

Economic Development

The Economic Development Department contributes to the long term economic vitality of our community by engaging in business attraction, expansion and retention, downtown redevelopment, retail retention and recruitment, entrepreneurship and business creation, visitor attraction and destination marketing, and Visitors Center operation.

The Department utilizes a multifaceted approach to job creation, business retention, and attraction. This effort leverages the City's financial resources with those of our economic development partners in Loveland, Larimer County and the State of Colorado. The City supports assistance programs for small business development, creative entrepreneurship and technology incubation and acceleration. Lodging tax funds are used to promote the City and other regional attractions to increase visitor attraction and spending and to facilitate opportunities for residents and visitors to attend community events. At the Visitors Center, information is provided on local attractions and recreational opportunities and local and regional merchandise is available for purchase.

One citizen advisory board, the Community Marketing Commission, assist the Department.

Outcome	Performance Measure	2014 Actual	2015 Revised	2016 Projected
Promote the adequate provision of employment opportunities in an effort to sustain the economic health of Loveland and the Northern Colorado region. (GP 13)				
Gather, analyze, and disseminate economic data	Number of Strategic Plan updates, Incentive Policy updates, Cluster or Industry Studies, Economic Development Incentive Report updates produced	1	2	2
Create, strengthen and maintain partnerships	Number of City Council Outreach Activities, Business Tours, Presentations to Community Groups, Partner Sponsorships, Technology and other Business Events	16	17	18
Retention, expansion and attraction of Businesses	Number of Business Assistance Agreements Approved	3	6	4
Formulate and implement a comprehensive tourism strategy (GP 13.7)				
Promotion of Loveland as a visitor destination	Annual Weekly Average – Visit Loveland Website Sessions	1,800	2,000	2,200
	Distribution of Annual Visitor Guide	85,000	85,000	85,000
	Familiarization Tours and Press Trips	5	6	6
Destination and Community Events	Number of events held including sponsorships	11	12	11
Visitors Center	Number of guests	19,425	20,000	20,500

Economic Development Summary

	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget	'16 Budget / '15 Adopted % Change	'15 FTE	'16 FTE
General Fund							
BUSINESS DEVELOPMENT	\$ 5,071,156	\$ 1,191,400	\$ 4,689,409	\$ 1,646,521	38.2%	4.50	4.00
Special Revenue Fund							
LODGING TAX	921,045	900,200	1,215,200	940,523	4.5%	3.00	3.00
ECONOMIC INCENTIVES	903,302	-	2,571,985	-	-	0.00	0.00
Total Special Revenue	\$ 1,824,347	\$ 900,200	\$ 3,787,185	\$ 940,523	4.5%	3.00	3.00
Total Expense	\$ 6,895,503	\$ 2,091,600	\$ 8,476,594	\$ 2,587,044	24%	7.50	7.00
REVENUE							
General Fund							
CONTRIBUTIONS	27,864	24,000	24,000	14,400	-40.0%		
OTHER	4,401	400	400	400	0.0%		
GENERAL FUND SUBSIDY	5,038,891	1,167,000	4,665,009	1,631,721	39.8%		
Total General Fund Revenue	\$ 5,071,156	\$ 1,191,400	\$ 4,689,409	\$ 1,646,521	38.2%		
Special Revenue Fund							
Lodging Tax Fund							
LODGING TAX	852,304	840,000	840,000	840,000	0.0%		
INTEREST	16,363	9,570	9,570	5,527	-42.2%		
OTHER	63,369	37,680	37,680	37,680	0.0%		
Total Lodging Tax	\$ 932,036	\$ 887,250	\$ 887,250	\$ 883,207	-0.5%		
Economic Incentives Fund							
INTEREST	1,073	-	-	-	-		
TRANSFERS	1,764,440	450,000	2,650,000	450,000	0.0%		
Total Economic Incentives	\$ 1,765,513	\$ 450,000	\$ 2,650,000	\$ 450,000	0.0%		
Total Special Revenue	\$ 2,697,549	\$ 1,337,250	\$ 3,537,250	\$ 1,333,207	-0.3%		
Total Revenue	\$ 7,768,705	\$ 2,528,650	\$ 8,226,659	\$ 2,979,728	17.8%		
EXPENSES BY CATEGORY							
PERSONNEL SERVICES	620,183	689,340	689,340	678,641	-1.6%		
SUPPLIES	187,000	99,260	99,260	102,810	3.6%		
PURCHASED SERVICES	2,511,410	1,024,150	4,190,267	1,539,625	50.3%		
ADMINISTRATIVE OVERHEAD	242,104	253,850	253,850	240,968	-5.1%		
TRANSFERS	55,208	25,000	25,000	25,000	0.0%		
CAPITAL	3,279,598	-	3,218,877	-	-		
Total Expense	\$ 6,895,503	\$ 2,091,600	\$ 8,476,594	\$ 2,587,044	23.7%		

Economic Development

Economic Development's mission is to grow employment and business opportunities to sustain the economic health of Loveland and the Northern Colorado Region.

