

ECONOMIC VITALITY DIVISION MISSION

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

The mission of the **Community Investment Section – Community Design and Redevelopment** is to create, enhance and preserve 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.

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

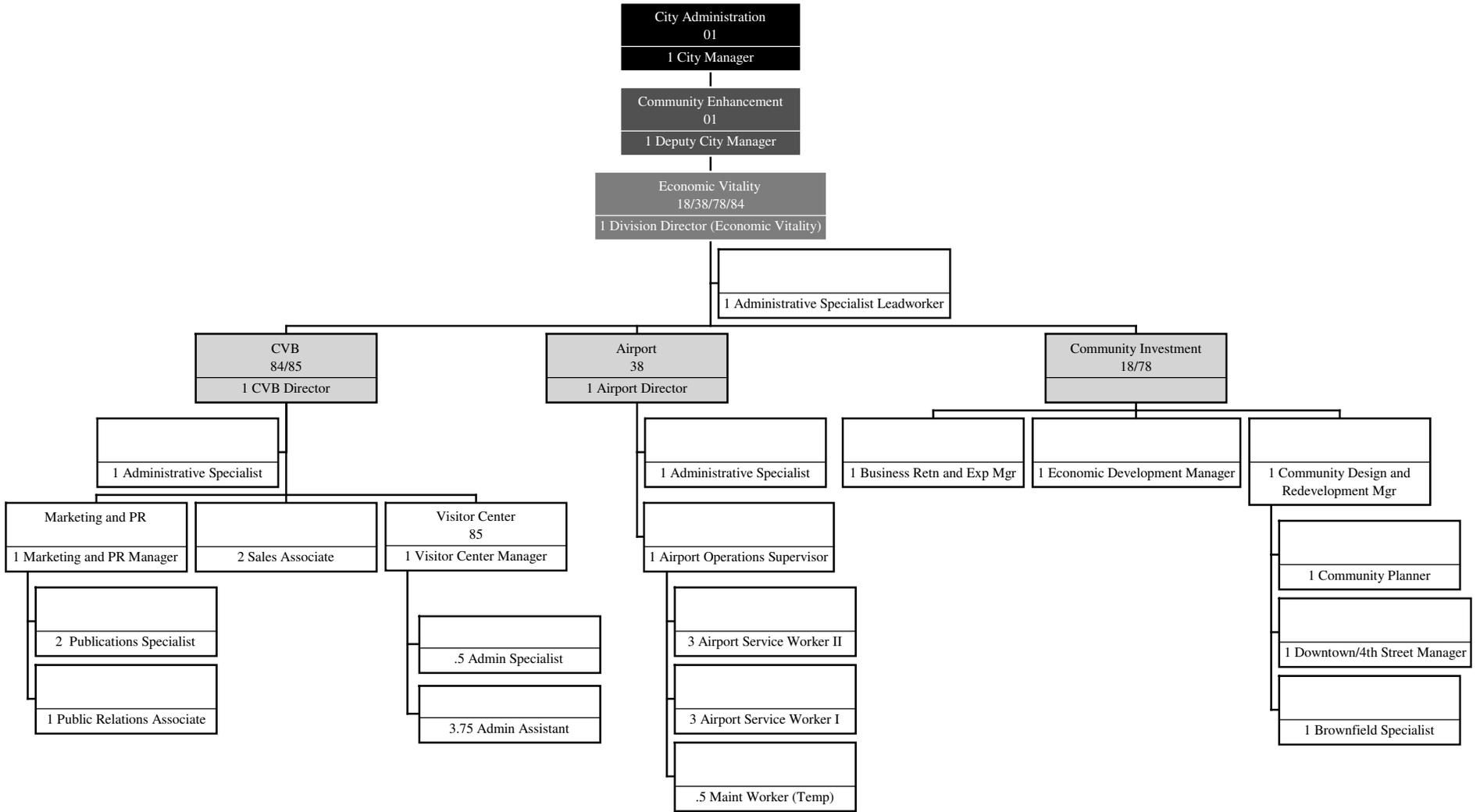
The mission of **The Arts and Science Section** is to deploy Bed, Board, and Beverage tax monies efficiently and effectively to create, enhance, and preserve the cultural heritage of Flagstaff.

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), and 78 (Business Attraction, Retention and Expansion)

MISSION

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

PROGRAM DESCRIPTION

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

FY 12 ACCOMPLISHMENTS

- ✓ Conducted over 11 business interviews and documented critical performance measures using the Building Bridges to Business (B3) process during first six months of fiscal year; and, anticipate meeting goal of 26 by fiscal year end.
- ✓ Completed expansion of T-Gen North through the 2011 ACA Rural Economic Development Grant Program.
- ✓ Completed Joy Cone rail expansion in conjunction with ECoNA as part of the 2011 ACA Rural Economic Development Grant Program.
- ✓ Coordinated multiple applications and agencies from the region for the 2012 ACA Rural Economic Development Grant Program; including one from the City of Flagstaff for a local bioscience manufacturing company which was awarded at the \$100,000 level.
- ✓ Provided retention efforts and expansion opportunities to two major employers in the sustainable energy sector that were subject to a highly competitive environment and targeted attraction efforts from other communities.
- ✓ Provided Buxton data and analysis to over 30 unique businesses, developers and community organizations.
- ✓ Transferred Revolving Loan Fund from NACOG to the City of Flagstaff.
- ✓ Initiated expansion of the Science and Technology Park (Innovation Mesa-Phase 2) for Tier 2 companies and graduates of NACET, including applied for EDA grant and developed team of financial partners and collaborators.
- ✓ Provided real estate search support to two graduating NACET clients (Sedona Energy Labs and Pathogene).
- ✓ Provided support and made two referrals to NACET.
- ✓ Initiated 14 real estate searches for companies investigating expansion or relocation in the Flagstaff market.
- ✓ Re-negotiated Pulliam LLC lease extension for four parcels at the Airport Business Park.
- ✓ Successfully awarded 30-acre parcel at Route 66 and 4th Street to a commercial real estate developer for commercial expansion.
- ✓ Provided support and critical market data in the establishment of the Chrysler dealership at the Auto Park, as well as new retailers to the community including C-A-L Ranch Store, Five Guys Burger and Fries, Tuesday Morning, Chico's, and two tourism-related businesses, North Pole Experience and Flagstaff Extreme Adventure Course.

