

Downtown Tucson Partnership

2009-2010 Annual Report



First Night 2009 - Fireworks at the TCC Plaza

2010

@ Downtown Tucson Partnership, 2010
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Tucson, Arizona 85701
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The Downtown Tucson Partnership is pleased to present its annual report for fiscal year 2009-2010. The Downtown Partnership is a collaborative effort between the public, private and non-profit sectors. Its mission is to promote, improve, and revitalize Downtown Tucson. Our organization facilitates public and private sector investment in Downtown Tucson.

The Downtown Tucson Partnership achieved a number of notable successes in 2009-2010, but continues to face challenges resulting from the current economic recession. Partly in response to these challenges, the organization has undertaken a major restructuring of its work program and financial base for 2010-2011.

Downtown Tucson's potential is unlimited and we remain committed to creating the building blocks for Downtown's success.

Sincerely,

Lisa Lovallo, Chairman

Michael Keith, CEO

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1. The Organization

1.1 Corporate Status

The *Downtown Tucson Partnership Inc.* is a 501(c) (6) corporation that was originally formed in 1998 as the Tucson Downtown Alliance. The name of the organization was changed in 2007 as part of a corporate restructuring process.

The Downtown Tucson Partnership also controls a subsidiary 501(c) (6) corporation named, *It's Happening Downtown*, which was inactive in 2008-09.

1.2 Fiscal Year

The Partnership's fiscal year is from July 1 to June 30. This report summarizes operations between July 1, 2009, and June 30, 2010. *It's Happening Downtown* (IHD) has the same fiscal year. The financials of both organizations are contained in Appendix 1 and 2 of this report respectively.

1.3 Board of Directors

The Partnership Board of Directors consists of over thirty individuals. While the Board always seeks to recruit strong individuals to its membership, it also works to ensure that a diversity of interests are represented. In 2009-2010, Board Membership consisted of the following individuals:

Chair: Lisa Lovallo, Chairman

Vice-chair:

Secretary: Nancy Lutz, Tucson Pima Arts Council

Treasurer: John O'Dowd, Keegan Linscott & Kenon PC

Don Bourn, Bourn Partners

Jan Cervelli, University of Arizona, College of Architecture

Stacey Collins, Abby Office Centers

Michael Crawford, Mesch, Clark & Rothschild P.C.

Deb Dale, Armory Park Neighborhood

Beth Dell, Beowulf Alley Theatre Company

Jerry Dixon, Gadsden Company

Darryl Dobras, DBD Investments

Albert Elias, Sr., Old Pueblo Printers

Susan Gamble, Santa Theresa Tile Works

Karen Green,

Larry Hecker, Hecker & Muehlebach

Chuck Huckelberry, Pima County Administrator

Mac Hudson, Menlo Park Neighborhood

John Humenik, *Arizona Daily Star*

Roger Karber, Diamond Rock Ventures

Mike Kasser, Holualoa Company

Maricella Solis de Kester,
 Mike Letcher, City Manager
 Nancy Lutz, Tucson Pima Arts Council
 Steve Lynn, Tucson Electric Co., UniSource Energy Corp.
 Jill Madden, Madden Media
 Omar Mireles, HSL Asset Management
 Renee Morton, Home Style Galleries
 Rick Myers, Southern Arizona Leadership Council
 Colleen Niccum, Raytheon
 John O'Dowd, Amado & Associates, CPAs P.C.
 Richard Oseran, Hotel Congress
 William Ponder, Arizona Historical Society
 Steve Quinlan, Long Realty
 Walter Richter, Southwest Gas
 Ron Schwabe, Peach Properties
 John Sedwick, Fourth Avenue Merchants Association
 Amanda Signori, Tucson Young Professionals
 Margo Susco, Hydra Leather & More
 Leslie Tolbert, University of Arizona
 Bob Vint, Vint & Associates Architects

1.4 Board Committees and Councils

The Downtown Partnership has a number of committees assist in day to day operations. The active committees in 2009-2010 included:

- Executive Committee
- Finance Committee
- Governance Committee

The Partnership also seeks advice from a number of constituency councils, including:

- Merchants Council
- Neighborhood & Residents Council
- Property Owners & Employers Council
- Arts, Culture & History Council

1.5 Staff

The Partnership had approximately 22 staff positions in 2008-2009. Partnership staff were engaged in the following activities:

Economic Development
 Public and Government Relations
 Marketing and Events
 Maintenance and Security

Senior staff in 2008-2009 included:

Glenn Lyons, Chief Executive Officer
 Cara Rene, Vice President of Community Development
 Patrick Hannigan, Operations Manager
 Teresa Bommarito, Downtown Planner
 David Olsen, Marketing Director
 Brandi Haga, Administrative Coordinator

2. Financial Performance

2.1 2009-2010 Fiscal Year

Financial statements for the Downtown Tucson Partnership are included in Appendix 1.

The Downtown Tucson Partnership reported a loss of \$174,387 from operations in fiscal year 2009-2010. Included in this was a \$76,925 write-off from It's Happening Downtown's prior years operations. The Downtown Tucson Partnership's net loss from operations in 2008-09 was, therefore, 97,462.

The failure of Pima County to begin their annual grant-in-lieu contributions (i.e. \$150,000+) as planned, also affected the Downtown Tucson Partnership's bottom line in 2008-09.

2.2 The 2009-10 Budget

The Downtown Tucson Partnership has undergone a major restructuring of its sources of revenue for the 2010-2011 fiscal year. The Downtown Partnership secured a \$524,000 management consulting, maintenance and security contract with ParkWise. It also obtained a \$30,000 management contract with the Downtown Development Corporation. It also included in its new budget a \$30,000 revenue contingency for unexpected events. These and other similar efforts are designed to improve the financial stability and recapitalize the organization.

A copy of the approved 2009-10 budget is attached in Appendix 2.

3. Economic Development Activities

In 2009-2010, the Downtown Partnership was engaged in a number of economic and urban development activities, including the following:

3.1 Scott Avenue

The Downtown Partnership played a major role in the design and implementation of the Scott Avenue improvements. Glenn Lyons led the public involvement process, working with local property owners, the City of Tucson, and their consultants to develop a design acceptable to all parties. Teresa Bommarito provided assistance in this process and continued to work with all parties during the construction period. Her work included daily site visits during construction and communication with affected property owners.

The Scott Avenue improvements were completed by the City of Tucson in May 2009, on-time and on-budget. They are already playing an important role in supporting Tucson's Arts & Cultural District.

3.2 Congress Street, Broadway Boulevard, and Arizona Avenue

The Downtown Tucson Partnership played a similar role in the design and implementation of the Congress, Broadway, and Arizona Avenue improvements. These projects had advanced to the 75% design completion stage, before the projects were postponed in April 2009 – a result of the economic downturn.

The Congress and Broadway infrastructure and streetscape work is associated with the development of the modern street car line in Downtown Tucson. The Downtown Partnership is now working with the City of Tucson and the Rio Nuevo District Board to acquire sufficient funding to recommence work on the projects as soon as possible.

3.3 ParkWise

The Downtown Partnership worked with ParkWise on downtown parking procurement, marketing, and pricing strategies over the last year. This included recommendations to:

- Eliminate the free TICET shuttle as a cost-saving measure; and
- Re-price the three Downtown ParkWise garages.

TICET's elimination saved ParkWise approximately \$500,000, which it is now able to apply to the Pennington Garage debt servicing. The 1 hour of free parking and associated re-pricing of hourly and daily parking rates at the three downtown garages has been favorably received by the public. Parking use has increased, for example, by approximately 33% in the case of the Pennington Garage, while revenues are expected to increase by as much as \$150,000 in the coming year. As a result of these and other similar steps taken, ParkWise was able to make its \$1 million debt service payments on the Pennington Garage in 2008-09 for the first time in a number of years.

