
SALT LAKE CITY COUNCIL STAFF REPORT

DATE: October 4, 2002

SUBJECT: Fiscal Years 2001-2002, 2002-2003 Biennial Budget Amendment #10

STAFF REPORT BY: Michael Sears, Budget and Policy Analyst

Document Type	Budget-Related Facts	Policy-Related Facts	Miscellaneous Facts
Ordinance	The proposed amendment includes \$580,000 from Fund Balance in the General Fund. All other proposed amendments relate to the Miscellaneous Grants Funds.	The requested amendment has issues related to Grants, Public Safety, Economic Development and donations to the City.	The ordinance is presented to amend the second year of the biennial budget.

OPTIONS AND MOTIONS:

The following motions deal with those initiatives on which Council Members did not request additional information. The briefing summary section highlights questions that the Council asked regarding Initiatives #3 (downtown decorations and performances) and #4 (downtown winter festival) and provides additional motions for those initiatives.

1. ["I move that the Council"] **Adopt an ordinance amending the fiscal year 2002-2003 budget to adopt Initiatives 1 and 2 as proposed.**
2. ["I move that the Council"] **Adopt an ordinance amending the fiscal year 2002-2003 budget for all four initiatives as proposed.**
3. ["I move that the Council"] **Adopt an ordinance amending the fiscal year 2002-2003 budget with the exception of item(s) ____.**
4. ["I move that the Council"] **Not adopt an ordinance amending the fiscal year 2001-2002 and fiscal year 2002-2003 budget.**

SUMMARY OF BRIEFING

The City Council held briefings on October 3, 2002 to discuss the proposed amendments to the fiscal year 2002-2003 budget. Council Members discussed all proposed amendments, reviewed new information that was different from the transmittal and requested additional information or motions about the following items:

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Issue #3: Downtown Decorations and Performances (\$600,000 – General Fund)

The Administration is requesting that a budget of \$600,000 be set up for the enhancement of Main Street retail business. The requested \$600,000 is to be funded with Fund Balance from the General Fund in the amount of \$500,000 and donations in the amount of \$100,000. The City recently issued a Request for Proposal (RFP) titled *Main Street Retail Enhancement Strategy & Implementation Services*.

Council Members had several questions concerning the RFP. Some of the questions included issues about the shortened response time for the RFP and whether or not the program could be planned and completed within such a tight time frame.

Council Members discussed with Bob Farrington from the Downtown Alliance the decoration program that the Alliance manages. Council Members asked that the Downtown Alliance continue with their holiday decoration program. Council Members indicated that they would discuss this item further during an additional work session on October 8, 2002.

Council staff prepared the following motions for use by the Council after the close of the public hearing on October 8, 2002:

- The following is a motion that would allow the full funding for the program:
[“I move that the Council”] **Adopt an ordinance amending the fiscal year 2002-2003 budget for Initiative #3 as proposed by the Administration in the amount of \$600,000.**
- The following is a motion that would allow for the partial funding of the program:
[“I move that the Council”] **Adopt an ordinance amending the fiscal year 2002-2003 budget for Initiative #3 in the amount of \$_____.**
- The following is a motion that would allow for the continued consideration of this issue at a later date:
[“I move that the Council”] **delay action on Initiative #3 until October __, 2002.**

Issue #4: Downtown Winter Festival (\$80,000 – General Fund)

The Administration is requesting that the Council approve the appropriation of \$80,000 from fund balance for the City to host, sponsor and plan a 2002 Winter Games anniversary celebration. The Department of Community and Economic Development will be leading the City’s effort. A Request for Proposal is being prepared to contract with an event planner to plan an event for the weekend of February 1 & 2, 2003.

As noted during the briefing, the State and the Salt Lake Organizing Committee (SLOC) has asked each of the cities to plan their own celebrations commemorating the one-year anniversary of the 2002 Winter Olympic Games. The Council may wish to confirm that other cities will be holding their celebrations at the same time as Salt Lake City. The Council may wish to discuss the possibility of combining the City’s celebration with the SLOC celebration at the University of Utah.

- The following is a motion that would allow the full funding for the program:
[“I move that the Council”] **Adopt an ordinance amending the fiscal year 2002-2003 budget for Initiative #4 as proposed by the Administration in the amount of \$80,000.**

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- The following is a motion that would allow for the partial funding of the program:
[“I move that the Council”] **Adopt an ordinance amending the fiscal year 2002-2003 budget for Initiative #4 in the amount of \$_____.**
- The following is a motion that would allow for the continued consideration of this issue at a later date:
[“I move that the Council”] **delay action on Initiative #4 until October __, 2002.**

Note: The following information was provided to the Council for the 10/03/02 briefing. It is provided again for your reference.

The briefing and discussion of the tenth budget amendment of fiscal years 2001-2002 and 2002-2003 is scheduled for October 3, 2002. The Council set the date for the Public Hearing on Budget Amendment #10 during the October 8, 2002 Council meeting.

The briefing and discussion of the tenth budget amendment of fiscal years 2001-2002 and 2002-2003 is scheduled for October 3, 2002. The Council set the date for the Public Hearing on Budget Amendment #10 during the October 10, 2002 Council meeting.