- ✓ Provided Flagstaff Mall/Marketplace management with new Buxton data to support expansion and relocation to the property.
- ✓ Attended International Council of Shopping Centers (ICSC) convention in Las Vegas and presented data to targeted companies for retail attraction.
- ✓ Participated in the lead role of relocating IML Containers, an international package goods manufacturer, to the area.
- ✓ Strengthened statewide business attraction efforts through the Sun Corridor Alliance Partnership (GPEC, TREO, Pinal County, Yuma Economic Development Council) and contracted for lead generation.
- ✓ Promoted Flagstaff at the Medical Device and Manufacturing (MD&M) show, SoCal Bio show and Opportunity Green Convention, as part of the Sun Corridor Alliance Partnership.
- ✓ Responded to over 30 business attraction inquiries produced from Arizona Commerce Authority (ACA), Sun Corridor Alliance Partnership, and City of Innovation.com website.
- ✓ Added four new real estate brokers as users to the FlagstaffProspector.com website.
- ✓ Re-established relationships with state economic development partners: ACA and AAED which includes board leadership and committee level positions.
- ✓ Provided leading roles on Business Retention and Expansion and Business Attraction efforts in the start-up of ECoNA.
- ✓ Participated in two primary SEDI initiatives: Sustainable Entrepreneurial Economic Development (SEED) and Sustainable Community Indicators Project (SCIP).
- ✓ Installed, in conjunction with Auto Park dealers, a new directional sign at Route 66 and Highway 89.

FY 13 NEW INITIATIVES AND GOALS

- Expand the B3 program to include at least 30 business interviews, documenting critical performance measures and trend analysis.
- Create “tool box” of resources for the local business community, including workforce training opportunities and federal/state/local incentive programs.
- Advance community efforts for workforce development by re-examining curriculums, and strengthening relationships with the various public, private, and educational agencies to meet changing industry needs.
- Identify available grant opportunities for local businesses and facilitate appropriate application(s) and manage award(s).
- Implement Revolving Loan Fund program with regional partners.
- Provide Buxton data and analytics to 25 existing businesses, five real estate developers and 10 retail prospects.
- Assist with the expansion of Flagstaff Mall/Marketplace by providing data and retail referrals to Westcor/Macerich.
- Add at least four new retailers to the community, targeting established developments and infill opportunities.
- Facilitate the disposition and development of the “Trax” at Route 66 and 4th Street, including developer assistance through the Design Review Process and support of the establishment of tenants.
- Facilitate the addition of new APS Substation at Airport Business Park to support commercial and industrial business expansion.
- With anticipated award of EDA grant, lead the development and construction efforts of the Innovation Mesa-Phase 2 project.
- Continue participation in the Sun Corridor Alliance and present Flagstaff to 12 new companies.
- Add two new industrial businesses to the general community.
- Continue financial and personnel support to SEDI, ECoNA, Flinn Foundation, and Science Foundation Arizona.
- Continue leadership support to ECoNA in the areas of Business Retention and Expansion and Business Attraction.
- Continue building relationship with Community Development Division, by providing support and a “bridge” to companies that are expanding.

| | | |
|--------------------------|----------------------|-----------------------------|
| ECONOMIC VITALITY | SECTION 18/78 | COMMUNITY INVESTMENT |
|--------------------------|----------------------|-----------------------------|

PERFORMANCE MEASURES

Council Priority: A Sustainable Community

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 Building Bridges to Business (B3), City and State incentive programs, ECoNA, 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, and educational outreach.

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

Trend: ←→

| Measures: | CY 10 Actual | CY 11 Actual | CY 12 Estimate | CY 13 Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Local businesses retained and/or expanded | 100% | 95% | 95% | 95% |

Council Priority: A Sustainable Community

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: Sun Corridor Alliance, Arizona Commerce Authority, ECoNA, CityofInnovation.com, FlagstaffProspector.com, trade shows, advertising and other marketing materials, and generating appropriate lead referrals from existing companies.

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

Scoring: Respond to 100% of qualified leads through/from ECoNA, Arizona Commerce Authority, Sun Corridor Alliance, site locators, and existing companies.

Trend: ←→

| Measures: | CY 10 Actual | CY 11 Actual | CY 12 Estimate | CY 13 Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Respond to qualified new business leads | 100% | 100% | 100% | 100% |
| Percentage of total commercial listings on Prospector site | 75% | 85% | 85% | 90% |

Council Priority: (1) A Sustainable Community, (2) Effective governance.

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, Zoning Code, 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/IDS process.

Trend: ←→

| Measures: | CY 10 Actual | CY 11 Actual | CY 12 Estimate | CY 13 Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Transition viable projects to DRB/IDS process | 80% | 80% | 85% | 90% |
| Percentage of total commercial listings on Prospector site | 75% | 85% | 85% | 90% |

COMMUNITY DESIGN and REDEVELOPMENT

Includes 1807 (Community Design and Redevelopment), 71 (Arts and Science), and 73 (Beautification General Administration).

MISSION

Create, enhance, and preserve 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

Community design and redevelopment 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 public and the Beautification and Public Art Commission on public art programs and projects, and also works with Flagstaff Cultural Partners in support of local arts, science, and cultural activities and projects.

Community Design – With expenditures overseen by the Beautification and Public Art Commission, this program generates, executes, and maintains beautification programs and projects (Section 74). Design assistance and demonstrative design work is provided for economic development, development applicants, heritage preservation, redevelopment, capital improvements, and other internal and external customers.

Design Review – Program staff works with the Planning and Development Services staff and project applicants, 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 – The work of sustaining Flagstaff's heritage and cultural resources includes inventories, landmark and historic district formation and maintenance, design review, and development impact analysis. In addition to working with public and private applicants, staff works with the Planning and Development Services staff and the Heritage Preservation Commission to accomplish heritage preservation goals.

Redevelopment – This program facilitates infill, redevelopment, revitalization, and preservation through policy development, planning, infrastructure development, and other Community Investment projects. Brownfield Land Recycling, dedicated to revitalization of potentially contaminated or abandoned, idle, or underused properties, is included in the work of this program.

