investment.
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PERFORMANCE MEASURES

See Section 18, Community Investment.

SECTION: 71-ARTS AND SCIENCE					
EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2008-2009	Adopted Budget 2009-2010	Estimated Expenditures 2009-2010	Proposed Budget 2010-2011	Budget-Budget Variance
PERSONAL SERVICES	\$ 127	\$ -	\$ -	\$ -	\$ -
CONTRACTUAL	382,228	733,155	363,103	670,464	(62,691)
COMMODITIES	708	3,642	3,550	3,008	(634)
TOTAL	\$ 383,063	\$ 736,797	\$ 366,653	\$ 673,472	\$ (63,325)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 900	\$ 103,238	\$ 150	\$ 1,025	\$ (102,213)
CONTRACTUAL SERVICES	305,000	289,750	289,750	333,000	43,250
PUBLIC ARTWORK	3,663	273,984	6,928	269,622	(4,362)
FCP ADMINISTRATION	73,500	69,825	69,825	69,825	-
TOTAL	\$ 383,063	\$ 736,797	\$ 366,653	\$ 673,472	\$ (63,325)
SOURCE OF FUNDING:					
ARTS AND SCIENCE FUND				\$ 673,472	
				\$ 673,472	
COMMENTARY:					
The Arts and Science overall budget has been reduced by 9%. Reductions reflect reduced funding for Public Art and BPAC determined allocations. There were Contractual increases for Contributions to Other Agencies over FY-2010. There are no capital expenditures planned for FY-2011.					



MISSION

The Beautification General Administration program deploys Bed, Board, and Beverage Tax monies efficiently and effectively to create, enhance, and preserve the sense of place, both the built and natural environment, of Flagstaff.

For planning purposes, the administration and implementation of the programs and activities of this section are combined with Section 18 (Community Design) and Section 71 (Arts and Science Fund) and are planned comprehensively. See Section 18, Community Investment, for greater detail.

PROGRAM DESCRIPTION

The Beautification General Administration program oversees the expenditures of Bed, Board, and Beverage Tax monies that are dedicated to beautification. This includes Beautification and Public Art Commission staff support, beautification projects generated under the Community Design program, and other activities related to the development of the community.

FY 10 ACCOMPLISHMENTS

- ✓ See Section 18, Community Investment.

FY 11 NEW INITIATIVES AND GOALS

- See Section 18, Community Investment.

PERFORMANCE MEASURES

See Section 18, Community Investment.

SECTION: 73-BEAUTIFICATION GENERAL ADMINISTRATION					
EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2008-2009	Adopted Budget 2009-2010	Estimated Expenditures 2009-2010	Proposed Budget 2010-2011	Budget-Budget Variance
PERSONAL SERVICES	\$ 92,595	\$ 105,016	\$ 104,995	\$ 104,114	\$ (902)
CONTRACTUAL	7,058	3,150	12,200	46,905	43,755
COMMODITIES	2,635	1,900	1,564	1,175	(725)
TOTAL	\$ 102,288	\$ 110,066	\$ 118,759	\$ 152,194	\$ 42,128
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 102,021	\$ 109,366	\$ 108,509	\$ 107,194	\$ (2,172)
COMMISSION	267.00	700	250	-	(700)
WHEELER PARK LIGHTING	-	-	-	25,000	25,000
RIORDAN MANSION	-	-	10,000	20,000	20,000
TOTAL	\$ 102,288	\$ 110,066	\$ 118,759	\$ 152,194	\$ 42,128
SOURCE OF FUNDING:					
BEAUTIFICATION FUND				\$ 152,194	
				\$ 152,194	
COMMENTARY:					
The Beautification operating budget has increased 38% and there are no capital expenditures. Personal Services decrease is due to a decrease in workman's compensation rate. Contractual increases are due to the addition of Wheeler Park Lighting and Riordan Mansion Operating Assistance. Commodities decrease are due to reductions in copying, office supplies, and promotional materials. There is no major capital (>\$10,000) for this section.					

MISSION

The mission of the Convention and Visitors Bureau (CVB) is to develop, promote and maintain Flagstaff as a year round visitor destination with professional visitor services that will benefit the community economically, environmentally and socially.

PROGRAM DESCRIPTION

The CVB is charged with administering tourism programs for the City of Flagstaff and receives an allocation of 30% of the BBB tax collected. Programs include marketing to tour operators, travel agents, meeting planners, group coordinators and individual leisure travelers, as well as development of public outreach and educational programs, media relations and media coverage. The CVB is also responsible for the creation and maintenance of partnership opportunities both locally and regionally.

