

2007/2008
Wildwoods Boardwalk Special Improvement District
Annual Report & Budget Proposal

Submitted By:
Wildwoods Boardwalk Special Improvement District
Management Corporation

The Wildwoods Boardwalk Special Improvement District, Management Corporation (WSID) has just completed eleven years of providing services to the property owners and visitors to the Wildwoods Boardwalk. During the course of those eleven years, WSID has contributed millions of dollars toward improvements on the Wildwoods Boardwalk and has helped to recreate the image and atmosphere of our Boardwalk.

The summer of 2007, however, is one that will stand out in memory for years to come. WSID was proud to be at the forefront of a number of major events on the Wildwoods Boardwalk that go hand-in-hand with our efforts to recreate the Wildwoods Boardwalk into the greatest family vacation destination on the East Coast.

From the first ever appearance by Walt Disney World Characters, none other than Mickey Mouse and Minnie Mouse, to the unveiling of the first new Boardwalk Sightseer Tram Car in forty four years, to a live broadcast of Fox Philadelphia's American Idol preliminary tryout, WSID helped to raise the profile and image of the Wildwoods Boardwalk in profound and subtle ways during the summer of 2007.

All of these dramatic accomplishments, however, did not detract from the core operations aspect of the Boardwalk SID. WSID continued with a dramatically expanded scope of services through the continuing operation of the Boardwalk Tram Cars. With more than 500,000 riders during 2007, the Boardwalk Sightseer Tram Cars continue to be a defining icon of the Wildwoods and one of the most popular attractions on the island. After a major renovation and a strategic partnership with Coca Cola North America, the Tram Cars continued to enjoyed a fresh new look this summer.

2008 marks the 60th Anniversary of Sightseer Tram Car service on the Wildwoods Boardwalk! We plan to commemorate this historic occasion throughout the year. In addition, in the coming year, WSID plans to continue with a major reinvestment into the Tram system as well as initiating new sales and marketing measures that will make this valuable service available to more of our residents and visitors. While improvements to the Tram system are vitally important to the Wildwoods and the Boardwalk, WSID is also looking to expand our core cleaning and entertainment services and work closely with the cities to help guide and provide direction to future development along the Boardwalk.

This report provides an overview of our budget and operations during 2007 and our plans for 2008. This report also makes specific requests for permits and formal approvals from the Municipal Governing body.

Branding America's Boardwalk

The Wildwoods Boardwalk is one of the most popular Amusement Parks in the United States and is ranked 16th in the World by the International Association of Amusement Parks and Attractions (IAAPA). The Wildwoods Boardwalk would be the third largest mall in the United States if it were defined as such. The Wildwoods Boardwalk is one of the most popular designated bike paths in the United States. The Wildwoods Boardwalk has more amusement rides than Disney World. The very concept of the Wildwoods Boardwalk has been copied and replicated both in Disney World and Hershey Park. The Sightseer Tram Cars are one of the oldest original continually operating mass transit systems in the United States. There are more food and beverage establishments on the Wildwoods Boardwalk than in any mall, lifestyle center or shopping center in the United States.

WSID believes that the Wildwoods Boardwalk is, and will continue to be, the single greatest asset that sets the Wildwoods apart from every other ocean front resort destination in the World. While every town on the Jersey Shore and beyond can boast about their beaches, boating and swimming, none of them can even attempt to lay claim to hosting America's Boardwalk.

In 2007, WSID began a concerted effort, with professional assistance, to begin the process of defining the Wildwoods Boardwalk and reintroducing it to locals, business owners and visitors for what it truly is. This effort, while of modest beginnings, is vitally important to the continued success of the Wildwoods Boardwalk and in turn, the Wildwoods-By-The-Sea.

Using every marketing and advertising tool available to us, WSID began the effort at reintroducing the Wildwoods Boardwalk through print and broadcast paid media, a tremendous amount of free media and through outdoor advertising both on the Boardwalk and through our partnership with Coca Cola. This effort will continue in 2008.

Operations Overview and Plan

One of the core beliefs of the WSID is that of the 'Broken Window' theory of Urban Redevelopment used successfully in New York City. The idea behind this theory is that if you address the relatively small yet noticeable problems in an area, such as broken windows or dirty streets and boardwalks, you are actually setting the foundation for improving the entire area. With respect to the Wildwoods Boardwalk, we believe that cleanliness begets a clean and safe environment for our visitors and residents alike. Therefore, one of the primary concerns of WSID is that the Boardwalk Entertainment District and its facilities be maintained in a clean and orderly manner.

The main component of the operations department of WSID is the cleaning and courtesy patrol. In addition, during 2007, WSID entered into its fourth year of a service contract with the City of North Wildwood to operate and maintain the municipal facilities located at 25th & Boardwalk and 15th Avenue and the Beach. The patrols operate from 5 P.M. until approximately midnight, April through October.

Wildwood Business District Shared Services

In an effort to maximize efficiency and cut back on duplicate services, WSID entered into a management agreement with the Wildwood Business Improvement District in 2004. This cooperative effort has resulted in a reduction in administrative costs for both the Wildwood BID and the Boardwalk SID. This shared service is expected to continue into 2008.