FY 12 ACCOMPLISHMENTS

- ✓ Working with the Beautification and Public Art Commission, developed first five-year Plan for Public Art, identifying and projecting current and future purchases, including project descriptions.
- ✓ Initiated an ongoing community discussion for the creation of an Arts Incubator facility, including all major public and private arts agencies, providers, and stakeholders.
- ✓ The Southside Community Mural was installed at the Murdock Community Center. This was a multi-agency and public/private partnership public art project.
- ✓ Proposals were sought and received, and a new three-year contract was established with Flagstaff Cultural Partners to serve as the community arts coordinating agency and to distribute City of Flagstaff grants for programs and projects that foster the aesthetic, scientific, and cultural environment of Flagstaff.
- ✓ The Public Art Map was completed and posted to the website. A grant from Blue Cross Blue Shield of Arizona was sought and obtained, and the maps were printed and distributed throughout the community.

- ✓ Implemented the highly successful Beautification in Action Grant program, funding a Community Garden on San Francisco Street and the Cheshire Wetland–FUTS Trail Interpretive Site, among others.
- ✓ Closed out the Southside Streetscape project with a community celebration that included commissioning and sponsorship of celebratory light pole banners for one year.
- ✓ Reviewed current policy, developed alternatives for consideration, and presented the City Council with information and options for the irrigation of BBB Beautification funded landscaping. Current policy supported by the City Council and the Beautification and Public Art Commission.
- ✓ Worked with Planning and Development Services on the development of the pending Regional Land Use and Transportation Plan and the adopted Zoning Code on matters related to community design (sites, architecture, and landscaping), redevelopment, heritage preservation, and public art.
- ✓ Designed and constructed a decorative fence at the detention basin near the intersection of Country Club Drive and US Highway 89.
- ✓ Construction of a landscape wall and installation of landscaping was completed at the median island (pork chop) where Route 66 turns under the railroad tracks to Milton Road.
- ✓ Contributed to the successful design of many development projects including the I-40 Design Concept Report, Juniper Point, Barnet Dulaney Perkins Eye Center, Campus Crest (The Grove) student housing, Chick-fil-A, Walgreens, the Trax (4th Street and Route 66), restoration of the Dairy Bran (research center) at the Museum of Northern Arizona, and new Downtown development (The Factory), and a significant Southside heritage preservation project (Hick's Rooming House).
- ✓ Updated the 1992 Historic Property Inventory for the Townsite National Register Historic District.
- ✓ Completed the adoption of a Programmatic Agreement with the State Historic Preservation Officer that addresses and simplifies the approval of ongoing programs within the Housing Section.
- ✓ Worked with an ad hoc community group that seeks to raise awareness of historic Route 66 motels and the opportunities that are available for sustainable operations, specifically including heritage preservation.
- ✓ Completed the designation of the Flagstaff Passenger Train Station by the City Council as a local landmark.
- ✓ Researched, and presented to the City Council, existing and possible policies, tools, and options for a Commercial Infill and Redevelopment Policy.
- ✓ Researched, and presented to the City Council, existing and possible policies, tools, and options for Southside parking solutions.
- ✓ Completed, reviewed, and presented to the City Council the Fourth Street Corridor Study and sought policy direction raised by the Study.
- ✓ Worked with six Northern Arizona communities to prepare and submit to the Environmental Protection Agency a \$1M Coalition Grant for Community Wide Assessments that can cover the costs of public or private environmental assessments, redevelopment planning, and other Brownfield work.
- ✓ Established a collaborative relationship with the Director of the Mill Avenue Business District in Tempe that has contributed to proceeding with business districts in Flagstaff. Have received insights, as well as template documents based on the prior establishment of 18 such districts.
- ✓ With stakeholder support and at their request, developed new strategy for the development of a Downtown organization and an East Flagstaff organization that can manage these business districts and address community issues such as marketing, maintenance, and parking.
- ✓ Worked with internal stakeholders and consultant engineers to re-establish the structural capacity of Heritage Square which will allow for better use of the facility to serve all of the community including Downtown stakeholders. Continuing efforts include investigation of reinforcing the structure to serve Flagstaff better.
- ✓ Provided management for Downtown and East Flagstaff, including coordination and planning for regulatory issues, events (New Years Eve and Dew Downtown Flagstaff Ski and Snowboard Festival), holiday decorations, and other day-to-day matters.

FY 13 NEW INITIATIVES AND GOALS

- Expand grant seeking, using said funds to leverage the execution of other goals.
- Maintain a high level of community engagement and outreach, and provide excellent customer service in response to community goals and concerns.
- Complete interactive component of the internet-posted Public Art Map.
- Install significant public art piece (i.e., Lumberyard Mural).
- Construct beautification projects, including the Beulah/Woodlands Boulevard medians and Butler Avenue medians.
- Design, and with City Council approval, implement a Milton Road signage enhancement program.
- Design East Flagstaff Gateway Project that includes branding, beautification, and public art components.
- Continue to provide design assistance and excellent customer service in design review and heritage preservation.
- Implement new heritage preservation provisions of the Zoning Code.
- Designate additional public and private properties as local landmarks.
- Continue with development, adoption, and implementation of the Commercial Infill and Redevelopment Policy.
- Continue with development, adoption, and implementation of the Fourth Street Corridor Study.
- Upon award, implement and manage the Coalition Community Wide Assessment Grant.
- Continue development, adoption, and implementation of management plans for Downtown and East Flagstaff.

PERFORMANCE MEASURES

Council Priority: A Sustainable Community

Goal: Improve neighborhoods (livability), 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: | CY 10 Actual | CY 11 Actual | CY 12 Estimate | CY 13 Proposed |
|--|---------------------|---------------------|-----------------------|-----------------------|
| Stakeholder satisfaction with facilitation and strategy development. | N/A | 100% | 85% | 85% |

Council Priority: Diverse Arts, Culture and Educational Opportunities.

Goal: Improve neighborhoods (livability) 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

