

CIVIC CENTER (14)

AGENCY PLAN: STATEMENT OF PURPOSE, GOALS AND BUDGET SUMMARY

STATEMENT OF PURPOSE:

The Civic Center Department provides and promotes world class facilities and services for conventions, trade shows, banquets, special events, cultural events and major public and sporting events, in order to create both temporary and permanent economic impact to the City of Detroit.

AGENCY GOALS:

1. Continue to improve our level of customer satisfaction by providing a safe and attractive facility with a responsive, customer-driven staff.
2. Build upon the upward trend of increased convention bookings to positively impact event-generated revenue, with the overall impact of causing an increased demand for hospitality services that relate to Cobo activity.
3. Reduce operational costs.
4. To continue our efforts towards "Greener" policies.
5. Continue to communicate effectively and cooperate with Detroit hospitality service providers (hotels, Detroit Metro Convention and Visitors Bureau, etc.).

2009-10 <u>Requested</u>		2008-09 <u>Budget</u>	2009-10 <u>Recommended</u>	Increase <u>(Decrease)</u>
\$17,486,115	City Appropriations	\$ 16,949,980	\$ 15,423,724	\$ (1,526,256)
<u>1,200,000</u>	Renewal and Replacement Funds	<u>2,350,000</u>	<u>595,000</u>	<u>(1,755,000)</u>
\$18,686,115	Total Appropriations	\$ 19,299,980	\$ 16,018,724	\$ (3,281,256)
\$ 4,905,925	Operating Revenues	\$ 5,063,765	\$ 4,905,428	(158,337)
<u>1,200,000</u>	Renewal and Replacement Funds	<u>2,350,000</u>	<u>595,000</u>	<u>(1,755,000)</u>
6,105,925	Total Revenues	\$ 7,413,765	\$ 5,500,428	\$ (1,913,337)
\$12,580,190	NET TAX COST:	\$ 11,886,215	<u>\$ 10,518,296</u>	\$ (1,367,919)

AGENCY EMPLOYEE STATISTICS:

2009-10 <u>Requested</u>		2008-09 <u>Budget</u>	04-02-09 <u>Actual</u>	2009-10 <u>Recommended</u>	Increase <u>(Decrease)</u>
34	City Full-Time Positions	34	34	32	(2)
<u>2</u>	City Part-Time Positions	<u>2</u>	<u>1</u>	<u>2</u>	<u>0</u>
36	Total Positions	36	35	34	(2)

ACTIVITIES IN THIS AGENCY:

	2008-09 <u>Budget</u>	2009-10 <u>Recommended</u>	Increase <u>(Decrease)</u>
Administrative Services	\$ 1,292,611	\$ 970,159	\$ (322,452)
Civic Center Facilities Operations	16,663,162	13,975,311	(2,687,851)
Property Management	<u>1,344,207</u>	<u>1,073,254</u>	<u>(270,953)</u>
Total Appropriations	\$ 19,299,980	\$ 16,018,724	\$ (3,281,256)

CIVIC CENTER (14)

ADMINISTRATIVE SERVICES MEASURES AND TARGETS

ACTIVITY DESCRIPTION: ADMINISTRATIVE SERVICES

The Civic Center Department's Administrative Services unit establishes and implements policies. It provides all technical and administrative support to ensure the long-term viability of the Civic Center complex as a world class attraction that serves as an economic catalyst and cultural enhancement for the City of Detroit and the State of Michigan. The unit provides and promotes a safe, attractive, well-managed, customer-friendly environment for Detroiters and visitors, making Cobo Center a magnet for conventions, trade shows, conferences, banquets and special events. The unit also monitors and maximizes the business relationship with Cobo Center's labor unions, exclusive contractors, Olympia Entertainment, Inc. and the Detroit Metro Convention and Visitors Bureau (DMCVB).

MAJOR INITIATIVES FOR FY 2008-09:

- The Cockrel Administration has been part of a regional coalition negotiating to assume control of Cobo convention center facilities. A proposal arrangement for funding operations and improvements under a newly configured authority was authorized under state law in January of 2009. Civic Center Administration is preparing for transition by accumulating operational data and analyzing operations.

PLANNING FOR THE FUTURE FOR FY 2009-10, FY 2010-11 and BEYOND:

- The Administration has been seeking expansion funding and is monitoring the development plans for the expansion of Cobo Center and Hart Plaza.

CIVIC CENTER (14)

ADMINISTRATIVE SERVICES MEASURES AND TARGETS

Type of Performance Measure:	2006-07	2007-08	2008-09	2009-10
List of Measures	Actual	Actual	Projection	Target
Efficiency: Program Costs related to Units of Activity				
Administrative costs as percent of total operating costs				
Contractual services as percent of total costs	*2.3%	19%	19%	N/A
Activity Costs	\$1,127,593	\$1,268,056	\$1,292,611	\$970,159

*In FY 2006-07, security and janitorial services were transferred to the General Services Department. In FY 2007-08, janitorial services were transferred back to Civic Center.