ACTIVITY		DEPARTMENT		
Economic Development		Economic Development		
EXPENSE BY Division/Program	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
General Fund				
ECONOMIC DEVELOPMENT				
GENERAL OPERATIONS	220,550	231,770	231,770	234,128
BUSINESS INCENTIVE	4,517,287	599,630	4,121,639	562,393
CREATIVE SECTOR DEVELOPMENT	2,252	-	-	-
PARTNER AGENCY CONTRIBUTIONS	211,953	240,000	216,000	730,000
TECHNOLOGY TRANSFER INITIATIVE	119,114	120,000	120,000	120,000
Total Expense	\$ 5,071,156	\$ 1,191,400	\$ 4,689,409	\$ 1,646,521
REVENUE				
CONTRIBUTIONS	27,864	24,000	24,000	14,400
OTHER	4,401	400	400	400
GENERAL FUND SUBSIDY	5,038,891	1,167,000	4,665,009	1,631,721
Total Revenue	\$ 5,071,156	\$ 1,191,400	\$ 4,689,409	\$ 1,646,521
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	395,359	442,230	442,230	387,659
SUPPLIES	43,862	50,900	50,900	39,400
PURCHASED SERVICES	1,131,787	466,500	745,632	996,384
ADMINISTRATIVE OVERHEAD	220,550	231,770	231,770	223,078
CAPITAL	3,279,598	-	3,218,877	-
Total Expense	\$ 5,071,156	\$ 1,191,400	\$ 4,689,409	\$ 1,646,521
FTE	4.50	4.50	4.50	4.00

CHANGES COMPARED TO PRIOR YEAR ADOPTED

500,000	Increase in purchased services for Loveland Downtown Partnership service contract.
8,000	Increase in purchased services for increase membership fees to Metro Denver.
3,929	Increase in personnel services mid-point leveling of the Business Services Coordinator position.
(2,551)	Decrease in administrative overhead for costs allocated by Facilities Management based on the allocation methodology.
(3,087)	Decrease in administrative overhead for costs allocated by Finance based on the allocation methodology.
(10,000)	Decrease in purchased services for the elimination of funding for Northern Colorado Economic Development Corporation.
(11,500)	Decrease in supplies for food associated with Council outreach activities and the Business Appreciation luncheon.
(16,940)	Decrease in personnel services for Insurance Benefits due to historical enrollment.
(40,550)	Decrease in personnel services for the reduction of .5 FTE Administrative Specialist per the City Manager's directed cost reductions.
(680)	<u>Core Changes</u>
(1,010)	Personnel Services
3,384	Purchased Services
(3,054)	Administrative Overhead
28,500	<u>Funded Supplements</u>
28,500	Business Attraction Strategy
\$ 455,121	TOTAL CHANGE

OTHER INFORMATION

- Unfunded Supplements
 - There are no unfunded supplements in this division.
- Equipment Replacement
 - No equipment is scheduled for replacement in this division.
- Capital Projects
 - There are no capital projects anticipated for this division.

Lodging Tax

Visitor Services receives its funding from the City's Lodging Tax and is responsible for marketing Loveland as a destination for tourism, conventions, and business development. The Division also manages the Loveland Visitors Center.

ACTIVITY		DEPARTMENT		
Lodging Tax		Economic Development		
EXPENSE BY Division/Program	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
Special Revenue Fund				
VISITOR SERVICES				
GENERAL OPERATIONS	189,581	176,150	176,150	181,863
COMMUNITY MARKETING	456,638	495,000	770,000	498,770
VISITOR/RECEPTION CENTER	161,251	179,050	219,050	209,890
PRODUCT IMPROVEMENT	113,575	50,000	50,000	50,000
Total Expense	\$ 921,045	\$ 900,200	\$ 1,215,200	\$ 940,523
REVENUE				
LODGING TAX	852,304	840,000	840,000	840,000
INTEREST	16,363	9,570	9,570	5,527
OTHER	63,369	37,680	37,680	37,680
Total Revenue	\$ 932,036	\$ 887,250	\$ 887,250	\$ 883,207
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	224,824	247,110	247,110	290,982
SUPPLIES	143,138	48,360	48,360	63,410
PURCHASED SERVICES	506,529	557,650	872,650	543,241
ADMINISTRATIVE OVERHEAD	21,554	22,080	22,080	17,890
TRANSFERS	25,000	25,000	25,000	25,000
Total Expense	\$ 921,045	\$ 900,200	\$ 1,215,200	\$ 940,523
FTE	3.00	3.00	3.00	3.00

CHANGES COMPARED TO PRIOR YEAR ADOPTED

13,270	Increase in personnel services for Insurance Benefits due to historical enrollment.
12,000	Increase in supplies for annual wayfinding sign maintenance and repairs.
(4,190)	Decrease in administrative overhead for costs allocated by Facilities Management based on the allocation methodology.
(12,575)	Decrease in purchased services for advertising services.

13,068	<u>Core Changes</u>
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11,852	Personnel Services
3,050	Supplies
(1,834)	Purchased Services

18,750	<u>Funded Supplements</u>
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18,750	Part-Time non-benefitted employee at the Visitors Center
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\$ 40,323 TOTAL CHANGE

OTHER INFORMATION

- Unfunded Supplements
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- Equipment Replacement
 - No equipment is scheduled for replacement in this division.
- Capital Projects
 - There are no capital projects anticipated for this division.

Economic Incentives

ACTIVITY	DEPARTMENT
Economic Incentives	Economic Development

EXPENSE BY Division/Program	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
Special Revenue Fund				
ECONOMIC INCENTIVES	\$ 903,302	\$ -	\$ 2,571,985	\$ -
REVENUE				
INTEREST	1,073	-	-	-
TRANSFERS	1,764,440	450,000	2,650,000	450,000
Total Revenue	\$ 1,765,513	\$ 450,000	\$ 2,650,000	\$ 450,000
EXPENSE BY CATEGORY				
PURCHASED SERVICES	873,094	-	2,571,985	-
TRANSFERS	30,208	-	-	-
Total Expense	\$ 903,302	\$ -	\$ 2,571,985	\$ -
FTE	0.00	0.00	0.00	0.00

CHANGES COMPARED TO PRIOR YEAR ADOPTED

\$ - TOTAL CHANGE

OTHER INFORMATION

- Unfunded Supplements
 - There are no unfunded supplements in this division.
- Equipment Replacement
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- Capital Projects
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