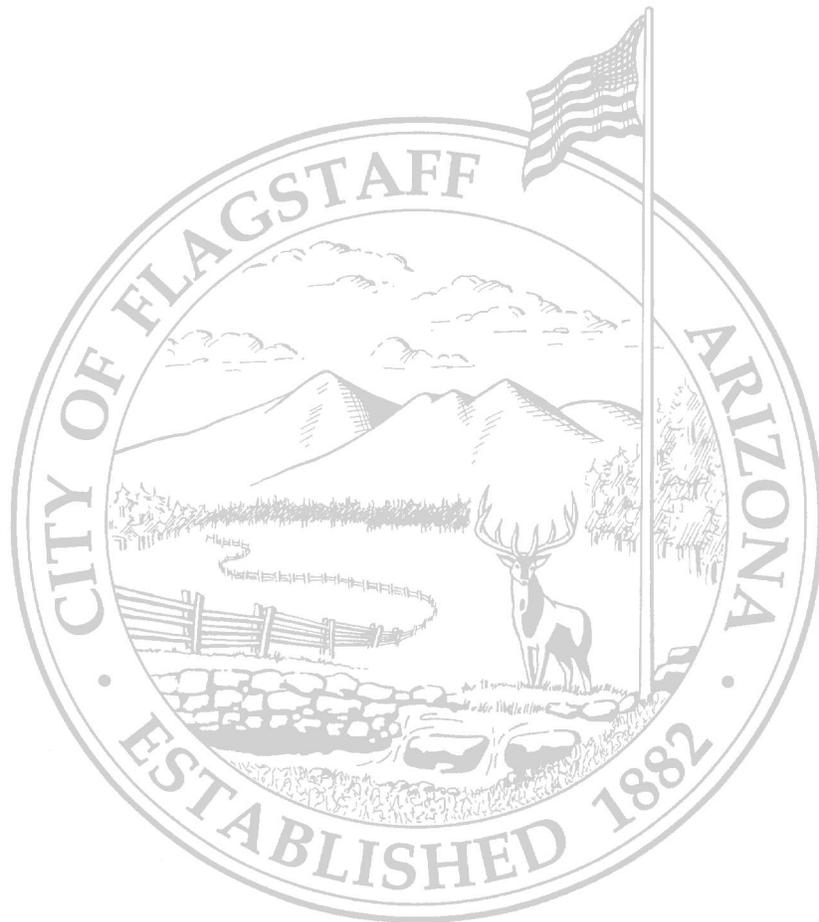
Tool: Monitoring outcome

Frequency: Quarterly

Scoring: Count

Trend: ← →

| Measures: | CY10 Actual | CY 11 Actual | CY 12 Estimate | CY 13 Proposed |
|-----------------------------|----------------|-----------------|-------------------|-------------------|
| Number of programs or works | 32 | 40 | 43 | 32 |



ECONOMIC VITALITY

SECTION 18

COMMUNITY INVESTMENT

| SECTION: 18-COMMUNITY INVESTMENT | | | | | |
|---|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
| EXPENDITURES BY CATEGORY: | | | | | |
| | Actual Expenditures 2010-2011 | Adopted Budget 2011-2012 | Estimated Expenditures 2011-2012 | Proposed Budget 2012-2013 | Budget-Budget Variance |
| PERSONAL SERVICES | \$ 275,031 | \$ 285,633 | \$ 201,526 | \$ 166,633 | \$ (119,000) |
| CONTRACTUAL | 132,463 | 442,133 | 21,540 | 117,243 | (324,890) |
| COMMODITIES | 14,018 | 16,988 | 10,517 | 41,825 | 24,837 |
| CAPITAL | - | - | 1,700 | 875,000 | 875,000 |
| TOTAL | \$ 421,512 | \$ 744,754 | \$ 235,283 | \$ 1,200,701 | \$ 455,947 |
| EXPENDITURES BY PROGRAM: | | | | | |
| GENERAL ADMINISTRATION | \$ 122,051 | \$ 123,138 | \$ 116,379 | \$ 126,285 | \$ 3,147 |
| COMMUNITY DESIGN | 64,823 | 66,237 | 34,249 | 69,001 | 2,764 |
| HOUSING | 10 | - | - | - | - |
| DOWNTOWN MANAGEMENT | 59,035 | 65,027 | 65,140 | - | (65,027) |
| BROWNFIELDS | 55,707 | 90,352 | 19,515 | 5,415 | (84,937) |
| RT 66 CREOSOTE PIT SITE | 119,886 | - | - | - | - |
| GREATER SUNNYSIDE REDEVELOPMENT | - | 400,000 | - | - | (400,000) |
| BROWNFIELD ASSESS FY13 | - | - | - | 1,000,000 | 1,000,000 |
| TOTAL | \$ 421,512 | \$ 744,754 | \$ 235,283 | \$ 1,200,701 | \$ 455,947 |
| SOURCE OF FUNDING: | | | | | |
| | GENERAL FUND | | | \$ 992,790 | |
| | LIBRARY FUND | | | 27,272 | |
| | HIGHWAY USER REVENUE FUND | | | 24,888 | |
| | TRANSPORTATION FUND | | | 7,789 | |
| | WATER AND WASTEWATER FUND | | | 73,918 | |
| | STORMWATER FUND | | | 3,782 | |
| | AIRPORT FUND | | | 8,434 | |
| | ENVIRONMENTAL SERVICES FUND | | | 61,828 | |
| | | | | \$ 1,200,701 | |
| COMMENTARY: | | | | | |
| <p>The Community Investment operating budget has decreased 56% and capital expenditures total \$875,000, resulting in an overall net increase of 61%. The capital expenditures relate to Brownfield grant funded projects. Personal services decreases (42%) are due to small increases in retirement and benefits with substantially larger decreases from the reduction in a Brownfield Specialist and an employee's salary being assigned to Section 73. Contractual decreases of 73% are primarily due to the reductions in a declined budgeted grant, as well as reductions in travel.</p> | | | | | |

