

**COMMUNITY AND ECONOMIC DEVELOPMENT**

**Program Goal**

The Community and Economic Development Department creates or facilitates development activities that add or retain jobs, enhances city revenues and enhances the quality of life including business development in Sky Harbor Center and other non-redevelopment areas.

**Budget Allowance Explanation**

The Community and Economic Development operating budget allowance of \$8,134,000 is \$754,000 or 8.5 percent less than 2004-05 estimated expenditures.

This decrease is due primarily to General Fund expenditure reductions, a one-time reallocation of Community Development Block Grant funds in 2004-05, the completion of the Enterprise Community program in 2004-05, and the department becoming eligible to charge certain expenses to the Workforce Investment Act grant in the Human Services Department. This decrease is partially offset by normal inflationary increases and an increase in debt service payments.

The General Fund expenditure reductions include funds for marketing and promotion of the city as an employment base and various economic studies. Reduced promotion of Phoenix could result in fewer jobs added to our future economic base.

**Expenditure and Position Summary**

	2003-04	2004-05*	2005-06
Operating Expense	\$13,068,000	\$8,888,000	\$8,134,000
Total Positions	50.0	36.0	36.0
Source of Funds:			
General	\$5,642,000	\$2,685,000	\$2,754,000
Community Development Block Grant	1,603,000	1,663,000	1,134,000
City Improvement	3,623,000	2,240,000	2,754,000
Sports Facilities	291,000	117,000	40,000
Aviation	429,000	499,000	438,000
Water	486,000	500,000	525,000
Civic Plaza	519,000	132,000	135,000
Grant Funds	353,000	813,000	217,000
Community Reinvestment	104,000	219,000	117,000
Other Restricted Funds	18,000	20,000	20,000

\*Reflects the department reorganization and the establishment of the Downtown Development Office as a separate unit.

**Economic Development Major Performance Measures and Service Levels**

The following significant performance measures and service trends will be achieved with the 2005-06 budget allowance:

	2003-04	2004-05*	2005-06
Projected jobs created/retained within the city of Phoenix as a result of department efforts	7,732	6,918	6,900
Loan applications approved for the Expand Collateral Loan Assistance Program	12	12	12
Estimated sales tax generated from projects	\$18,935,538	\$22,609,389	\$23,650,899
Projected average annual salary for new jobs with companies newly located in Phoenix	\$35,727	\$38,853	\$38,000

\*Based on 10 months actual experience.