FY 10 ACCOMPLISHMENTS

- ✓ Developed Flagstaff Visitor Profile based on information gathered in the 2008-2009 Flagstaff Visitor Study.
- ✓ Conducted 2009-2010 Winter Visitor Study focusing on snow play market to supplement 2008-2009 downhill ski/snowboard Winter Visitor Study.
- ✓ Hosted CVB 20th Anniversary event in conjunction with first annual 'Treasure Tourism Awards' celebrating individuals and organizations in the Flagstaff tourism industry.
- ✓ Organized and promoted city-wide "3 for 2" campaign with emphasis on increasing multi-day winter visitation.
- ✓ Sales efforts in Japanese market resulted in four major tour operators adding multi-night Flagstaff itineraries to their product offerings.
- ✓ Secured Spotlight on the Southwest 2010 trade show, Governor's Rural Regional Economic Development 2010 Conference, and Foundation of Robotics Research 2011 meeting.
- ✓ Seventy percent (70%) of meeting leads were converted to booked business in Flagstaff.

- ✓ Jointly hosted Korean tour operator with San Juan County/Utah Visitor Services Department which created a new partnership to reach international markets interested in the southwest region
- ✓ Garnered significant media coverage including *Arizona Highways*, *National Geographic Adventure*, *Backpacker*, *CBS Early Show*, *Sunset Magazine* and *The Vancouver Province*.
- ✓ Utilized new technology for pitching media including: Pitchengine, Open Press, PR Log, and HARO (Help a Reporter Out) to reach increased number of media outlets.
- ✓ Developed several splash pages within the CVB website supporting specific promotions, including High Country Holidays, Fourth of July events, Arizona Cardinals Training Camp, Winter Recreation and "3 for 2" campaign.
- ✓ Increased Flagstaff's social media presence and interaction with fans/followers on Twitter, Facebook and You Tube.
- ✓ Streamlined process for collecting email addresses for consumer marketing purposes and launched quarterly e-newsletter.
- ✓ Condensed library of Flagstaff HD video footage into usable b-roll format for use by media outlets.

FY 11 NEW INITIATIVES

- Increase number and quality of tour/travel room nights produced through CVB generated leads and assists.
- Secure an increased number of association, corporate and religious market meetings, generating room nights in Flagstaff.
- Expand Flagstaff's message by seeking out and providing creative marketing opportunities that are available for stakeholder participation.
- Enhance the CVB website by implementing viable opportunities making the site more useful to consumers and converting them to visitors.
- Develop methods to effectively reach qualified "new media" (i.e. bloggers) in addition to current efforts with traditional media.
- Continue exploring and increasing awareness of sustainable tourism opportunities.

PERFORMANCE MEASURES

Council Priority: Community Sustainability and Fiscal Health

Goal: Provide the community with resources that meet or exceed expectations through increased BBB revenues.

Objective: Increase awareness of Flagstaff to maintain strong travel patterns and increase shoulder/off-season travel.

Type of Measure: Outcome

Tool: Room night bookings generated through leads, RevPAR (revenue per available room) and occupancy reports, restaurant/bar sales, attraction visitation, media coverage and AVE (advertising value equivalent), reach and frequency of marketing, website visits, fulfillment request/distribution and e-marketing/social media subscribers.

Frequency: Monthly

Scoring: BBB revenues at or above projection

Trend: ↑

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Bed Board and Booze (BBB) Tax revenues	\$5,111,566	\$5,027,519	\$4,932,148	\$5,100,000

SECTION: 84-CONVENTION AND VISITORS BUREAU					
EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2008-2009	Adopted Budget 2009-2010	Estimated Expenditures 2009-2010	Proposed Budget 2010-2011	Budget-Budget Variance
PERSONAL SERVICES	\$ 680,101	\$ 617,086	\$ 606,340	\$ 550,202	\$ (66,884)
CONTRACTUAL	888,037	524,772	510,699	571,229	46,457
COMMODITIES	149,152	116,676	106,018	101,828	(14,848)
TOTAL	\$ 1,717,290	\$ 1,258,534	\$ 1,223,057	\$ 1,223,259	\$ (35,275)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 746,533	\$ 656,902	\$ 641,022	\$ 579,543	\$ (77,359)
MARKETING AND PROMOTION	583,566	487,140	479,000	532,500	45,360
SALES	101,977	77,657	73,920	80,028	2,371
PUBLIC RELATIONS	43,294	31,495	25,365	30,438	(1,057)
FILM OFFICE	3,364	5,340	3,750	750	(4,590)
ECON STIMULUS ADVERTISING	238,556	-	-	-	-
TOTAL	\$ 1,717,290	\$ 1,258,534	\$ 1,223,057	\$ 1,223,259	\$ (35,275)
SOURCE OF FUNDING:					
TOURISM FUND				\$ 1,223,259	
				\$ 1,223,259	
COMMENTARY:					
The Convention and Visitors Bureau operating budget has decreased 3% overall and there are no capital expenditures budgeted. Reductions include the elimination of a Sales Manager (1.0 FTE). One-time budget increases in advertising, copy/printing, travel, lodging & meals, registration, and food were authorized.					