ECONOMIC VITALITY

SECTION 78

ECONOMIC DEVELOPMENT

| SECTION: 78-ECONOMIC DEVELOPMENT GENERAL ADMINISTRATION | | | | | |
|---|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
| EXPENDITURES BY CATEGORY: | | | | | |
| | Actual Expenditures 2010-2011 | Adopted Budget 2011-2012 | Estimated Expenditures 2011-2012 | Proposed Budget 2012-2013 | Budget-Budget Variance |
| PERSONAL SERVICES | \$ 173,691 | \$ 189,824 | \$ 179,635 | \$ 204,855 | \$ 15,031 |
| CONTRACTUAL | 740,022 | 1,848,065 | 838,159 | 1,173,261 | (674,804) |
| COMMODITIES | 17,227 | 16,741 | 30,036 | 11,139 | (5,602) |
| CAPITAL | - | - | 275,860 | - | - |
| TOTAL | \$ 930,940 | \$ 2,054,630 | \$ 1,323,690 | \$ 1,389,255 | \$ (665,375) |
| EXPENDITURES BY PROGRAM: | | | | | |
| GENERAL ADMINISTRATION | \$ 79,455 | \$ 60,809 | \$ 42,425 | \$ 61,921 | \$ 1,112 |
| INCUBATOR PROGRAM | 294,082 | 260,000 | 264,614 | 265,844 | 5,844 |
| CONTRIBUTIONS | 114,494 | 139,500 | 139,500 | 139,500 | - |
| BUS RETENTION AND EXPANSION | 76,833 | 122,885 | 95,690 | 100,371 | (22,514) |
| BUSINESS ATTRACTION | 114,671 | 109,558 | 106,059 | 124,966 | 15,408 |
| INNOVATION MESA | - | - | - | 202,500 | 202,500 |
| REC-EXPAN TGEN N.FACILITY | - | 80,000 | 80,000 | - | (80,000) |
| REDI GRANT-DEPT COMMERCE | - | 25,000 | - | - | (25,000) |
| SW WINDPOWER COMMERCE | - | 1,000,000 | 298,524 | - | (1,000,000) |
| ACA RURAL GRANT 2011 | - | - | 40,000 | 60,000 | 60,000 |
| DEBT SERVICE | 251,405 | 256,878 | 256,878 | 434,153 | 177,275 |
| TOTAL | \$ 930,940 | \$ 2,054,630 | \$ 1,323,690 | \$ 1,389,255 | \$ (665,375) |
| SOURCE OF FUNDING: | | | | | |
| ECONOMIC DEVELOPMENT FUND | | | | \$ 1,389,255 | |
| | | | | \$ 1,389,255 | |
| COMMENTARY: | | | | | |
| <p>The Economic Development operating budget has decreased 32% and there are no capital expenditures, resulting in an overall net decrease of 32%. The decrease is primarily due to changes in the level of grants. Personal services increases are a result of pay restoration, reclasses, benefits and retirement costs. Additional expenditure increases are for debt service, Business Attraction program needs, and contributions. The reduction in cost for the Incubator Program relates to the renegotiation of the facility lease and the tenant responsibility for utility costs. There were \$65,810 of one-time expenditures authorized inclusive of the following: \$5,810 for custodial services, \$25,000 for RPI, \$10,000 for SEDI, \$25,000 for Innovation Mesa furnishings. In addition, the Economic Development budget has authorized \$254,500 in ongoing expenditures for the following: \$60,000 for SEDI, \$17,000 for Buxton Research Data, and \$177,500 for Innovation Mesa operating expenses.</p> | | | | | |

MISSION

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

PROGRAM DESCRIPTION

Flagstaff Pulliam Airport is certified as a non-hub air carrier and general aviation airport by the Federal Aviation Administration (FAA). Responsibilities of the section include administration, safety, operations, 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). Airport Staff are also in partnership with Economic Development staff to expand development at the Airport Business Park.

FY 12 ACCOMPLISHMENTS

- ✓ Obtained grant from the Department of Transportation under the Small Community Air Service Development Program for \$800,000 to assist in bringing a second air carrier to Flagstaff.
 - ✓ Obtained grant funding from the FAA for the “taxiway alpha project” to reconstruct failed asphalt and replace lighting and signs on taxiway and runway.
 - ✓ Obtained grant funding from the Arizona Department of Transportation Aeronautics Division to replace joint seals on concrete ramp in front of the terminal.
 - ✓ Successfully completed broadband of Airport Service Worker positions and retitled positions to Airport Operations Aircraft Rescue Firefighters (Airport Operations/ARFF Specialist).
 - ✓ Through the efforts of Airport staff, the Airport remained open and had no snow closures this year.
 - ✓ Hosted fourth annual Armed Forces Day Open House.
 - ✓ Completed Air Rescue Firefighting training for staff and maintained FAA compliance.
 - ✓ Airport Director was appointed to the Board of Directors for Arizona Airports Association.
 - ✓ Secured new advertising agreement with Clear Channel; and, new contracts with six rental car agencies.
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FY 13 NEW INITIATIVES AND GOALS

- Release a Request for Proposal for additional air carrier service to Flagstaff; and, obtain a successful bidder that will meet the growing transportation needs of Northern Arizona.
- Develop a plan, in conjunction with the FAA, to replace the Instrument Landing System.
- Improve appearance of ticketing area in the terminal by remodeling airline counters.
- Maintain full occupancy of Airport general aviation hangars and shade storage facilities to maximize revenues.
- Streamline Airport operations and maintenance costs to preserve budget dollars.
- Plan and host fifth annual no-fee Armed Forces Day Open House to increase community awareness of the Airport’s capabilities, functions and equipment.
- Achieve a discrepancy-free FAA Certification and Safety inspection.
- Secure additional FAA grant funding for Airport capital projects.
- Complete FAA grant funded project to reconstruct south half of taxiway and replace lights and signs.
- Complete ADOT Aeronautics grant funded project to replace joint seals on terminal concrete ramp.

PERFORMANCE MEASURES

Council Priority: Quality and Reliable Infrastructure

Goal: Ensure the entire 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: | CY 10 Actual | CY 11 Actual | CY 12 Estimate | CY 13 Proposed |
|--|--------------|--------------|----------------|----------------|
| Percentage of scheduled commercial flights cancelled | 4.6% | 3.1% | 3.0% | 3.0% |

Council Priority: A Sustainable Community

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: | CY 10 Actual | CY 11 Actual | CY 12 Estimate | CY 13 Proposed |
|--|--------------|--------------|----------------|----------------|
| Percentage change in annual passenger enplanements | -7.4% | -2.2% | +1.0% | +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 within 3 minutes – Caution, warning. Less than 97% of responses within 3 minutes – Need to review, discuss.

Trend: ←→

| Measures: | CY 10 Actual | CY 11 Actual | CY 12 Estimate | CY 13 Proposed |
|---|--------------|--------------|----------------|----------------|
| Percentage of emergency call responses within three minutes | 100% | 100% | 100% | 100% |