CITY OF DETROIT
Civic Center
Financial Detail by Appropriation and Organization

Administration	2008-09		2009-10		2009-10	
	Redbook		Dept Final		Mayor's	
Administration	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
<i>APPROPRIATION</i>						
<i>ORGANIZATION</i>						
00008 - Administration						
140010 - Administration	7	\$887,611	7	\$926,258	6	\$575,159
140030 - Arena Taxes	0	\$405,000	0	\$395,000	0	\$395,000
APPROPRIATION TOTAL	7	\$1,292,611	7	\$1,321,258	6	\$970,159
ACTIVITY TOTAL	7	\$1,292,611	7	\$1,321,258	6	\$970,159

CITY OF DETROIT
Budget Development for FY 2009-2010
Appropriations - Summary Objects

	2008-09	2009-10	2009-10
	Redbook	Dept Final	Mayor's
		Request	Budget Rec
AC0514 - Administrative Services			
<i>A14000 - Civic Center</i>			
SALWAGESL - Salary & Wages	450,382	432,053	227,398
EMPBENESL - Employee Benef	282,862	300,754	159,310
PROFSVCSL - Professional/Cor	60,000	60,000	60,000
OPERSUPSL - Operating Suppli	15,000	20,000	15,000
OPERSVCSL - Operating Servic	76,367	110,451	110,451
OTHEXPSSL - Other Expenses	408,000	398,000	398,000
<i>A14000 - Civic Center</i>	<i>1,292,611</i>	<i>1,321,258</i>	<i>970,159</i>
AC0514 - Administrative Services	1,292,611	1,321,258	970,159
Grand Total	1,292,611	1,321,258	970,159

CIVIC CENTER (14)

CIVIC CENTER FACILITIES OPERATIONS ACTIVITY INFORMATION

ACTIVITY DESCRIPTION: CIVIC CENTER FACILITIES OPERATIONS, SALES & MARKETING AND EVENT SERVICES

Facilities Operations, Sales & Marketing and Event Services provide management, event coordination, maintenance, security, customer service, food service and a positive environment at one of the nation's largest exhibition centers, including Hart Plaza. Sales and Marketing staff work closely with Administrative Services and the Detroit Metro Convention and Visitors Bureau (DMCVB). Facilities Operations houses the chilled water and refrigeration plant that supplies chilled water for air conditioning to Joe Louis Arena, Cobo Arena, and the Veterans Memorial Building).

MAJOR INITIATIVES FOR FY 2008-09:

- The Cockrel Administration has been part of a regional coalition negotiating to assume control of Cobo convention center facilities. A proposal arrangement for funding operations and improvements under a newly configured authority was authorized under state law in January of 2009. Civic Center Administration is preparing for a transition by accumulating operational data and analyzing operations.

PLANNING FOR THE FUTURE FOR FY 2008-09, FY 2009-10 and BEYOND:

As long as the facility is under city management, to continue to work with the DMCVB to generate more economic impact for the region by booking more events.

CIVIC CENTER (14)

CENTER FACILITIES OPERATIONS MEASURES AND TARGETS

Type of Performance Measure:	2006-07	2007-08	2008-09	2009-10
List of Measures	Actual	Actual	Projection	Target
Efficiency: Program costs related to Units of Activity				
Hall rentals as percent of total rentals	66%	67%	68%	N/A
Food service concession as percent of total revenue	25%	20%	20%	N/A
Activity Costs	\$13,147,317	\$18,038,791	\$16,663,162	\$13,975,311

CITY OF DETROIT
Civic Center
Financial Detail by Appropriation and Organization

Sales & Marketing	2008-09		2009-10		2009-10	
	Redbook		Dept Final		Mayor's	
Cobo Center	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
<i>APPROPRIATION ORGANIZATION</i>						
00011 - Cobo Center						
140040 - Sales & Marketing	8	\$1,046,043	8	\$1,014,127	7	\$986,877
140045 - Operations	4	\$358,442	4	\$381,737	4	\$367,908
140060 - Information Desk	0	\$32,386	0	\$33,740	0	\$27,200
140090 - Maintenance	0	\$11,970,091	0	\$12,069,719	0	\$11,323,348
140100 - Building Services	13	\$899,721	13	\$911,107	13	\$674,978
140110 - Building Services Extra Service	0	\$6,479	0	\$16,870	0	\$0
APPROPRIATION TOTAL	25	\$14,313,162	25	\$14,427,300	24	\$13,380,311
00890 - Cobo - Renewal and Replacement						
140050 - Renewal & Replacement	0	\$2,350,000	0	\$1,200,000	0	\$595,000
APPROPRIATION TOTAL	0	\$2,350,000	0	\$1,200,000	0	\$595,000
ACTIVITY TOTAL	25	\$16,663,162	25	\$15,627,300	24	\$13,975,311

CITY OF DETROIT
Budget Development for FY 2009-2010
Appropriations - Summary Objects

	2008-09 Redbook	2009-10 Dept Final Request	2009-10 Mayor's Budget Rec
AC1514 - Civic Center Facilities Operations			
<i>A14000 - Civic Center</i>			
SALWAGESL - Salary & Wages	1,240,643	1,252,792	1,075,381
EMPBENESL - Employee Benef	783,560	862,042	738,802
PROFSVCSL - Professional/Cor	3,500,000	3,500,000	3,273,125
OPERSUPSL - Operating Suppli	1,000	1,000	1,000
OPERSVCSL - Operating Servic	8,777,959	8,801,466	8,282,003
CAPOUTLSL - Capital Outlays/In	2,350,000	1,200,000	595,000
OTHEXPSSL - Other Expenses	10,000	10,000	10,000
<i>A14000 - Civic Center</i>	<i>16,663,162</i>	<i>15,627,300</i>	<i>13,975,311</i>
AC1514 - Civic Center Facilities Operation	16,663,162	15,627,300	13,975,311
Grand Total	16,663,162	15,627,300	13,975,311

CIVIC CENTER (14)

PROPERTY MANAGEMENT ACTIVITY INFORMATION

ACTIVITY DESCRIPTION: PROPERTY MANAGEMENT

The Property Management Division provides event programming, janitorial service, grounds maintenance, security, and event service management for Hart Plaza. This division is also responsible for tenant relations for the Veteran's Memorial Building (Ford/UAW Training Center), Joe Louis Arena and Cobo Arena

GOAL:

Maintain Hart Plaza as a destination for special events and provide safe, attractive facilities with responsive customer-driven staff.

MAJOR INITIATIVES FOR FY 2008-09:

The Cockrel Administration has been part of a regional coalition negotiating to assume control of Cobo convention center facilities. A proposal arrangement for funding operations and improvements under a newly configured authority was authorized under state law in January of 2009. Civic Center Administration is preparing for a transition by accumulating operational data and analyzing operations.

PLANNING FOR THE FUTURE FOR FY 2009-10, FY 2010-11 and BEYOND:

When a regional authority is operational, property management responsibilities will be transferred to the General Services Department.

CIVIC CENTER (14)

PROPERTY MANAGEMENT MEASURES AND TARGETS INFORMATION

Type of Performance Measure:	2006-07	2007-08	2008-09	2009-10
List of Measures	Actual	Actual	Projection	Target
Outputs: Units of Activity directed toward Goals				
No. of activities at Hart Plaza	13	14	14	14
Activity Costs	\$496,593	\$921,173	\$1,344,207	\$1,073,254

CITY OF DETROIT
Civic Center
Financial Detail by Appropriation and Organization

Property Management Administration	2008-09		2009-10		2009-10	
	Redbook		Dept Final		Mayor's	
Property Management	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Request					Budget Rec	
<i>APPROPRIATION</i>						
<i>ORGANIZATION</i>						
11150 - Property Management						
140350 - Property Management Administration	4	\$212,493	4	\$245,701	4	\$222,809
140370 - Hart Plaza Management	0	\$1,131,714	0	\$1,491,856	0	\$850,445
APPROPRIATION TOTAL	4	\$1,344,207	4	\$1,737,557	4	\$1,073,254
ACTIVITY TOTAL	4	\$1,344,207	4	\$1,737,557	4	\$1,073,254

CITY OF DETROIT
Budget Development for FY 2009-2010
Appropriations - Summary Objects

	2008-09 Redbook	2009-10 Dept Final Request	2009-10 Mayor's Budget Rec
AC3514 - Property Management			
<i>A14000 - Civic Center</i>			
SALWAGESL - Salary & Wages	144,084	144,595	139,291
EMPBENESL - Employee Benef	68,409	101,106	83,518
PROFSVCSL - Professional/Cor	600,000	850,000	265,807
OPERSVCSL - Operating Servic	531,714	641,856	584,638
<i>A14000 - Civic Center</i>	<i>1,344,207</i>	<i>1,737,557</i>	<i>1,073,254</i>
AC3514 - Property Management	1,344,207	1,737,557	1,073,254
Grand Total	1,344,207	1,737,557	1,073,254

CITY OF DETROIT
Budget Development for FY 2009-2010
Appropriation Summary - Revenues