ParkWise and the Downtown Tucson Partnership have now formalized their working relationship in a contract that was approved by City Council in June 2009. Under this contract, the Downtown Partnership will provide security, maintenance, marketing and management consulting services to ParkWise for approximately \$525,000. ParkWise expects to save \$100,000 under the contract and the Downtown Partnership will reinvest its earnings from the contract in its downtown revitalization efforts.

3.4 Façade Improvement Program

The Downtown Partnership is assisting the City of Tucson in the management of a façade improvement program in Downtown Tucson. The program offers interest-free, forgivable matching loans to owners of pre-1948 buildings in exchange of façade renovations that are backed by 10 year protective easements. Glenn Lyons wrote the program guidelines and chairs the Selection Committee; while Teresa Bommarito worked as the Project Manager in 2008-09.

The list of 25 five applicants who applied in phase 1 of the program in May 2008, was reduced to 8 semi-finalists in August 2008. Phase II applicants were given \$7,500 in architectural services to assist them in developing a renovation concept and cost estimates. Four finalists were selected in December 2008, including: 64 E Broadway, the Screening Room, the Rialto Block, and Wig-O-Rama. Renovations have begun on 64 E Broadway and the Screening Room. Work is expected to commence on the Rialto Block shortly. In the event, that any finalist fails to initiate their projects, the funds may be moved to the remaining semi-finalists.

3.5 The MacArthur Building

The Downtown Partnership assisted the City of Tucson in the sale of the historic MacArthur Building and an associated lease for a surface parking area. Glenn Lyons played an important role in the negotiations that led to the sales agreement. The sale was completed in November 2008. The purchaser, Madden Media, is undertaking major interior renovations and will be relocating their 75 employees to the building in August 2009.

3.6 The Montgomery Ward / Roy Place Building

The Downtown Partnership has been assisting Pima County in the sale of the historic former Montgomery Ward building, -- designed by Roy Place, a prominent local architect. A decision was made by Pima County to renovate a portion of the building's façade prior to its sale. Discussions are now underway which may lead to a temporary occupancy of the building (e.g. perhaps five years) by the University of Arizona's College of Architecture and Landscape Architecture. Glenn Lyons continues to work with the County on the project.

3.7 77 E. Broadway

The Downtown Partnership is assisting Pima County in the sale of 0.7 acre parcel for development on Broadway Avenue. Discussions with a number of developers occurred throughout 2008-09. Interest in the site has increased, both in anticipation of the modern street car and with Tucson Electric Power's purchase of the nearby Santa Rita block for office development. It is expected that 77 E Broadway will be offered for sale in Fall 2009.

3.8 Convention Center and Related Commercial Development

The Downtown Partnership has been assisting the City of Tucson in its discussions with interested commercial developers in the Convention Center area. These discussions are preliminary at this time.

3.9 301 Paseo Redondo

The Downtown Partnership is assisting The City of Tucson in the sale for development of the 1.1 acre site, formerly known as Presidio Terrace. In October 2008, in the face of the world financial crisis and real estate bust, the RFO for this project was postponed. The Downtown Partnership expects to begin work with the City of Tucson on this project, when the real estate market in Tucson recovers.

3.10 Affordable Housing Projects

The Downtown Partnership is working with the City of Tucson and potential affordable housing developers in the Downtown area. Included in this are two potential developments by the Primavera Foundation, a potential development of surplus Downtown LINKS lands, and an RFO (to be managed by the Downtown Partnership) in Barrio Anita.

3.11 Downtown Development Corporation

The Downtown Partnership was hired by the Downtown Development Corporation (DDC) to act as their business manager in June 2009. The Downtown Partnership and the DDC intend to work together on real estate developments in the future.

3.12 Land Use and Sign Codes

The Downtown Partnership is working with the City of Tucson in a process that should lead to improvements to the Land Use and Sign Codes regarding downtown development.

