

**SALT LAKE CITY COUNCIL STAFF REPORT**  
**BUDGET AMENDMENT #1 – FISCAL YEAR 2004-05**

**DATE:** August 6, 2004

**SUBJECT:** Fiscal Year 2004-2005 Budget Amendment #1

**STAFF REPORT BY:** Sylvia Jones and Michael Sears

**CC:** Cindy Gust-Jenson, Rocky Fluhart, Sam Guevara, Steve Fawcett, Chief Dinse, Chief Querry, Lee Martinez, David Dobbins, Jerry Burton, John Vuyk, Gordon Hoskins, Elwin Heilmann, Luann Clark, Tim Harpst, Krista Dunn, Shannon Ashby, Sherrie Collins, Laurie Donnell, Susi Kontgis, and Kay Christensen

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The briefing and discussion of the first budget amendment for fiscal year 2004-2005 is scheduled for August 10, 2004. The proposed amendment includes several national, state, and privately funded grants relating to public safety, arts education, housing, refugee outreach, public park improvements, and median improvements. There is not a request to use General Fund balance. One of the proposed amendments relates to the General Fund Impact Fee Study and will require use of Impact Fee revenue. On August 10, 2004 the Council is tentatively scheduled to set the date of August 24, 2004 for a public hearing.

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

- “New” – those items that are new issues that the Council may have discussed but now need budget appropriation to be carried out.
- “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 resources” -- 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.)

**MATTERS AT ISSUE*****Issue #1: UDOT Traffic Management Center Grant (\$14,000 - Misc. Grant Fund) (“Grant requiring no staff resources”)***

The Salt Lake City Police and Fire Departments, in partnership with the Utah Department of Transportation (UDOT), have received supplemental funds related to a grant previously awarded to the City by the Federal Highway Administration for the purchase and installation of a Computer Aided Dispatch (CAD) system to allow communication and dispatch between organizations and jurisdictions.

It is anticipated that the system will provide an enhancement to public safety operations. The system allows for the transfer of operational data through the use of mobile computers.

This grant does not have a new resolution for the Council to sign. A resolution authorizing the Mayor to sign and accept the original grant agreement and any additional agreements pertaining to the grant was adopted during Budget Amendment Number One of FY 03-04. The only Council action necessary for the facilitation of the additional grant funds is the adoption of the budget appropriation.

No additional FTE's are associated with this grant.

***Issue #2: National Endowment for the Arts Grant (\$25,000 - Misc. Grant Fund) (“Grant requiring existing staff focus”)***

The Salt Lake City Public Services Division, in partnership with Global Artways and the Salt Lake City School District, has received a grant from The National Endowment for the Arts for the *Dance, Learn, Celebrate! Program*. This is a school and community-based arts education program involving elementary-age students, youth, teachers and artists. The program uses African culture, language and geography to explore family values, social responsibility, and cultural heritage through dance.

Funds will be used to contract with various local dance companies and the Salt Lake City School District to produce a Children's Dance Festival to demonstrate the results of arts education through dance. It is anticipated that the program will serve approximately 900 students and community youth. Matching funds of \$46,590 are required and will be met through donated space and transportation for the youth and classroom teacher participants by the Salt Lake City School District, a \$10,000 Kennedy Center Imagination Celebration donation, as well as contributions from various dance companies, and the external evaluator's time.

This grant will have a new resolution for the Council to sign. \$580.00 of the grant will fund grant administration and oversight.

***Issue #3: State of Utah, Department of Economic Development Grant - supplemental HOPWA funds (\$100,000) (“Grant requiring existing staff focus”)***

Salt Lake City's Housing and Neighborhood Development Division (HAND) received supplemental HOPWA (Housing Opportunities for Persons with Aids) grant funds from the State of Utah, Department of Community and Economic Development. Funds will be awarded to specific HOPWA programs that the State has identified in fiscal year 2005. These funds are to be distributed as follows: \$20,665 to the Salt Lake County Housing Authority; \$29,326 to the Salt Lake Community Action Program; \$50,009 to the Housing Authority of Salt Lake City.

As a matter of efficiency, the State funding will be administered by the City. Funds will be combined with the City's funds and used to meet the needs of the clientele these agencies are currently serving.

This grant does not have a new resolution for the Council to sign. A resolution authorizing the Mayor to sign and accept the original grant agreement and any additional agreements pertaining to the grant was adopted during the normal CDBG/HOPWA/ESG/HOME/ADDI process in April of 2004.

No additional FTE's are associated with this grant.

***Issue #4: Bank One Grant – Modesto Park Project at 1000 West and 1000 South (\$50,000 – Misc. Grant Fund) (“Grant requiring existing staff focus”)***

The Salt Lake City Foundation received a grant from Bank One for the Modesto Park Project located at 1000 West and 1000 South. In conjunction with CDBG funds awarded in FY 01-02 and FY 03-04 totaling \$175,000, the grant will be used for construction improvements to the park which include demonstration gardens, a classroom pavilion, trail markers, a shade trellis and other improvements.