MISSION

The mission of the Visitor Center is to introduce and educate visitors about the vast tourism opportunities within Flagstaff and the surrounding areas, and to increase the frequency of visits to Flagstaff and length of stay.

PROGRAM DESCRIPTION

Located in the Historic Train Station, the Flagstaff Visitor Center is charged with providing local, state and regional information to visitors in order to enhance or extend their stay. The Visitor Center (VC) is funded through the Flagstaff Convention and Visitors Bureau (CVB) allocation of BBB tax collections. Programs include visitor services, train station operations, educational programs, and creation of local partnerships.

FY 10 ACCOMPLISHMENTS

- ✓ Increased number of Historic, Route 66 and Haunted tours offered, serving over 1,300 guests.
- ✓ Enhanced Historic Tours program by adding Route 66 tour during International Route 66 Days Festival.
- ✓ Continued facility upgrades including exterior paint and brick replacement/repair throughout the building.

- ✓ Completed downtown Route 66 FUTS trail segment along north side of Historic Train Station property which included re-alignment of parking, placement of new signage, addition of heating element along trail for improved snow removal, and updated landscaping with xeriscape features.
- ✓ Upgraded exterior lighting for the Visitor Center and train platform to maintain historic quality of building in compliance with Federal Railroad Administration and Flagstaff Dark Skies lighting standards.

FY 11 NEW INITIATIVES

- Increase walk-ins at the Visitor Center to meet or exceed 2006 levels (approx. 100,000).
- Participate in State of Arizona Centennial Celebrations, including creation of the 'Centennial Walk' along the north side of the building.
- Broaden awareness of Visitor Center services within the community and among state-wide partners.
- Increase recruitment efforts and use of volunteers at the Visitor Center in order to maintain or increase customer service levels.
- Improve visitor services through outreach efforts to ensure we are meeting customer expectations and fulfilling CVB and VC mission.
- Display historic Santa Fe Railroad baggage "float" which was donated by Amtrak.

PERFORMANCE MEASURES

Council Priority: Community Sustainability and Family, Youth & Community

Goal: Provide excellent customer service which meets and exceeds the City of Flagstaff's mission.

Objective: Enhance existing customer service programs to encourage visitors to stay longer and/or revisit Flagstaff.

Type of Measure: Program Effectiveness

Tool: Customer service surveys, fulfillments, walk-in visitation, tour program attendance

Frequency: Monthly

Scoring: Percentage of survey respondents with satisfaction rating of 4 or above on scale or 1 to 5 (5 being highest) and number of visitors that utilize the Visitor Center

Trend: ↑

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Visitor Center Customer Service Survey (# surveys/% satisfaction)	N/A	324/ 96%	500 / 96%	600 / 96%
Visitor Center Walk-ins	118,121	99,276	94,000	100,000

SECTION: 85-VISITOR SERVICES					
EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2008-2009	Adopted Budget 2009-2010	Estimated Expenditures 2009-2010	Proposed Budget 2010-2011	Budget-Budget Variance
PERSONAL SERVICES	\$ 271,695	\$ 251,285	\$ 241,298	\$ 224,124	\$ (27,161)
CONTRACTUAL	85,810	77,936	93,029	79,709	1,773
COMMODITIES	54,094	42,507	24,070	25,536	(16,971)
CAPITAL	22,000	-	-	-	-
TOTAL	\$ 433,599	\$ 371,728	\$ 358,397	\$ 329,369	\$ (42,359)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 297,098	\$ 272,260	\$ 261,613	\$ 244,144	\$ (28,116)
TRAIN STATION OPERATIONS	96,410	99,468	96,784	85,225	(14,243)
VISITOR CENTER PAVER	40,091	-	-	-	-
TOTAL	\$ 433,599	\$ 371,728	\$ 358,397	\$ 329,369	\$ (42,359)
SOURCE OF FUNDING:					
TOURISM FUND				\$ 329,369	
				\$ 329,369	
COMMENTARY:					
The Visitor Center's operating budget has decreased 11% and there are no major capital expenditures. Personal Services decreases are due to a staffing reduction for an Administrative Assistant (1.26 FTE), with an addition of a one time authorization for an Administrative Assistant (.76 FTE), for a net decrease of .5 FTE for 2011. The Contractual area had decreases in Custodial services to offset the increases in other Miscellaneous services (snow removal, landscaping, trash). Commodities decreases are primarily a result reduced work order charges.					