3.13 Downtown Revitalization Strategy

The Downtown Tucson Partnership is working on a revitalization strategy which emphasizes the need to private sector reinvestment in the Downtown. A draft report was tabled by the Downtown Partnership's Board of Directors in May 2009 for community consultation. That consultation work is proceeding.

3.14 Business Plan

The Downtown Tucson Partnership Board of Directors approved a new Business Plan for the organization in May 2009. The Business Plan describes the financial and organizational objectives of the organization and its restructuring. It is also intended to serve as a companion document to the Downtown Revitalization Strategy.

4. Community Development

The epicenter of successful community development is a commitment to ongoing relationship-building. Key to that mission is engaging other organizations to work on branding, messaging, and growing audiences for Downtown. In 2009, The Downtown Partnership cultivated relationships with Cox Communications, Raytheon, Fourth Avenue Merchants Association (FAMA), Main Gate Square and others. This effort is not only to garner support in the goal of

revitalizing Downtown, but also to build a strong foundation of groups that also will benefit from sharing in a vibrant city core.

4.1 Entertainment Zone

To distinguish Downtown as Tucson's premier entertainment destination (performance venues, restaurants, shops), the Downtown Partnership is working with FAMA and Main Gate Square to brand a zone that includes three distinct districts (Main Gate, Fourth Avenue and Congress Street/Downtown). This "greater" Downtown concept will conceivably allow for more robust marketing opportunities leading to increased audiences and success for all.

4.2 Sustainable Messaging

Relationships with media organizations are integral to successful messaging about Downtown. Cox Communications/Cox Media, Tucson Newspapers, KVOA, AZ Public Media, KXCI, KVOI and Clear Channel Radio, among others, have supported the Downtown Partnership through trade opportunities that have allowed for citywide visibility. These media outlets are valued partners in growing Downtown and are part of the conversation on how to best make that happen.

4.3 Messaging Tools

The Downtown Tucson Partnership's messaging tools include the *Downtown Tucsonan* magazine and the *DowntownTucson.com* website. The magazine will undergo a redesign; changes in content and focus are already taking place. The website is the focus of an effort to increase news content and, therefore, daily traffic.

Subsequently, the website continues to see growth in readership and online page views. As an example:

<u>Month</u>	<u>Page Views</u>
July 2008	36,101
July 2009	41,848 +16%
August 2008	38,448
August 2009	50,232 +31%

The website saw a spike in traffic in August 2009 due partially to major event information being posted on the site (opening of Fourth Avenue underpass). However, the growth in traffic reflects that the site is rapidly becoming *the* go-to source for information about Downtown. The site is on track to have its busiest year yet. Sustained marketing, generation of fresh content and a sustained initiative for attracting new e-subscribers will push DowntownTucson.com to the next level of viability and feasibility.

Attracting future revenue from online advertising is a goal of this initiative.

4.4 Constituency Councils

The Downtown Tucson Partnership continues to work with the Merchant and Retailers Council to restructure it into a stronger entity that attracts sustained participation.

The Downtown Partnership also continues to hold monthly meetings with its Downtown Neighborhood and Residents Councils. DNARC is designed to be an information exchange between the Downtown Partnerships and the surrounding neighborhood associations.

The Arts, Culture & History council is in its infancy stage. As an initial project, it will work with the Downtown Partnership to bring a visual arts component to First Night. The Downtown Partnership will continue to work with the councils on marketing initiatives aimed at increasing visitors to Downtown.

4.5 Events

Events are one of the most visible ways to attract visitors Downtown. The Downtown Tucson Partnership produces several events each year. For 2008-09, these included:

- Downtown Saturday Night (August – November)
- Downtown Holiday Parade (December)
- First Night (December)
- HOG Rally (May)

The Downtown Partnership also supports other events by giving financial, marketing/promotion, security or maintenance assistance. These included:

- Cinema La Placita (Summer/Fall)
- Welcome to Tucson (September)
- Tucson Meet Yourself (October)
- Margarita Competition – Tucson Culinary Festival (October)
- El Tour de Tucson (November)
- Out To Lunch Theatre (December)
- Dillinger Days (January)
- Fiesta Grande (March)
- 9 Queens Competition (April)
- Tri-Neighborhood Chili Cook-Off (May)

In 2008-09, the Downtown Partnership was heavily involved with planning, coordinating, promoting and executing the Grand Opening Party for the Fourth Avenue Underpass which will be held in August 2009 and the Downtown Tucson Latin Jazz Festival which will be held in September 2009. The Downtown Partnership also took the initial steps in organizing a Dia de los Niños festival scheduled for early May 2010.

