




**City Of Richmond, Virginia
Office of the City Clerk**

Request to Withdraw Legislation

Paper Number: Ord. 2020-091

Chief Patron: Mayor Levar Stoney

Introduction Date: March 16, 2020

Chief Patron Signature:  4/13/2020

For Office Use Only

Attestation: 

Effective Date: April 13, 2020

INTRODUCED: March 16, 2020

AN ORDINANCE No. 2020-091

To amend Ord. No. 2019-041, adopted May 13, 2019, which adopted the Fiscal Year 2019-2020 General Fund Budget and made appropriations pursuant thereto, by increasing anticipated revenues from real estate taxes and the amount appropriated to the Non-Departmental agency, Affordable Housing Trust Fund line item, by \$2,100,000.00 for the purpose of transferring this \$2,100,000.00 to the Department of Housing and Community Development's Affordable Housing - Non CDBG Areas special fund and to amend Ord. No. 2019-042, adopted May 13, 2019, which adopted the Fiscal Year 2019-2020 special fund budgets and made appropriations pursuant thereto, by increasing estimated receipts from these transferred funds and the amount appropriated to the Department of Housing and Community Development's Affordable Housing - Non CDBG Areas special fund by \$2,100,000.00 for the purpose of providing additional funding for the Affordable Housing Trust Fund.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAR 23 2020 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That Ordinance No. 2019-041, adopted May 13, 2019, which adopted the General Fund Budget for the fiscal year commencing July 1, 2019, and ending June 30, 2020, is hereby amended by increasing anticipated revenues from real estate taxes by \$2,100,000.00 and by appropriating funds in the total amount of \$2,100,000.00 to the Non-Departmental agency,

AYES: _____ NOES: _____ ABSTAIN: _____

ADOPTED: _____ REJECTED: _____ STRICKEN: _____

Affordable Housing Trust Fund line item, for the purpose of transferring this \$2,100,000.00 to the Department of Housing and Community Development's Affordable Housing - Non CDBG Areas special fund.

§ 2. That Ordinance No. 2019-042, adopted May 13, 2019, which adopted the special fund budgets for the fiscal year commencing July 1, 2019, and ending June 30, 2020, and made appropriations pursuant thereto, be and is hereby amended by increasing estimated receipts by \$2,100,000.00, increasing the amount appropriated for expenditures by \$2,100,000.00, and allotting to the Department of Housing and Community Development's Affordable Housing - Non CDBG Areas special fund the sum of \$2,100,000.00, representing the funds transferred from the Non-Departmental agency, Affordable Housing Trust Fund line item, pursuant to section 1 of this ordinance, for the purpose of providing additional funding for the Affordable Housing Trust Fund.

§ 3. This ordinance shall be in force and effect upon adoption.



CITY OF RICHMOND

INTRACITY CORRESPONDENCE

O & R REQUEST
2020-034
MAR 13 2020

Office of the
Chief Administrative Officer

O&R REQUEST

DATE: March 12, 2020

EDITION: 1

TO: The Honorable Members of City Council

THROUGH: Levar M. Stoney, Mayor *Levar Stoney*
on Behalf of Mayor Stoney

THROUGH: Lenora Reid, Acting Chief Administrative Officer *LR*

THROUGH: Lincoln Saunders, Chief of Staff, Office of the Mayor *SECS*

THROUGH: John Wack, Director of Finance *JW for JBW*

FROM: Jay A. Brown, Director, Budget and Strategic Planning *JAS*

RE: FY2020 General Fund and Special Fund Budget Amendment

ORD. or RES. No.

PURPOSE: To amend the FY2020 General Fund Budget (Ord. 2019-041) and the FY2020 Special Fund budget (Ord. 2019-042) by accepting additional real estate tax revenue of \$2,100,000, revenue that is projected to exceed the FY2020 general fund budget based on the second quarter projections, and appropriating said funds to the City's Affordable Housing Trust Fund within the City's Non Departmental budget. The general fund appropriation is a cash contribution to the City's Affordable Housing Trust Special Fund, which needs a corresponding increased appropriation.

REASON: An outcome of the second quarter forecast was a projected snapshot of the City's general fund revenues in addition to each agency's total fiscal year expenditure needs. At the time, the second quarter projections indicated a net surplus of approximately \$8,584,938 of which \$5,358,278 was an anticipated surplus of revenues over the modified budget and \$3,226,659 of projected expenditure savings relative to the modified budget. This paper seeks to accept just a portion of the projected revenue surplus, relative to the anticipated surplus in projected real estate tax revenues, and appropriate \$2,100,000 in additional, projected real estate taxes, to the City's Non-Departmental budget, specifically to the Affordable Housing Trust Fund line item. This

will in turn, result in a commensurate appropriation to the Affordable Housing Trust Special Fund, which receives its funding from the general fund.