| SECTION: | | 38-AIRPORT | | | |
|---|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
| EXPENDITURES BY CATEGORY: | | | | | |
| | Actual Expenditures 2010-2011 | Adopted Budget 2011-2012 | Estimated Expenditures 2011-2012 | Proposed Budget 2012-2013 | Budget-Budget Variance |
| PERSONAL SERVICES | \$ 626,168 | \$ 630,320 | \$ 647,552 | \$ 640,883 | \$ 10,563 |
| CONTRACTUAL | 344,664 | 945,582 | 339,289 | 1,161,553 | 215,971 |
| COMMODITIES | 128,892 | 147,774 | 131,636 | 155,074 | 7,300 |
| TOTAL | \$ 1,099,724 | \$ 1,723,676 | \$ 1,118,477 | \$ 1,957,510 | \$ 233,834 |
| EXPENDITURES BY PROGRAM: | | | | | |
| GENERAL ADMINISTRATION | \$ 466,285 | \$ 479,165 | \$ 470,332 | \$ 412,849 | \$ (66,316) |
| SAFETY AND SECURITY | 117,107 | 96,853 | 99,715 | 137,008 | 40,155 |
| SNOW CONTROL | 58,009 | 86,126 | 82,749 | 86,369 | 243 |
| MAINT BLDGS AND GROUNDS | 396,849 | 379,725 | 387,382 | 424,851 | 45,126 |
| MAINT RUNWAY AND TAXIWAY | 61,474 | 81,507 | 78,149 | 96,133 | 14,626 |
| AIRPORT COMMISSION | - | 300 | 150 | 300 | - |
| SMALL COMM AIR SVCS DVLP | - | 600,000 | - | 800,000 | 200,000 |
| TOTAL | \$ 1,099,724 | \$ 1,723,676 | \$ 1,118,477 | \$ 1,957,510 | \$ 233,834 |
| SOURCE OF FUNDING: | | | | | |
| AIRPORT FUND | | | | \$ 1,957,510 | |
| | | | | \$ 1,957,510 | |
| COMMENTARY: | | | | | |
| The Airport operating budget has increased 14% and there are no capital expenditures. There are increased personal services costs of 2% due to pay restoration, higher benefits costs, and upgrades/reclassifications of some personnel. Contractuals increased by 23% primarily due to the grant increasing for the development of the new airline presence. Commodities increased by 5% due to safety supplies required to be replaced. There are no capital purchases planned in this section. | | | | | |

MISSION

Create, enhance, and preserve the cultural heritage of Flagstaff through dedicated Bed, Board and Beverage tax monies.

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, Joe C. Montoya 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 12 ACCOMPLISHMENTS

✓ See Section 18, Community Investment.

FY 13 NEW INITIATIVES AND GOALS

➤ See Section 18, Community Investment.

PERFORMANCE MEASURES

See Section 18, Community Investment.

ECONOMIC VITALITY

SECTION 71

ARTS AND SCIENCE

| SECTION: 71-ARTS AND SCIENCE | | | | | |
|---|----------------------------------|-----------------------------|-------------------------------------|------------------------------|---------------------------|
| EXPENDITURES BY CATEGORY: | | | | | |
| | Actual Expenditures 2010-2011 | Adopted Budget 2011-2012 | Estimated Expenditures 2011-2012 | Proposed Budget 2012-2013 | Budget-Budget Variance |
| CONTRACTUALS | \$ 411,682 | \$ 663,044 | \$ 383,719 | \$ 375,600 | \$ (287,444) |
| COMMODITIES | 594 | 3,039 | 4,539 | 3,056 | 17 |
| CAPITAL | - | - | 7,500 | 258,400 | 258,400 |
| TOTAL | \$ 412,276 | \$ 666,083 | \$ 395,758 | \$ 637,056 | \$ (29,027) |
| EXPENDITURES BY PROGRAM: | | | | | |
| GENERAL ADMINISTRATION | \$ 195 | \$ 1,025 | \$ 100 | \$ 100 | \$ (925) |
| CONTRACTUAL SERVICES | 332,750 | 293,000 | 293,000 | 290,000 | (3,000) |
| PUBLIC ARTWORK | 9,535 | 282,233 | 12,833 | 261,956 | (20,277) |
| FCP ADMINISTRATION | 69,796 | 69,825 | 69,825 | 65,000 | (4,825) |
| RIORDAN MANSION | - | 20,000 | 20,000 | 20,000 | - |
| TOTAL | \$ 412,276 | \$ 666,083 | \$ 395,758 | \$ 637,056 | \$ (29,027) |
| SOURCE OF FUNDING: | | | | | |
| ARTS AND SCIENCE FUND | | | | \$ 637,056 | |
| | | | | \$ 637,056 | |
| COMMENTARY: | | | | | |
| <p>The Arts and Science operating budget has decreased by 43% and there are capital expenditures of \$258,400, resulting in an overall net decrease of 4%. Personal Services are handled through internal charge outs and are included in Commodities. One-time expenditures for this division are: \$15,000 for the Flagstaff Cultural Partners, and \$20,000 for the Riordan Mansion. Minor fluctuations in year-to-year budgets relate to specific program needs each year while maintaining adequate fund balance. Contractuals are reduced due to a change in Public Artwork being tracked through capital instead of contractuals. Capital Public Art Work for \$258,400 includes the Rendezvous Bronze Sculpture (\$200,000), East Flag Gateway (\$33,400), and the Lumberyard Mural (\$25,000).</p> | | | | | |

MISSION

Create, enhance, and preserve the sense of place of both the built and natural environment of Flagstaff through dedicated Bed, Board and Beverage tax monies.

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.

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.

FY 12 ACCOMPLISHMENTS

✓ See Section 18, Community Investment.

FY 13 NEW INITIATIVES AND GOALS

➤ See Section 18, Community Investment.

PERFORMANCE MEASURES

See Section 18, Community Investment.

ECONOMIC VITALITY

SECTION 73

BEAUTIFICATION

| SECTION: 73-BEAUTIFICATION GENERAL ADMINISTRATION | | | | | |
|--|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
| EXPENDITURES BY CATEGORY: | | | | | |
| | Actual Expenditures 2010-2011 | Adopted Budget 2011-2012 | Estimated Expenditures 2011-2012 | Proposed Budget 2012-2013 | Budget-Budget Variance |
| PERSONAL SERVICES | \$ 104,364 | \$ 104,545 | \$ 89,064 | \$ 173,214 | \$ 68,669 |
| CONTRACTUAL | 38,065 | 28,900 | 28,182 | 31,625 | 2,725 |
| COMMODITIES | 1,421 | 1,175 | 1,305 | 1,150 | (25) |
| TOTAL | \$ 143,850 | \$ 134,620 | \$ 118,551 | \$ 205,989 | \$ 71,369 |
| EXPENDITURES BY PROGRAM: | | | | | |
| GENERAL ADMINISTRATION | \$ 111,642 | \$ 109,620 | \$ 93,551 | \$ 112,398 | \$ 2,778 |
| COMMISSION | 162 | - | - | - | - |
| WHEELER PARK LIGHTING | 24,152 | 25,000 | 25,000 | 25,000 | - |
| RIORDAN MANSION | 7,894 | - | - | - | - |
| ENHANCED SERVICE DISTRICT | - | - | - | 68,591 | 68,591 |
| TOTAL | \$ 143,850 | \$ 134,620 | \$ 118,551 | \$ 205,989 | \$ 71,369 |
| SOURCE OF FUNDING: | | | | | |
| BEAUTIFICATION FUND | | | | \$ 205,989 | |
| | | | | \$ 205,989 | |
| COMMENTARY: | | | | | |
| The Beautification operating budget has increased 53% and there are no capital expenditures. Personal Services increases includes the charge out of 1.0 FTE for the Manager of Enhanced Service District, an increase in retirement benefits and a pay restoration. Contractual increases are due to increases in travel, registration, advertising and membership fees. Commodities has a net change of -2% related to 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 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 percent of BBB tax revenues. 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 12 ACCOMPLISHMENTS