4.6 Corporate Support

Financial support from corporations is a crucial aspect of producing successful large events in Downtown. TEP, Cox Communications and Wells Fargo have supported and continue to support Downtown Partnership events. Their contributions are invaluable. Support is also being sought from other corporations and organizations.

5. Maintenance and Security

The Partnership operates auxiliary street maintenance and security functions under the Business Improvement District contract with the City of Tucson. In 2007-08, the Partnership employed 8 maintenance and 7 security personnel. Operations are summarized as follows:

5.1 Maintenance Activities

The maintenance team is responsible for providing their services for the Business Improvement District (BID) area. The staff works from midnight to mid-afternoon on weekdays and more limited hours on the weekends.

Staff are responsible for maintaining the sidewalks, flower pots, trees, trash cans and ashtrays, watering plants, painting and/or cleaning traffic signals, walls, business fronts and doors daily. The staff maintains and paints curbs within the BID area whenever the City's Transportation Department requests their assistance. Additionally, staff assist downtown visitors by handing out maps or brochures as needed.

An average of 11 graffiti 'tags' per day were reported for this year, a decrease of 45% from the previous year. Concentrated areas within the downtown BID were alleys, tunnels, businesses along Congress Street and Pennington Street, Zee's Warehouse and south Fourth Avenue. From July 2007-June 2008 Downtown Tucson Partnership maintenance crew have taken 624 hours to remove graffiti, which is usually removed within 24 to 36 hours. Staff also power-washes several streets once or twice a week.

5.2 Security Patrols

Downtown Security personnel are the eyes and ears of the Tucson Police. They assist the Tucson Police Department by responding to lower priority calls from members of the BID. As a result, Tucson Police officers are free to answer the more serious and emergency calls. The Security staff provides a quick response to call for service and deterrence to criminal activity within the BID area.

Staff patrols on foot, on bicycle, and on an electric motorcar. Security Officers often keep business access and city sidewalks free of pan-handlers and those who try to disrupt or degrade the smooth and free flow of pedestrian traffic. The security patrol staff have several key responsibilities: to provide a visible deterrent to inappropriate or illegal behavior, to report dangerous or illegal behavior to the police, to interact with merchants, to identify and report problems or concerns, and to provide a feeling of safety and support to the general community. Security is also responsible for maintaining a presence during outside performance venues on downtown show nights and special events.

The security staff provide escorts to citizens and merchants working downtown, or anyone who feels unsafe, to or from their cars. This year, security provided 537 escorts and/or public assistance. For the second year in a row, the highest number of reported incidents was related to Trespassing. Skateboarding incidents followed with 711 reports, which are 22% less than the previous year. Sleeping and drinking in public were the next two most common incidents reported by the security staff this year, both significantly more than last year.

6. Looking Forward to 2009-10

The Downtown Tucson Partnership is looking forward to assuming new roles and responsibilities in fiscal year 2009-10. The Downtown Partnership has established a closer working relationship with the City of Tucson, having assumed new responsibilities at ParkWise. It is also beginning to assist the City Manager's office on Downtown development matters.

The Downtown Partnership is also providing advice and support to the Rio Nuevo District Board as it begins to assume new responsibilities in managing the Rio Nuevo program. The Downtown Partnership's new role managing the Downtown Development Corporation also present opportunities to become more directly involved in Downtown development projects.

The Partnership recognizes the special role that it plays in the downtown revitalization process. This effort must take many forms including:

- Leading an on-going public discussion regarding the merits of downtown, its prospects, opportunities for development, and the forms that it may take;
- Engaging in marketing and promotional activities designed to increase or improve the public's awareness, attitude, and use of downtown;
- Assisting downtown public institutions and non-profit agencies in efforts to offer arts, cultural, entertainment, and social activities within the downtown;
- Assisting the City of Tucson and the Rio Nuevo District Board in their efforts to invest in public infrastructure and public facilities in Downtown Tucson;
- Working with the City of Tucson to ensure that its entitlement processes encourage innovation and are responsive to the special needs of downtown developments;
- Assisting the City of Tucson and Pima County in the disposition of surplus downtown land and buildings;
- Working with the private sector to explore investment opportunities in downtown; and
- Generally assisting private sector downtown developers in their dealings with government, adjacent communities, and the general public.

Appendix 1: Consolidated Financial Statements – Downtown Tucson Partnership

Balance Sheet As of June 30, 2009

ASSETS

Current assets:

Cash and cash equivalents	\$	9,839
Accounts Receivable:		
<i>Property Based Assessments</i>		222,374
<i>Downtown Tucsonan Advertising</i>		464
<i>Service Contracts, Project Fees, Memberships</i>		38,616
<i>IHD</i>		0
Prepaid expenses		9,409
Deposits (State Fund only)		2,339
Total current assets		<u>283,041</u>

Fixed Assets

Leasehold Improvements		0
Property and equipment		177,107
Less accumulated depreciation		<u>(167,055)</u>
Total Fixed Assets		10,052
Total Assets	\$	<u><u>293,093</u></u>

LIABILITIES

Current liabilities:

Accounts payable	\$	118,935
Accrued expense		9,238
Accrued wages		25,073
Payroll taxes payable		7,172
Current portion of Maintenance Equipment Capital Lease		0
Line of Credit Chase and Wells Fargo		54,938
Deferred revenue (Back To Basic grants/City of Tucson payment)		<u>25,200</u>
Total current liabilities		240,556

Long-term liabilities

Maintenance Equipment Capital Lease		<u>3,213</u>
Total liabilities		243,769

Equity

Retained Earnings		223,710
Net Income		<u>(174,387)</u>
Total Liabilities and Net Assets	\$	<u><u>293,093</u></u>

Appendix 2: Financial Statements – It’s Happening Downtown

BALANCE SHEET

Jun 30, 09

ASSETS

Current Assets	
Checking/Savings	
Bank One-2443	0.00
Total Checking/Savings	<u>0.00</u>
Total Current Assets	<u>0.00</u>
TOTAL ASSETS	<u>0.00</u>

LIABILITIES & EQUITY

Liabilities

Current Liabilities	
Other Current Liabilities	
Deferred Revenue For BAM	0.00
Loan from DTP for cash flow	0.00
Total Other Current Liabilities	<u>0.00</u>
Total Current Liabilities	<u>0.00</u>
Total Liabilities	0.00

Equity

Retained Earnings	-76,925.28
Net Income	<u>76,925.28</u>
Total Equity	<u>0.00</u>

TOTAL LIABILITIES & EQUITY **0.00**

Jul '08 - Jun 09

INCOME

Sponsorships	416.00
Consolidation of DTP debt	67,883.88
BAM liability transferred to DTP	9,238.11
Miscellaneous Income	100.35
Total Income	<u>77,638.34</u>

Gross Profit 77,638.34

EXPENSE 713.06

NET INCOME **76,925.28**

Appendix 3: Downtown Tucson Partnership 2009-10 Budget

Approved July 09

Revenues	Itemized	Total
BID Fees	\$ 365,000	
COT - Enhanced Services	\$ 280,020	
COT - Entertainment Grant	\$ 32,720	
Project Fees (RTA/DDC)	\$ 85,000	
Rio Nuevo & MCTVB - In-lieu Contributions	\$ 2,400	
Non-BID Member Contributions	\$ 20,000	
Event Sponsorships	\$ 56,250	
Event Ticket Revenues	\$ 57,600	
Advertising Revenues	\$ 85,000	
GSA Maintenance Contract	\$ 78,383	
Parkwise Mg't, Maintenance & Security	\$ 524,990	
Other Income	\$ 15,000	
Revenue Contingency	\$ (40,000)	
Total Revenues	\$ 1,562,363	\$ 1,562,363