Per the second quarter projections, there is a projected \$6.3M surplus in the City's real property taxes revenue source. The projected surplus in real estate taxes is based on "updated taxable assessed values provided by the City Assessor in early November" which is projected to exceed the FY20 budget by approximately \$6.3 million.

RECOMMENDATION: The Administration recommends adoption of this ordinance.

BACKGROUND: The Administration is requesting an amendment to the FY20 general fund and special fund budgets to address current, critical housing related issues facing the City. The second quarter forecast projected a net surplus in revenues. This report, which was distributed to City Council members on Friday, February 14th, indicated that real estate taxes would exceed the current modified budget. Due to this projected surplus in real estate taxes, and more importantly, the overall projected net surplus in the general fund, the Administration is requesting to appropriate a portion of the surplus/excess real estate tax revenues, \$2,100,000, to the City's Affordable Housing Trust Fund. The additional contribution to the Affordable Housing Trust Fund will assist in providing more resources for homeless service providers and will increase more affordable housing and eviction diversion related programming – all currently critical needs of the City.

SOURCE: (must select all that apply)

- New/increased revenue (*complete the general fund new budget item detail chart*)(you must identify the amount of the new revenue or increase in revenue and the reason the new revenue or increase in revenue is available – do this in the Background section above)
- Existing general fund (*complete general fund transfer budget item detail*)(you must identify the budget item to be reduced, the amount of the reduction, the reason for the reduction, and an analysis of the impact on each program or subprogram funded by that budget item – do this in the Background and Reason sections above)
- Fund Balance/Reserve/Contingency/Other Funding Source (you must identify the specific source to be used (eg. Fund balance, reserve, contingency, or other), the amount of that funding source proposed to be used, and the reason for the use of that funding source – do this in the Background section above)

FISCAL IMPACT/COST (current FY):

- **If Adopted:** This ordinance will amend the FY2020 general fund budget by increasing the amount appropriated to the Non-Departmental budget by \$2,100,000.

This ordinance will also amend the FY2020 special fund budget by increasing the amount appropriated to the Affordable Housing Trust Special Fund, within the Department of Housing and Community Development, by \$2,100,000.

- **If Not Adopted:** There will not be enough funding within the current appropriation for the Affordable Housing Trust Fund to deal with the critical housing related issues that the City is currently facing.

FISCAL IMPLICATIONS: (future FYs): The Department of Housing and Community will continue to review expenditures throughout its current and future year budgets and will recommended adjustments to the Affordable Housing Trust Fund if deemed necessary and subject to funding availability.

BUDGET AMENDMENT NECESSARY: Yes. An amendment is needed to accept and appropriate excess, projected real estate tax revenue to Non-Departmental within the Affordable Housing Trust Fund line item. Also, a second amendment is needed to increase the Affordable Housing Trust Special fund in order to receive the funding from the general fund.

REVENUE TO CITY: Yes, an additional \$2,100,000 in FY20

DESIRED EFFECTIVE DATE: Upon adoption.

REQUESTED INTRODUCTION DATE: March 16, 2020

CITY COUNCIL PUBLIC HEARING DATE: March 23, 2020

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Waive

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Finance, Budget & Strategic Planning, Housing and Community Development

RELATIONSHIP TO EXISTING ORD. OR RES.: n/a

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS: None

STAFF: Jay A. Brown, Director, Department of Budget and Strategic Planning

John Wack, Director of Finance

GENERAL FUND TRANSFER BUDGET ITEM DETAIL:

*for item # and title, see ordinance #2019-041, FY2020 Program Level Budget)

Existing Item – You must show the total appropriation/s for each budget item for your agency EXCEPT the budget item to receive funds

<u>FROM</u>					
<u>Item #</u>	<u>Title</u>	<u>Program</u> <u>(cost center #)</u>	<u>Subprogram</u> <u>(service code #)</u>	<u>Transfer</u> <u>Amount</u>	<u>New Appropriation</u> <u>Amount</u>

Existing Item – You must show the total appropriation for each modified budget item to receive funds, for your agency

OR

New Item – You must show the total appropriation for each modified budget item to receive funds, for your agency

*for a new item you must reference the next corresponding item # with a (.) decimal point, see ordinance #2019-041, FY2020 Program Level Budget)

<u>TO</u>					
<u>Item #</u>	<u>Title</u>	<u>Program</u> <u>(cost center #)</u>	<u>Subprogram</u> <u>(service code #)</u>	<u>Transfer</u> <u>Amount/New</u> <u>Amount</u>	<u>New Appropriation</u> <u>Amount</u>
<u>242</u>	<u>Non- Departmental</u> <u>(Affordable</u> <u>Housing</u> <u>Trust Fund)</u>			<u>2,100,000</u>	<u>102,041,627</u>
<u>Grand Total</u>				<u>2,100,000</u>	<u>102,041,627</u>

*****Grand total for the New Appropriation Amount MUST match the TOTAL AGENCY budget requested as a result of this ordinance*****