- ✓ Consumer website, www.flagstaffarizona.org, received 344,055 visits to date this fiscal year, a nearly 19 percent increase over the same period last fiscal year.
- ✓ Created "About Us" section on the website (www.flagstaffarizona.org/about-us.html) to provide stakeholders up-to-date information regarding CVB led activities, partnership opportunities and industry information.
- ✓ Grew *Flagstaff Happenings* subscriber list by 14 percent, maintaining a 20 percent open rate.
- ✓ Increased Flagstaff's presence and interactivity on social media sites, especially Twitter and Facebook, which are now at 3,439 followers and 37,758 fans respectively this fiscal year (through February).
- ✓ Coordinated French and German sales missions due to reduced state-side tourism promotions. This approach has generated more interest in Flagstaff with more relevant operator meetings concentrating on northern Arizona product.
- ✓ Pursued or responded to more city-wide RFP's, including national/international conferences such as ESTO, ICOET, Peaks Festival, and Tour de Arizona.
- ✓ Developed partnership with French airline to create a northern Arizona/southern Utah media familiarization tour, hosting 10 European journalists.
- ✓ Cultivated state-wide partnership to promote Flagstaff as a meetings destination to a larger audience by taking lead on hosted events before and after national tradeshows.
- ✓ Garnered significant media coverage, including *Arizona Highways*, *Arizona Republic*, *Dallas Morning News*, *Sunset Magazine*, *Chicago Tribune*, *Associated Press*, and coverage on every major news network in Phoenix.
- ✓ Created special landing pages for Fourth of July, Arizona Cardinals Training Camp, High Country Holidays, Hosting Holiday Events in Flagstaff, and Dew Downtown Flagstaff event page.
- ✓ Increased awareness of Flagstaff as a winter travel destination by reaching out to the Phoenix broadcast media with special packages, including a "Top 10 Things to Know about Winter in Flagstaff" release and a Flagstaff-branded scarf.
- ✓ Updated and printed 2012 Flagstaff Visitor Guide to be more user-friendly, provided additional travel information and increased benefit to Flagstaff tourism businesses.
- ✓ Launched the client portal of the CRM software allowing stakeholders to reply to leads online and increase trackability of CVB efforts.
- ✓ Conducted focus group research in targeted markets to lay groundwork for CVB's re-imaging process.
- ✓ Translated and printed the *Explore Flagstaff* guide in French and German (in addition to English and Spanish already in print). Additional translations will be available online.

FY 13 NEW INITIATIVES

- Increase BBB revenues two percent through targeted media advertising plan, enhanced leisure and group sales, and increased public relations efforts.
- Utilize focus group results and relevant research to develop and launch revised advertising campaign with new imagery and website upgrades. Will conduct professional photo shoot to procure new images for the re-imaging process while also creating a well-rounded photo library to represent the destination.
- Enhance the use of “landing pages” within the CVB’s consumer website during specific campaigns or seasons to increase site visits by five percent.
- Produce group leads and assist operators/planners with Flagstaff itineraries, resulting in a two percent increase in number of ‘definite’ room nights booked through CVB efforts.
- Increase PR value of earned media by two percent through increased presence in key markets and partnering with regional CVB’s to host press trips.
- Increase fan/follower engagement on Flagstaff CVB social media sites, including Twitter and Facebook, by five percent through contests, interactive elements, and providing timely, up-to-date information.
- Establish a blog for the Flagstaff CVB, maintaining a schedule to regularly update it with relevant and timely information

PERFORMANCE MEASURES

Council Priority: A Sustainable Community; Diverse Arts, Culture and Educational Opportunities

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

Objective: Increase visitation and extend the length of stay by positioning Flagstaff as the premier year-round destination while maintaining strong travel patterns on weekends and during high season, and increasing occupancy mid-week and in slower shoulder and off-seasons.

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 publicity value, reach and frequency of marketing, website visits, fulfillment request/distribution and e-marketing/social media subscribers/interactions.

Frequency: Monthly

Scoring: BBB revenues at or above projection

Trend: ↑

| Measures: | CY 10 Actual | CY 11 Actual | CY 12 Estimate | CY 13 Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Bed Board and Booze (BBB) Tax revenues | \$5,193,967 | \$5,368,990 | 5,450,000 | 5,500,000 |