Expenses	Itemized	Total
Management Salaries and Benefits		
Salaries	\$ 278,151	
Benefits	\$ 61,193	.
Mgt Salaries & Benefits Subtotal	\$ 339,344	\$ 339,344

General & Administration		
Accounting - Contract	\$ 12,000	
Accounting - Tax - Addington	\$ 3,500	
Attorney Fees	\$ 1,000	
Bank Fees	\$ 136	
Copying	\$ 800	
Insurance, D & O	\$ 13,364	
Insurance, General Liability	\$ 11,000	
Interest, Wells Fargo Credit	\$ 5,000	
Interest, Wells Fargo LOC	\$ 5,000	
Interest, Chase LOC	\$ 600	
Memberships	\$ 125	
Office Supplies	\$ 3,600	
Parking	\$ 6,120	
Postage	\$ 800	
Rent	In Kind	
Telephone/ Internet service	\$ 3,240	

Training	\$	5,500	
Miscellaneous Office	\$	1,000	
General & Administration Subtotal	\$	72,785	\$ 72,785

Community Development			
Events			
Event Insurance	\$	10,000	
Event Production	\$	159,470	
Ticket Sales Charges		In-House	
Events Subtotal	\$	169,470	
Publishing			
Downtown Tucsonan Costs (see detail)	\$	56,000	
Daily Reporting	\$	20,000	
Downtown Promotion Guides	\$	-	
Website Revamp & Operation	\$	4,190	
Publishing Subtotal	\$	80,190	
Volunteer Coordinaton			
Volunteer Coordinator - Contract	\$	2,000	
Community Development Subtotal	\$	251,660	\$ 251,660

Economic Development			
BID Expansion Advertising	\$	5,000	
Jacome Plaza Contribution	\$	10,000	
Miscellaneous	\$	2,900	
Economic Development Subtotal	\$	17,900	\$ 17,900

Enhanced Services			
Enhanced Services, Salaries	\$	263,011	\$ 263,011
Enhanced Services, Benefits	\$	57,862	\$ 57,862
Operations, General			
Auto Insurance	\$	2,383	
Cell and radio service	\$	10,800	
Drug Testing	\$	600	
Employee Bus Passes	\$	2,640	
Equipment Lease (Tennant et al)	\$	7,000	
Equipment Repair, Bikes, Truck, Mad Vac	\$	6,000	
Fuel	\$	4,000	
Maintenance Supplies	\$	6,000	
Security Supplies	\$	1,200	
Uniform costs	\$	3,000	
Operations General Subtotal	\$	43,623	\$ 43,623
Enhanced Services Subtotal			\$ 364,496

Fee for Service Contracts**ParkWise Management**

Salaries - Existing Staff	\$	14,758	
Benefits - Existing Staff Included Above	\$	-	
Contract Fees	\$	30,000	
Subtotal	\$	44,758	\$ 44,758

Park Wise Operations

Salaries	\$	305,693	
Benefits	\$	76,423	
Liability Insurance	\$	6,000	
Training	\$	2,000	
Uniforms	\$	4,000	
Subtotal	\$	394,117	\$ 394,117

GSA Contract

Salaries & Benefits	\$	46,197	
Supplies & Equipment	\$	16,550	
GSA Contract Subtotal	\$	62,747	\$ 62,747

Capital Equipment	\$	13,000	\$ 13,000
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Total Cash Outflows			\$ 1,560,807
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Net Cash Flow	\$	1,556	
Depreciation Expense	\$	14,000	
Net Surplus (Loss) - Add Depreciation Subtract Capital Outlays	\$	556	