	2007-08 Actuals	2008-09 Redbook	2009-10 Dept Final Request	2009-10 Mayor's Budget Rec	Variance
A14000 - Civic Center					
<i>00008 - Administration</i>					
447505 - Telephone And Telegr:	329	100	400	400	300
447555 - Other Reimbursements	346	2,000	2,000	2,000	0
462130 - Building Rentals	1,894,832	2,280,000	2,242,385	2,242,385	(37,615)
463100 - Miscellaneous Conces:	1,412,608	675,000	910,000	910,000	235,000
463175 - Restaurant Concessior	1,145,183	1,100,000	1,150,000	1,150,000	50,000
463185 - Checking Concessions	22,457	40,000	30,000	30,000	(10,000)
472130 - Equipment Rentals	0	25,000	25,000	25,000	0
474100 - Miscellaneous Receipt:	14,267	10,000	10,000	10,000	0
510100 - Street Funds Reimburs	26,000	30,045	30,542	30,045	0
<i>00008 - Administration</i>	<i>4,516,022</i>	<i>4,162,145</i>	<i>4,400,327</i>	<i>4,399,830</i>	<i>237,685</i>
<i>00011 - Cobo Center</i>					
462130 - Building Rentals	216,798	0	0	0	0
463100 - Miscellaneous Conces:	(8,000)	0	0	0	0
<i>00011 - Cobo Center</i>	<i>208,798</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>00890 - Cobo - Renewal and Replacement</i>					
461100 - Earnings On Investmer	141,007	0	0	0	0
510325 - Transfers From Other f	1,833,295	2,350,000	1,200,000	595,000	(1,755,000)
<i>00890 - Cobo - Renewal and Replace</i>	<i>1,974,302</i>	<i>2,350,000</i>	<i>1,200,000</i>	<i>595,000</i>	<i>(1,755,000)</i>
<i>12743 - GO Bonds Civic Center Cobo Hall 06-07</i>					
522100 - Sale Of Bonds	3,000,000	0	0	0	0
<i>12743 - GO Bonds Civic Center Cobo</i>	<i>3,000,000</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>11150 - Property Management</i>					
462130 - Building Rentals	798,628	901,620	505,598	505,598	(396,022)
<i>11150 - Property Management</i>	<i>798,628</i>	<i>901,620</i>	<i>505,598</i>	<i>505,598</i>	<i>(396,022)</i>
A14000 - Civic Center	10,497,750	7,413,765	6,105,925	5,500,428	(1,913,337)
Grand Total	10,497,750	7,413,765	6,105,925	5,500,428	(1,913,337)

**CITY OF DETROIT
MAYOR'S 2009-2010 RECOMMENDED BUDGET**

Civic Center

Appropriation	REDBOOK FY		DEPT REQUEST		MAYORS FY	
Organization	2008	2009 FTE	FY 2009	2010 FTE	2009	2010 FTE
Classification						
00008 - Administration						
140010 - Administration						
Director - Civic Center	1		1		1	
Deputy Director - Civic Center	1		1		1	
General Manager - Civic Center	1		1		0	
Manager I - Civic Center	1		1		1	
Executive Secretary III	1		1		1	
Executive Secretary II	1		1		1	
Clerk	1		1		1	
Total Administration	7		7		6	
Total Administration	7		7		6	
00011 - Cobo Center						
140040 - Sales & Marketing						
Manager I - Civic Center	2		2		2	
Asst Sales Mgr - Civic Center	1		1		1	
Admin Asst GD III	1		1		0	
Sr Civic Center Event Coordina	1		1		1	
Civic Center Event Coordinator	3		3		3	
Total Sales & Marketing	8		8		7	
140045 - Operations						
Manager I - Civic Center	1		1		1	
Civic Center Srvc Foreman	2		2		2	
Civic Center Srvc Supervisor	1		1		1	
Total Operations	4		4		4	
140100 - Building Services						
Civic Center Facility Worker	13		13		13	
Total Building Services	13		13		13	
Total Cobo Center	25		25		24	
11150 - Property Management						
140350 - Property Management Administrati						
Sr Civic Center Event Coordina	1		1		1	
Civic Center Event Coordinator	1		1		1	

**CITY OF DETROIT
MAYOR'S 2009-2010 RECOMMENDED BUDGET**

Civic Center

Appropriation	REDBOOK FY		DEPT REQUEST		MAYORS FY	
Organization	2008	2009 FTE	FY 2009	2010 FTE	2009	2010 FTE
Classification						
11150 - Property Management						
140350 - Property Management Administrati						
Civic Center Event Coord-Spec	2		2		2	
Total Property Management Administration	4		4		4	
Total Property Management	4		4		4	
Agency Total	36		36		34	