In cooperation and partnership with the Wildwood Business Improvement District (WBID), the Boardwalk SID added a two man cleaning team to maintain the downtown business district. This new program met with success and it is anticipated that it will be continued during 2008.

Entertainment Overview and Plan

One of the greatest successes of the WSID has been the introduction of free, family-oriented and professional entertainment to the Wildwoods Boardwalk. During the past ten summers, WSID has provided entertainment 1-3 nights per week. These nights have met with great success and WSID plans to continue to build upon this success with five full nights of free family entertainment on the Wildwoods Boardwalk. These free entertainment events, provide a sense of place and excitement on the Wildwoods Boardwalk that advances our goal of making the Boardwalk Entertainment District the greatest family vacation destination on the East Coast.

In 2008, WSID is looking to bring our family entertainment offerings to the next level of excitement and family entertainment value. The unbelievable response to the appearance by Mickey Mouse and Minnie Mouse on July 3, 2007 and then the excitement and incredible free media that was received during the live broadcast of the America Idol preliminary tryout are two examples of the type and level of entertainment and excitement WSID hopes to bring to the Wildwoods Boardwalk.

In particular through our relationship with Coca Cola, we are going to make every effort to bring nationally recognized family entertainment and events to the Wildwoods Boardwalk in 2008.

Boardwalk Craft Show Series Overview and Plan

The Boardwalk Craft Show series has been a win-win situation for the WSID. While the event does not cost the WSID anything to put on, it has attracted a new and diverse group of customers to the Wildwoods Boardwalk and has provided yet another attraction for families to enjoy on the Wildwoods Boardwalk. In 2008 WSID will continue to work to increase the size of the shows, while maintaining the high quality of the merchandise offered.

Fireworks Program Overview and Plan

Friday night fireworks have become synonymous with the Wildwoods. The addition of electronic firing and synchronized music has made the Wildwoods Fireworks show one of the must see attractions of the Jersey Cape. During 2008, we will continue our partnership with a radio station and we are looking to provide this event every Friday Night in July and August.

Boardwalk Tramcar Operations-COVERED UNDER SEPARATE INSURANCE

The Boardwalk Sightseer Tram Cars continue to be the defining icon of the Wildwoods. With more than 500,000 passengers a year, they are also one of the most heavily used modes of public transportation on the Jersey Shore. Since acquiring the Tram Cars, we have made dramatic improvements in their operation, safety, maintenance and appearance. In 2006 every Tram Car engine received a complete body overhaul, new paint and new graphics. In addition, we added a sales kiosk at 16th Avenue in North Wildwood and increased our safety and security plan to better manage theft and to safeguard our employees and the general public.

2007 marked the first time in 44 years that new Tram Cars were added to the Boardwalk Sightseer Tram Car Fleet. The addition of five new tram car trailers increased the carrying capacity of the trams and provided a much more comfortable ride for those persons riding on the new trailers.

The unveiling of the new tram cars was accompanied by some of the most intense media coverage the boardwalk has ever received. All of the Philadelphia, and most of the New Jersey media, covered the new tram cars, which gave the Wildwoods Boardwalk a tremendous amount of media exposure.

Coca Cola Sponsorship

In 2006 the WSID accomplished something that no other agency in the Wildwoods has been able to do. We came to an agreement with a major corporate sponsor to identify the Wildwoods Boardwalk with that company's brand. Coca Cola is the most recognized brand in the entire world. Through much effort, we were able to get Coca Cola North America to tie that brand to the Wildwoods Boardwalk.

We successfully showed Coca Cola North America that the Wildwoods Boardwalk was one of the premiere entertainment destinations on the East Coast and a venue that was worth linking to the most recognizable brand in the world. Through a combination of different products, such as 'wrapping' tram cars, installation of banners on streetlights, naming rights for our Friday Night Fireworks and other partnerships, Coca Cola and the Wildwoods Boardwalk are unique and beneficial partners.

As a direct result of that effort, in 2007 Coca Cola International selected the Wildwoods Boardwalk as a 'Model Market' for a new international marketing campaign. Some of the highest ranking officials in the Coca Cola Company visited the Wildwoods Boardwalk during the summer of 2007. In addition, dozens of individual property and store owners benefited from the massive investment Coca Cola made in terms of Signs, Awnings, New Equipment and competitive pricing. Through the assistance of the Boardwalk SID, Coca Cola increased the percentage of Coca Cola v/v Pepsi accounts on the Wildwoods Boardwalk from 30% to 70%.

We are looking to continue and increase the participation with the Coca Cola Company in 2008. Particular attention is going to be paid to using Coca Cola to leverage national and international events to the Wildwoods, much like was accomplished when Coca Cola brought American Idol to the Wildwoods for a preliminary tryout.

Summary

As the Wildwoods Boardwalk continues to grow in popularity each year, the WSID will be called upon to shoulder an ever-increasing amount of responsibility. Through the steps described above, the WSID will be able to continue to make a positive impact on the Wildwoods Boardwalk and indeed on the entire island.

Attached to this report is the proposed budget for the Wildwoods Boardwalk Special Improvement District for the year 2008. In addition, a complete breakdown of all of our income and expenditures for the 2007 calendar year is attached.

Also attached is a line item request for Permits and other approvals that are required in order for the SID to implement the programs discussed in this report.

###