There is a new resolution for the Council to sign.

No additional FTE's are associated with this grant.

***Issue #5: Utah Department of Workforce Services Grant – The World Refugee Day (\$2,107 – Misc. Grant Fund) (“Grant requiring existing staff focus”)***

The Salt Lake City Mayor's Office Refugee Consortium received a grant from the Utah Department of Workforce Services to assist with the costs relating to *The World Refugee Day*, a jointly sponsored event between Salt Lake City, Workforce Services, the State Department of Health, Asian Association, Utah Refugee Employment and Community Center, International Rescue Committee, Jewish Family Services, Catholic Community Services, Utah Peace Institute, and Salt Lake Community College Sudanese Student Association. The event was held on June 19, 2004 at Riverside Park.

The grant provides funding for park rental fees, permit fees, sports equipment, trophies, plaques and tee shirts for participating youth. *The World Refugee Day* is held annually to promote community awareness of refugee issues and outreach for the refugee community.

There is a new resolution for the Council to sign.

No additional FTE's are associated with this grant.

***Issue #6: CIP Impact Fee Study Update (\$125,000 - Prior Year Impact Fee Revenues)***

Salt Lake City's General Fund Impact Fee Study was completed in 2000. The study needs to be updated to reflect the revised 20-year Capital Facilities Plan. Changes in the plan necessitate a change in the impact fee schedule.

Funding for the study will come from prior year impact fee revenues. The cost of the update is 100% reimbursable from future Impact Fee revenue. Details of revenue sources are included in the Administration's paperwork.

**The Administration recommends that the Council adopt the budget appropriation for the update to the Impact Fee study so that a Request for Proposal can be issued.**

***Issue #7: CIP Traffic Calming (\$87,555 - from CIP Contingency)***

During the adoption of the FY04-05 budget, the Council passed a motion to reallocate prior year traffic calming funding from CIP to fund specific traffic management measures and recapture remaining funds for future CIP projects. During this process, the Council was told there was \$615,843 available to reallocate, but that amount has been amended to \$577,288.

**The reduction of the amount of available traffic calming funds for recapture results in a reduced allocation to the CIP Fund balance. The reduction is noted in the CIP briefing report provided in Council Members' packets. Additional discussion on this budget reduction will take place during the allocation of CIP funds to proposed projects briefing. Also included in the CIP briefing materials is additional information from the Administration relating to how Engineering fees are budgeted and accounted for. Some Council Members expressed interest in reviewing the traffic calming construction contract. The contract is available in the Council Office for review.**

The original budget appropriation needs to be amended by \$87,555 to include contract fees, as well as engineering fees for the 600 West traffic calming project.

No FTE's are associated with this funding reduction.

***Issue #8: Liberty Park Tennis Courts (\$120,000 - CIP Contingency)***

The scope of this project includes the reconstruction of the remaining 12 tennis courts, replacement of the asphalt surface, construction of the base and structural needs for the tennis bubble, replacement of the night lighting and other court improvements.

The construction bids came back higher than the engineering estimates due to recent price increases in steel and concrete. In addition, the original estimate excluded

lighting and additional concrete pad costs. Given the steel and concrete price increases and the minor changes to the project scope, the project needs an additional \$120,000 in funding so that the contract can be awarded.

The Administration states that the project could be scaled back; however, the cost savings would be eliminated by increased future costs. Additional details are included in the Administration's paperwork.

The Administration recommends that the Council appropriate the requested \$120,000 so that the project can be awarded to the low bidder and allow construction to commence during the month of August and conclude this construction season. Previously, Council Members were contacted and briefed. Council Members expressed their informal support, to be finalized through this budget opening.

No FTE's are associated with this funding allocation.

***Issue #9: 700 East Median Project (\$40,000 - East Central Neighborhood Trust Fund, CIP Contingency and CIP District 5 Legacy Project)***

Salt Lake City, in partnership with the East Central Community Council (ECCC) and the Utah Department of Transportation (UDOT) has committed to refurbish the 700 East median islands from 900 South to 1300 South. UDOT has agreed to contribute and manage approximately \$400,000 of grant funds associated with this project which requires an \$80,000 match.

The ECCC agreed to raise \$40,000 in donations and/or services, and the City budgeted \$40,000 for trees in FY 01-02. UDOT is ready to move ahead; however, the ECCC has not yet secured the full \$40,000 of donations and/or services.

Council Member Jill Love has expressed interest in using \$10,000 of District 5 Olympic Legacy Project funds to assist with this project. It is recommended that the Council appropriate the necessary budget of \$40,000, accept the \$20,000 contribution from the ECCC, appropriate \$10,000 from District 5 Olympic Legacy Project funds and \$10,000 from CIP Contingency to facilitate this project.

No FTE's are associated with this funding allocation.