In an effort to make the review of the budget openings more expedient, Council staff has attempted to categorized budget opening items as follows where possible:

- “Housekeeping” -- those items that are strictly accounting actions and do not have policy implications. These include transfers internal to the City.
- “Donation” -- those items that are donations that require Council appropriation to be used, are consistent with previous Council discussions, or do not have policy implications.
- “Grant providing additional staff resources” – those grants that provide additional staff positions and require a City match. These generally have policy implications; because they may add a new service or create an expectation that the City will fund the position after the grant has expired.
- “Grant requiring existing staff focus” -- those grants that will require the City’s existing staff to complete a specific project. (Some of these could have policy implications, since employees involved with these projects have less time to focus on other projects within the scope of their work.)

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General note: The Council may wish to receive an update from the Administration on:

- a. **The availability of funds in the General Fund Balance;**
- b. **The status of the 1/64 percent tax refund that has been considered in the City's 'one time revenue' discussions (\$1.8 million);**
- c. **The current year revenue actuals and projections;**
- d. **The status of the outsourcing of the impound lot, and whether additional general fund dollars will be needed.**

MATTERS AT ISSUE

Issue #1: Quality Growth Commission Planning Grant, Envision Utah Donation (\$5,000 – Misc. Grant Fund) (“Grants Requiring Existing Staff Focus/Housekeeping”)

The Planning Department received a grant from the Governor's Office, Quality Growth Commission for consulting services to research and develop a performance-zoning ordinance. The three partners for the grant project are the Quality Growth Commission, Envision Utah and the City. The Council accepted and budgeted the grant during Budget Amendment #3 of fiscal year 2001-2002. During the grant acceptance and budget appropriation discussion it was noted that Envision Utah would pay the consultant \$5,000 directly for Envision Utah's share of the performance zoning project. Envision Utah has now decided to pay the City directly. The Administration has received and deposited the check from Envision Utah.

The Administration is requesting that the City Council increase the revenue and expense budget related to the performance-zoning grant. **The Council may wish to note that increasing the budget for a specific project due to additional funds having been received by the City is common. Many times partners in a City project will pay the City directly and not the contracted provider.**

Issue #2: PD – EMD Dispatch Training – Utah Department of Health, Bureau of Emergency Management Service Grant (\$5,239 – Misc. Grant Fund) (“Grants Requiring Existing Staff Focus/Continuation of Grant”)

The Police Department Emergency Communication Unit received \$5,239 from the Utah Department of Health, Bureau of Emergency Medical Services. The funds will be used to send Police Department employees to required continuing medical education (CEM) training for certification and/or continued certification.

This grant is allocated on a per capita basis, based on the number of certified dispatchers statewide. The Police Department currently has 51 certified dispatchers and two new hires.

The Council has previously adopted a resolution that authorized the Mayor to accept the grant and to sign all additional agreements pertaining to this particular grant. The Administration recommends that the City Council accept the grant and appropriate the necessary budget to facilitate the grant.

Issue #3: Downtown Decorations and Performances (\$600,000 – General Fund) (“New Item”)

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The Administration is requesting that a budget of \$600,000 be set up for the enhancement of Main Street retail business. The requested \$600,000 is to be funded with Fund Balance from the General Fund in the amount of \$500,000 and donations in the amount of \$100,000. The City recently issued a Request for Proposal (RFP) titled *Main Street Retail Enhancement Strategy & Implementation Services*.

The scope of the RFP indicated that the implementation area would be South Temple to 300 South on Main Street and from Main Street to 400 West on South Temple Street. The RFP elements include lighting elements, storefront design and visual enhancements, performance and staging areas, electrical and structural improvements, other physical and visual design enhancements and a schedule of programs and performers for the performance areas. Another critical component of the RFP scope is a marketing and public relations strategy for the program.

The timeline for program will be November 29, 2002 through January 1, 2004.

The Administration is requesting that the funds for this program come from General Fund – Fund Balance. **The Council may wish to consider using Redevelopment Agency funds for the hard costs associated with this program.**

Issue #4: Downtown Winter Festival (\$80,000 – General Fund) (“New Item”)

The Administration is requesting that the Council approve the appropriation of \$80,000 from Fund Balance for the City to host, sponsor and plan a 2002 Winter Games anniversary celebration. The Department of Community and Economic Development will be leading the City’s effort. A Request for Proposal is being prepared to contract with an event planner to plan an event for the weekend of February 1 & 2, 2003.

An option to using fund balance is to use Olympic one-time revenue to cover the cost of planning and hosting this event. There are, of course, a number of requests for those funds.

The Council may wish to ask the Administration for information on the extent to which fundraising beyond the City’s \$80,000 investment will need to be relied upon to make this event successful. Given the competing fundraising interests, some entities are finding that fundraising is difficult at this time.

cc: Cindy Gust-Jenson, Rocky Fluhart, David Nimkin, Steve Fawcett, Alison Weyher, David Dobbins, Luann Clark, Chief Rick Dinse, Mac Connole, Jerry Burton, Gordon Hoskins, Randy Hillier, Dan Mulé, Shannon Ashby, DJ Baxter, Sherrie Collins, Laurie Dillon, Susi Kontgis, and Kay Christensen