*figure through October 2011

| SECTION: 84-CONVENTION AND VISITORS BUREAU | | | | | |
|---|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
| EXPENDITURES BY CATEGORY: | | | | | |
| | Actual Expenditures 2010-2011 | Adopted Budget 2011-2012 | Estimated Expenditures 2011-2012 | Proposed Budget 2012-2013 | Budget-Budget Variance |
| PERSONAL SERVICES | \$ 522,321 | \$ 557,388 | \$ 554,337 | \$ 561,571 | \$ 4,183 |
| CONTRACTUAL | 538,621 | 566,501 | 568,243 | 652,198 | 85,697 |
| COMMODITIES | 102,469 | 124,571 | 124,410 | 96,932 | (27,639) |
| TOTAL | \$ 1,163,411 | \$ 1,248,460 | \$ 1,246,990 | \$ 1,310,701 | \$ 62,241 |
| EXPENDITURES BY PROGRAM: | | | | | |
| GENERAL ADMINISTRATION | \$ 555,698 | \$ 609,522 | \$ 605,215 | \$ 603,865 | \$ (5,657) |
| MARKETING AND PROMOTION | 505,585 | 546,950 | 543,025 | 579,726 | 32,776 |
| SALES | 77,632 | 67,750 | 68,400 | 78,040 | 10,290 |
| PUBLIC RELATIONS | 23,746 | 23,488 | 29,600 | 33,320 | 9,832 |
| FILM OFFICE | 750 | 750 | 750 | 750 | - |
| MILLIGAN HOUSE | - | - | - | 15,000 | 15,000 |
| TOTAL | \$ 1,163,411 | \$ 1,248,460 | \$ 1,246,990 | \$ 1,310,701 | \$ 62,241 |
| SOURCE OF FUNDING: | | | | | |
| TOURISM FUND | | | | \$ 1,310,701 | |
| | | | | \$ 1,310,701 | |
| COMMENTARY: | | | | | |
| <p>The Tourism operating budget has increased 5% and there are no capital expenditures, resulting in an overall net increase of 5%. Personal services have increased 1% as a result of pay restoration and increases in benefit and retirement costs. Contractual expenditures increased by 15% due to the addition of the Milligan House as a cost for this section, along with increases in advertising, travel, memberships, registrations, and miscellaneous services. Commodities expenditures decreased by 22% primarily due to a decrease in promotional materials. One-time authorized expenditures were \$28,000 for the National Association of Counties Western Interstate Conference. New ongoing expenditures of \$19,213 were authorized as follows: \$500 for food for the CVB hosted events and director, \$8,913 for advertisements for print, radio, and online for all markets, \$3,000 for annual web updates, \$1,750 for travel for meetings and events, \$2,725 for tradeshow for the sales mission and meeting registration fees, \$325 for sales staff memberships and trade shows, \$1,400 for public relations staff travel, lodging, meals, trade shows and media missions, and \$600 for tradeshow, media mission and meeting registration fees.</p> | | | | | |

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 revenues. Programs include visitor services, train station operations, educational programs, and creation of local partnerships.

FY 12 ACCOMPLISHMENTS

- ✓ Installed Grand Canyon Ticket Kiosk allowing visitors to purchase their park passes and gain information regarding Flagstaff while at the Visitor Center. In the first eight months since the Kiosk was installed, 211 passes have been sold.
 - ✓ Introduced Visitor Center Referral Program to Flagstaff hoteliers broadening their awareness of the Center as a resource to travelers and front desk agents. In the first month of the program, 92 referral cards have been submitted by visitors.
 - ✓ Assisted nearly 12,000 more visitors in the first six months of the fiscal year (July – December), a 28 percent increase over the same time period during the previous year. In CY2011, staff assisted 96,338 visitors (a 17 percent increase over CY2010).
 - ✓ Partnered with the Pioneer Museum and Flagstaff Model R.R. Club to provide activities for National Train Day, including a train robbery enactment and station tours.
 - ✓ Hosted the opening reception for Southwest Regional Railroad Conference ‘Rails to Rim,’ which was organized by the Flagstaff Model R.R. Club.
 - ✓ Supported Historic Route 66 Association of Arizona through distribution of the *Route 66 Passport* and served as a passport redemption location. Have redeemed 274 passports for Route 66 travelers this fiscal year.
 - ✓ Provided learning opportunities to visitors regarding how to purchase authentic Native American arts and crafts by hosting the Council for Indigenous Arts and Culture.
 - ✓ Coordinated with Amtrak and other City sections/programs to improve lighting and signage at the train station, creating a better visitor experience.
-

FY 13 NEW INITIATIVES

- Enhance relationships with front-line hotel staff and local businesses to broaden awareness of the Visitor Center as a premier location for regional information and collateral material.
- Maximize partnerships through Referral Program, Grand Canyon Ticket Kiosk and other opportunities to increase walk-in visitor figures by two percent.
- Develop and provide on-site opportunities, such as educational forums, informational displays and programs to enhance both the visitor and local community’s experience.
- Coordinate with Amtrak, BNSF and other City sections/programs to improve the visitor experience at the Train Station through facility upgrades and enhancements.

PERFORMANCE MEASURES

Council Priority: A Sustainable Community; Quality and Reliable Infrastructure

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, walk-in visitation

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: | CY 10 Actual | CY 11 Actual | CY 12 Estimate | CY 13 Proposed |
|---|--------------|--------------|----------------|----------------|
| Visitor Center Customer Service Survey (# surveys / % satisfaction) | 414 / 95% | 389 / 96% | 420 / 96% | 420 / 96% |
| Visitor Center Walk-ins | 82,638 | 96,338 | 98,000 | 100,000 |

| SECTION: 85-VISITOR SERVICES | | | | | |
|--|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
| EXPENDITURES BY CATEGORY: | | | | | |
| | Actual Expenditures 2010-2011 | Adopted Budget 2011-2012 | Estimated Expenditures 2011-2012 | Proposed Budget 2012-2013 | Budget-Budget Variance |
| PERSONAL SERVICES | \$ 196,370 | \$ 195,992 | \$ 183,402 | \$ 193,941 | \$ (2,051) |
| CONTRACTUAL | 81,494 | 90,179 | 91,682 | 92,154 | 1,975 |
| COMMODITIES | 27,906 | 25,126 | 37,393 | 27,306 | 2,180 |
| TOTAL | \$ 305,770 | \$ 311,297 | \$ 312,477 | \$ 313,401 | \$ 2,104 |
| EXPENDITURES BY PROGRAM: | | | | | |
| GENERAL ADMINISTRATION | \$ 213,448 | \$ 215,312 | \$ 205,261 | \$ 216,101 | \$ 789 |
| TRAIN STATION OPERATIONS | 92,322 | 95,985 | 107,216 | 97,300 | 1,315 |
| TOTAL | \$ 305,770 | \$ 311,297 | \$ 312,477 | \$ 313,401 | \$ 2,104 |
| SOURCE OF FUNDING: | | | | | |
| TOURISM FUND | | | | \$ 313,401 | |
| | | | | \$ 313,401 | |
| COMMENTARY: | | | | | |
| <p>The Visitor Center's operating budget has increased 1% and there are no capital expenditures, resulting in an overall net increase of 1%. Personal services decreased as a result of use of temporary employees to fill a position that previously was full-time with benefits. Despite pay restorations, benefit and retirement costs increases, by using temporary employees, overall personal services costs were decreased by 1%. Contractual increases are due to telephone, equipment maintenance, miscellaneous services, janitor and other operating supplies. Commodities increases are a result of increases in printing costs and promotional materials. There were no one-time authorized expenditures, or any new ongoing authorized expenditures. There is no major capital (> \$10,000) for this section.</p> | | | | | |

Inner Basin Pipeline Reconstruction - July 2012

