

INTRODUCED: January 26, 2022

AN ORDINANCE No. 2022-029

To amend Ord. No. 2021-040, adopted May 24, 2021, which adopted the Fiscal Year 2021-2022 General Fund Budget and made appropriations pursuant thereto, to (i) create a new line item in the Non-Departmental agency entitled “Employee COVID-19 Bonuses,” (ii) increase anticipated revenues from real estate taxes by \$11,447,025.00, and (iii) appropriate \$8,900,000.00 of this increase to the new “Employee COVID-19 Bonuses” line item in the Non-Departmental agency to provide funds for the payment of one-time bonuses to certain eligible City employees and \$660,000.00 of this increase to the Department of Economic Development for disbursement to the Economic Development Authority to provide funds for the Authority’s operating expenses.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: FEB 2 2022 AT 1 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That Ordinance No. 2021-040, adopted May 24, 2021, which adopted a General Fund Budget for the fiscal year commencing July 1, 2021, and ending June 30, 2022, and made appropriations pursuant thereto, is hereby amended by:

(a) Creating a new line item in the Non-Departmental agency entitled “Employee COVID-19 Bonuses;”

AYES: 7 NOES: _____ ABSTAIN: _____

ADOPTED: FEB 2 2022 REJECTED: _____ STRICKEN: _____

(b) Increasing anticipated revenues from real estate taxes by \$11,447,025.00;
and

(c) Appropriating:

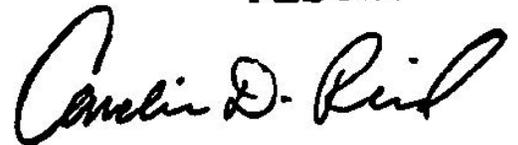
(1) \$8,900,000.00 of this increase to the new “Employee COVID-19 Bonuses” line item in the Non-Departmental agency created by subsection (a) of section 1 of this ordinance for the purpose of providing funds for the payment of one-time bonuses to certain eligible City employees; and

(2) \$660,000.00 of this increase to the Department of Economic Development for the purpose of disbursing \$660,000.00 to the Economic Development Authority to provide funds for the Authority’s operating expenses.

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

A TRUE COPY:

TESTE:

A handwritten signature in black ink, appearing to read "Carolin D. Reil". The signature is written in a cursive style with a large initial 'C'.

City Clerk



CITY OF RICHMOND

INTRACITY CORRESPONDENCE

O&R REQUEST

DATE: January 24, 2022 **EDITION:** 2

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: J.E. Lincoln Saunders, Chief Administrative Officer

FROM: Jason P. May Director of Budget & Strategic Planning

RE: Spending Plan for Increase in Real Estate Tax Assessment

ORD. OR RES. No. _____

PURPOSE: To amend ordinance number 2021-040 which adopted the Fiscal Year 2021-2022 Budgets by accepting \$9,560,000 in certified revenues as a result of increases from the Citywide assessed Real Estate valuation for taxable real property, and by increasing appropriations for the Department of Economic Development and Non-Departmental budgets.

REASON: At the close of the first quarter, the Office of the City Assessor closed the assessment roll values for Citywide assessed Real Estate valuation for taxable real property. The real estate market in the City of Richmond has been performing at a robust pace. As such, the values for taxable real property are showing in excess of budgeted amounts. The certified additional revenue will be used to support and increase the appropriation for the Department of Economic Development by providing the Department of Economic Development with funding related to loans for the Coronavirus Aid, Relief, and Economic Security Act (CARES); to increase the appropriation for Non-Departmental into a new line titled "Employee COVID-19 Bonuses" to provide eligible employees with a bonus, and to amend the pay ordinance for the purpose of providing a one-time COVID bonus to eligible general fund City employees by February 4, 2022.

BACKGROUND: Based on the FY2022 Tax Reassessment Notices supplied by the City Assessor, the 2022 land book values for the City of Richmond are in excess of budgeted amounts. As such, the Director of the Department of Finance has certified additional revenue. Of the fully certified amount of additional revenue of \$11,447,025, the Administration seeks to appropriate a portion of that revenue, \$9,560,000.

\$660,000 will be appropriated to the Department of Economic Development for the purpose of providing funding related to loans given as a result of the CARES Act. During the Coronavirus

pandemic, the Economic Development Authority (EDA) provided loans for small businesses facing challenges during the COVID-19 pandemic. Subsequently, the EDA of the City of Richmond authorized giving participants who had already received these loans through the Richmond Small Business Disaster Loan Program the option to convert those loans to grants. As such, this ordinance seeks to reimburse the EDA for those loans that were converted to grants.

\$8,900,000 will be appropriated to Non-Departmental in a new line item titled "Employee COVID-19 Bonuses." Classified and unclassified City employees are to be awarded a one-time bonus of \$3,000 for full-time employees, and \$1,500 for part-time employees in the February 4, 2021 pay. In order to be eligible for the bonus, City employees have to meet the following criteria:

- 1) Did not receive the Public Safety bonus distributed in December 2021
- 2) Is an active employee hired prior to December 10, 2021
- 3) Is an active employee on January 28, 2022
- 4) Is not an elected, constitutional, or AmeriCorps staff

Employees occupying positions in the Richmond Police Department, Richmond Department of Fire and Emergency Services, Department of Emergency Communications, and Department of Justice Services will not receive a bonus through this appropriation. Rather, these employees received an employee bonus through the American Rescue Plan Act (ARPA) funds. Furthermore, constitutional positions are also excluded from receiving the bonus through this appropriation.

RECOMMENDATION: The City Administration recommends adoption.

FISCAL IMPACT / COST:

- **If Adopted:** The City will be able to utilize \$9,560,000 in funding as a result of additional revenue.
- **If Not Adopted:** The spending authority for these funds wouldn't be established.

FISCAL IMPLICATIONS: \$11,447,025 will be received by the City in additional revenue, of which \$9,560,000 will be appropriated and available for the efforts stated above.

BUDGET AMENDMENT NECESSARY: Yes

REVENUE TO CITY: \$9,560,000

DESIRED EFFECTIVE DATE: February 4, 2022

REQUESTED INTRODUCTION DATE: January 24, 2022

CITY COUNCIL PUBLIC HEARING DATE: January 26, 2022

REQUESTED AGENDA: Consent Agenda

O&R Request

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RECOMMENDED COUNCIL COMMITTEE: N/A

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: N/A

AFFECTED AGENCIES: Finance, and Budget and Strategic Planning, Economic Development, and Non-Departmental.

RELATIONSHIP TO EXISTING ORD. OR RES.: 2021-040

REQUIRED CHANGES TO WORK PROGRAM(S):

ATTACHMENTS: Yes

STAFF: