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Richmond City Council
The Voice of the People Richmond, Virginia

Meghan Brown
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Finance & Economic Development Standing Committee Staff Report & Supplemental Information

June 23, 2016

Committee's Mission Statement

**To provide legislative stewardship of Richmond's financial
and economic resources by:**

- 1) establishing sound fiscal policy and legislation;
- 2) maximizing the return on citizen investment; and
- 3) expanding economic opportunities.



Richmond City Council

The Voice of the People

Richmond, Virginia

STAFF REPORT

June 23, 2016

The last Committee meeting was held on May 19, 2016

Presentations, Reports and Discussion Items at the May 19th Meeting

Follow-Up Items Requested by Committee Members

- To have an existing economic development package be put through the new fiscal and economic impact report template that has been designed per Ordinance 2015-144-154. (Follow-up from September 2015)
- Updated Pro Forma of the Washington Redskins/Bon Secours Economic Development package to include projected and actual revenues and expenditures in order to measure the performance of the entire agreement and in line with the original projected return on investment. (April 2016)

Expected Presentations, Reports or Discussion Items at the June 23rd Meeting

The following items are on the agenda for review at the June Committee meeting.

Discussion Item(s):

- Washington Redskins/Bon Secours
Pro Forma – Status Update.....Lee Downey, Deputy Chief Administrative Officer,
Economic & Community Development

Report(s):

- Staff Report & Supplemental Information
- Monthly Financial Report

Board Recommendations/Actions

- Boards and Commissions..... Alexander Rawls, Boards and Commissions Administrator

Next Committee Meeting

- The next Committee meeting is scheduled for 3:00 P.M. July 21, 2016.

- It is expected that the project will generate long-term revenues to the City from new businesses locating in the City and tourism zone.

2. Ord. No. 2016-091 (Patron: Mrs. Robertson) To amend and reordain City Code § 2-301, concerning certain definitions applicable to City Code §§ 2-301—2-304, for the purpose of modifying the definition of “economic development project” to include public investment.— Continued from May - Amended

Summary of Ordinance/Resolution, Background:

The ordinance is amending the current City Code that requires fiscal and economic impact statements be submitted to City Council for certain economic development projects, to now include public investment as well.

City Council adopted an ordinance which authorized the Chief Administrative Officer to execute a project development agreement. The project met only two of the three criteria for requiring fiscal and economic impact statements be submitted to Council. The one criteria that was not met was that the project funding did not include any private investment. The total funding for the project was all federal, state and local government funding. Since there was no private investment the submission of the impact statement to Council was not required.

The original purpose for establishing the requirement for fiscal and economic impact statements for economic development projects was as such:

Purpose:

To assist both the governing body (City Council) and the public with understanding the potential financial and economic impacts prior to the adoption or amendment of any proposal for approval for City-funded development projects; such as, an expenditure (whether or not debt financed), moral or other financial guarantee by the City or the sale, purchase or lease of property. The impact statements are to provide Council with the information necessary to consider the intended outcomes against the financial impact of proposed City-funded development projects.

An amendment to the current City Code is necessary in order to ensure that the criteria for requiring the impact statements for economic development projects is in line and fully supports the intended purpose of the originally adopted legislation.

Staff Analysis and Questions:

The amendment, if adopted by Council, would require the fiscal and economic impact statements be submitted to Council if the following criteria are met:

- (i) A City expenditure of grant of at least \$5 million or with a value of at least ten percent (10%), pledge of moral obligation or financial guarantee;
- (ii) Any private investment or any expenditure or contribution by a political subdivision of the Commonwealth or any other legal entity owned or controlled by one or more political subdivisions, or any combination thereof, totaling at least \$5 million or with a value of at least ten percent (10%);
- (iii) Requires Council’s approval to authorize the execution of a cooperation agreement, development agreement, or other contract between the City and one or more separate

4. **Ord. No. 2016-138 (Patron: Councilman Baliles)** To amend ch. 12, art. II of the City Code by adding therein a new section 12-37, concerning the disposition of 100% of the City's year-end General Fund surplus, for the purpose of funding the operation of public schools in the city.. – **Continued from May.**

Summary of Ordinance/Resolution, Background:

Ord. No. 2016-138 amends chapter 12, art. II of the City Code by adding therein a new section 12-37, that dedicates 100 percent of the City's year-end General Fund surplus to operation of Richmond Public Schools.

Staff Analysis and Questions:

- This ordinance dedicates 100 percent of the City's Year End General Fund Surplus, exclusive of the amount required to meet the City's Unassigned Fund Balance Policy to the operation of Richmond Public Schools.
- Council may want to determine the impact that dedicating 100 percent of the City's Year End General Fund Surplus for support of Richmond Public Schools would have on other City programs.
- Council may want to determine if dedication of 100 percent of the City's Year End General Fund Surplus for support of Richmond Public Schools would be in addition to the funds currently appropriated.
- Council may want to determine how 100 percent of the City's Year End General Fund Surplus would be determined in years where no Consolidated Annual Financial Report is available.

Fiscal Impact:

- The actual amount available will vary annually.

5. **Ord. No. 2016-139 (Patron: Councilman Baliles)** To amend ch. 12, art. II of the City Code by adding therein a new section 12-37, concerning the disposition of 75% of the City's year-end General Fund surplus, for the purpose of funding the operation of public schools in the city.. – **Continued from May.**

Summary of Ordinance/Resolution, Background:

Ord. No. 2016-139 amends chapter 12, art. II of the City Code by adding therein a new section 12-37, that dedicates 75% of the City's year-end General Fund surplus to operation of Richmond Public Schools.

Staff Analysis and Questions:

- This ordinance dedicates 75 percent of the City's Year End General Fund Surplus, exclusive of the amount required to meet the City's Unassigned Fund Balance Policy to the operation of Richmond Public Schools.

7. **Ord. No. 2016-144 (Patron: Mayor Jones):** To amend ch. 6 of the City Code by adding therein a new art. XI, consisting of a new div. 1 with §§ 6-581-6-582 and a new div. 2 with §§ 6-591-6-595, for the purpose of establishing five tourism zones pursuant to Va. Code § 58.1-3851. . – **Continued from May.**

Summary of Ordinance/Resolution, Background:

Ordinance 2014-144:

- Establishes five Tourism Zones:
 1. Downtown/East End,
 2. Fan/Boulevard/Carytown,
 3. Manchester,
 4. Port of Richmond, and
 5. Scott's Addition
- Sets the boundaries for the aforementioned Zones

Staff Analysis and Questions:

- The Committee may want to inquire about the incentives and other programs that will be provided in the proposed Tourism Zones.
- The Committee may be interested in determining if the boundaries of the Tourism Zones adequately capture areas that may benefit from the designation.
- The Committee may want to inquire about the criteria that were used in selecting the five proposed Tourism Zones and their boundaries.
- The Committee may want to inquire about how this paper impacts Councilwoman Robertson's legislation that has been continued at the request of the Administration.
- The Committee may wish to discuss whether or not this paper accomplishes what the original intent of establishing Tourism Zones was to address.

Fiscal Impact:

- As proposed there is no revenue or expenditure impact, since the ordinance only establishes the boundaries of the five Tourism Zones.

property located at 3102 1st Avenue and to authorize the conveyance of such property for \$1,750 to Adult Alternative Program Inc. for the purposes of eliminating blight and making such property available for redevelopment. – **To be continued.**

15. Ord. 2016-155 (Patron: Mayor Jones): To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 3205 Midlothian Turnpike and to authorize the conveyance of such property for \$1,750 to Adult Alternative Program Inc. for the purposes of eliminating blight and making such property available for redevelopment. – **To be continued.**
16. Ord. 2016-156 (Patron: Mayor Jones): To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 824 North 24th Street and to authorize the conveyance of such property for \$1,750 to Richmond Metropolitan Habitat for Humanity, Inc. for the purposes of eliminating blight and making such property available for redevelopment.
17. Ord. 2016-157 (Patron: Mayor Jones): To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 902 North 25th Street and to authorize the conveyance of such property for \$1,750 to Richmond Metropolitan Habitat for Humanity, Inc. for the purposes of eliminating blight and making such property available for redevelopment.
18. Ord. 2016-158 (Patron: Mayor Jones): To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 1517 North 35th Street and to authorize the conveyance of such property for \$1,750 to Richmond Metropolitan Habitat for Humanity, Inc. for the purposes of eliminating blight and making such property available for redevelopment.
19. Ord. 2016-159 (Patron: Mayor Jones): To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 2610 Houston Avenue and to authorize the conveyance of such property for \$1,750 to Richmond Metropolitan Habitat for Humanity, Inc. for the purposes of eliminating blight and making such property available for redevelopment.
20. Ord. 2016-160 (Patron: Mayor Jones): To declare that a public necessity exists

9	824 North 24th Street	\$1,750	Richmond Metropolitan Habitat for Humanity, Inc.
10	902 North 25th Street	\$1,750	Richmond Metropolitan Habitat for Humanity, Inc.
11	1517 North 35th Street	\$1,750	Richmond Metropolitan Habitat for Humanity, Inc.
12	2610 Houston Avenue	\$1,750	Richmond Metropolitan Habitat for Humanity, Inc.
13	805 Chimborazo Boulevard	\$1,750	Richmond Metropolitan Habitat for Humanity, Inc.
14	1913 3rd Avenue	\$1,750	Richmond Metropolitan Habitat for Humanity, Inc.
15	1309 North 27th Street	\$1,750	Better Housing Coalition
16	1313 North 27th Street	\$1,750	Better Housing Coalition
Total Revenue		\$28,000	

Staff Analysis and Questions:

- The purchase price for the properties is -\$596,000 less than the assessed value of \$624,000.

	Address	Price	Assessed Value	Difference
1	1118 North 30th Street	\$1,750	\$23,000	(\$21,250)
2	1333 North 27th Street	\$1,750	\$20,000	(\$18,250)
3	2015 Venable Street	\$1,750	\$61,000	(\$59,250)
4	807 North 24th Street	\$1,750	\$32,000	(\$30,250)
5	1100 North 23rd Street	\$1,750	\$20,000	(\$18,250)
6	1217 North 29th Street	\$1,750	\$20,000	(\$18,250)
7	3102 1st Avenue	\$1,750	\$78,000	(\$76,250)
8	3205 Midlothian Turnpike	\$1,750	\$91,000	(\$89,250)
9	824 North 24th Street	\$1,750	\$36,000	(\$34,250)
10	902 North 25th Street	\$1,750	\$34,000	(\$32,250)
11	1517 North 35th Street	\$1,750	\$51,000	(\$49,250)
12	2610 Houston Avenue	\$1,750	\$55,000	(\$53,250)
13	805 Chimborazo Boulevard	\$1,750	\$35,000	(\$33,250)
14	1913 3rd Avenue	\$1,750	\$24,000	(\$22,250)
15	1309 North 27th Street	\$1,750	\$22,000	(\$20,250)
16	1313 North 27th Street	\$1,750	\$22,000	(\$20,250)
Total Revenue		\$28,000	\$624,000	(\$596,000)

- The committee may want to inquire about the process used to determine the purchase prices of these properties. Would the City receive greater value if these properties were sold at auction?
- The committee may want to inquire about the process of how these organizations were selected and designated to purchase these properties.
- The purchasing organization enters into a development agreement with the City that requires:
 - Completion of work within two years from the date of title transfer and compliance with all zoning and building code requirements., and

- The committee may want to determine the specific use intended for the \$20,000 increase proposed in Ordinance No. 2016-164.
- The committee may want to determine if the Department of Animal Care and Control can fully utilize the proposed \$20,000 increase in FY 2016.

Fiscal Impact:

Special Fund revenues will increase by \$20,000.

25. Ord. No. 2016-165 (Patron: Mayor Jones): To amend City Code § 26-873, concerning exemptions from certain license taxes, for the purpose of reflecting amendments to Va. Code § 58.1-3703.

Summary of Ordinance/Resolution, Background:

Ordinance No. 2016-165 amends current City Code to implement the provisions of HB63, which was passed during the 2016 Session of the General Assembly. HB 63 exempts veterans service organizations that are tax exempt under §501(c) (19) of the Internal Revenue Code from the requirement to obtain a City Business License.

Staff Analysis and Questions:

- The affected veterans service organizations will still be subject to BPOL taxes to the extent the organization has receipts from an unrelated trade or business, which receipts are subject to federal income tax under I.R.C. § 511.
- Examples of groups qualifying for exemption from federal taxation under I.R.C. §501(c) (19) include: posts or auxiliaries of the American Legion, Veterans of Foreign Wars, and similar organizations. And trusts or foundations for a veterans' organization.
- In 2013, 624 veterans' service organizations in Virginia filed the Form 990 or related informational returns.
- The committee may want to inquire about the number of veterans' service organizations in Richmond, and the potential revenue impact.

Fiscal Impact:

There is no expenditure impact. There will be a reduction in revenues, however, the amount is unknown.

Staff Analysis and Questions:

- The original FY 2016 appropriation for the Victim Witness Program was \$493,488. With this additional \$54,780 the total Special Fund appropriation for FY 2016 will be \$548,268.
- Documentation attached to the ordinance indicates that, with the proposed increase, the total grant from the Virginia Department of Criminal Justice Services is \$419,980. The committee may want to determine the source of the \$128,288 required to bring the Special Fund appropriation to the total of \$548,268.

Fiscal Impact:

Revenues in the FY 2016 Special Fund Budget will increase by \$54,780.

28. Ord. No. 2016-178 (Patron: Mayor Jones) To authorize the Chief Administrative Officer to accept funds in the amount of \$100,000 from the Virginia Department of Rail and Public Transportation; to transfer \$52,000 from the Fiscal Year 2015-2016 Department of Public Works' Parking Enterprise Fund Budget; to transfer \$5,000 from the Office of Community Wealth Building and \$10,000 from the Department of Economic and Community Development in the Fiscal Year 2015-2016 General Fund Budget; to amend the Fiscal Year 2015-2016 Special Fund Budget by creating a new special fund for the Department of Economic and Community Development called the Bus Rapid Transit "Pulse" Project Business Support Initiative Special Fund; and to appropriate the grant funds received and matching funds transferred to the Fiscal Year 2015-2016 Special Fund Budget by increasing estimated revenues and the amount appropriated to the Department of Economic and Community Development's Bus Rapid Transit "Pulse" Project Business Support Initiative Special Fund by \$167,000 for the purpose of providing funding for the business support initiative related to the construction of the Broad Street Bus Rapid Transit project.

Summary of Ordinance/Resolution and Background:

Ordinance No. 2016-178 is to authorize the Chief Administrative officer (CAO) to accept funds in the amount of \$100,000 from the Virginia Department of Rail and Public Transportation (DRPT) and to amend the FY16 Special Fund Budget to appropriate the grant funds received of \$100,000 and matching funds from the City of \$67,000 to a new special fund account called the Bus Rapid Transit "Pulse" Project Business Support Initiative. The purpose of the newly created special fund account is to provide funding for the business support initiative related to the construction of the Broad Street Bus Rapid Transit project.

Staff Analysis and Questions:

- DRPT is providing a grant to the City in the amount of \$100,000. The City is required to provide a local match of \$100,000. The City's local match portion will come from the following sources:
 - \$52,000 will come from the Parking Management Enterprise Fund
 - \$10,000 will come from ECD General Fund Budget
 - \$5,000 will come from Community Wealth Building General Fund Budget
 - \$33,000 will come from the Department of Public Utilities

assistance will be available to mitigate the impacts on businesses as stated in Ordinance 2016-038, adopted March 28, 2016.

- One of the items listed under the scope of work is that the Grantee (the City), “shall build a seamless companion website/application.” The Committee may be interested in knowing if the Department of Information Technology is leading this effort and if the department has sufficient resources to accomplish this task.

Fiscal Impact:

- The City will receive \$100,000 in revenue from DRPT. The City’s local match, funding was identified within the current FY16 budgets; however, a budget amendment is necessary in order to transfer the identified funds and the grant received from DRPT to the newly created special fund account.

29. Ord. No. 2016-179 (Patron: Mayor Jones) To authorize the Chief Administrative Officer to accept funds in the amount of \$11,484 from the Virginia Department of Criminal Justice Services to transfer \$1,276 in matching funds from the Fiscal Year 2015-2016 General Fund Budget, Department of Justice Services account; and to appropriate the total amount of \$12,760 to the Fiscal Year 2015-2016 Special Fund Budget by increasing estimated revenues and the amount appropriated to the Department of Justice Services by \$12,760 for the purpose of providing additional services for pre-disposition and post-disposition programs at the Juvenile Detention Center.

Summary of Ordinance/Resolution and Background:

Ordinance No. 2016-179 does four things:

1. It authorizes the Chief Administrative Officer to accept \$11,484 from the Virginia Department of Criminal Justice Services.
2. It authorizes the transfer \$1,276 from the FY 2016 General Fund budget of the Department of Justice Services to the FY 2016 Special Fund Budget.
3. It increases revenues in the Fiscal Year 2015-2016 Special Fund Budget by \$12,760.
4. It appropriates \$12,760 to the Department of Justice Services in the Fiscal Year 2015-2016 Special Fund Budget to provide additional services for pre-disposition and post-disposition programs at the Juvenile Detention Center.

Staff Analysis and Questions:

- This is a one-time grant from the Virginia Department of Criminal Justice Services.
- The \$1,276 proposed to be transferred from the FY 2016 General Fund budget of the Department of Justice Services to the FY 2016 Special Fund Budget represents the required 10% match.
- The committee may want to determine which of the twelve Special Fund accounts for the Department of Justice Services will be increased as a result of the proposed change.
- Documentation attached to the ordinance indicates that the Virginia Department of Criminal Justice Services grant will cover a period beginning on January 1, 2016. The committee may want to determine at what point in FY 2016 the City received notice of the grant.

31. Ord. No. 2016-181 (Patron: Mayor Jones) To amend Ord. No. 2015-73-84, adopted May 15, 2015, which adopted the Fiscal Year 2015-2016 General Fund Budget and made appropriations pursuant thereto, by increasing estimated revenues from various taxes and other sources, transferring funds from various agencies and non-departmental programs and from the Fiscal Year 2014-2015 fund balance excess reflected as the Revenue Stabilization Fund and as unassigned fund balance in the City's accounting system, and appropriating such increase in estimated revenues and such transferred funds to various agencies and non-departmental programs.

Summary of Ordinance/Resolution and Background:

Ordinance No. 2016-181 proposes to amend the FY16 General Fund Budget in two ways:

- Increasing General Fund Revenues by \$5,854,465 to offset a projected operating deficit:
 - Increasing estimated revenues by \$1,667,195 from various taxes and other sources due to projected actual collections exceeding initial revenue projections;
 - Appropriating additional one-time revenue of \$1,928,757 from the City's Revenue Stabilization and Contingency Fund to cover the costs associated with the FY16 winter storm events;
 - Appropriating additional one-time revenue of \$2,258,513 from the City's Unassigned Fund Balance;
- Re-allocating funds between agencies and non-departmental to be in line with 3rd Qtr. expenditure projections.

Staff Analysis and Questions:

Projected Operating Deficit

- The 3rd Qtr. Financial Report, as of March 31, 2016, projected that actual expenditures will exceed budgeted expenditures by \$5,854,465. This is proposed to be offset by increased revenues of \$1,667,195, resulting in a net deficit of \$4,187,270 for fiscal year ending 2016. This ordinance proposes to appropriate the increased FY 2016 revenue collections and provide additional resources from the Revenue Stabilization and Contingency Fund, and the Unassigned Fund Balance to off-set the projected deficit.

	Third Quarter FY 2016 Report		
	FY 2016 Budget (Amended)	FY 2016 Projected	Surplus (Shortfall)
Expenditures	\$702,322,224	\$708,176,689	(\$5,854,465)
Revenue			
FY 2016 GF Revenues	\$702,322,224	\$703,989,419	\$1,667,195
Revenue Stabilization and Contingency Fund	\$0	\$1,928,757	\$1,928,757
Unassigned Fund Balance	\$0	\$2,258,513	\$2,258,513
Total: General Fund Revenue	\$702,322,224	\$708,176,689	\$5,854,465
Proposed Surplus (Shortfall)	\$0	\$0	\$0

- 3) Based on the FY 2017 Adopted Budget \$2,084,419 is the amount of Unassigned Fund Balance that is above the 10% Unassigned Fund Balance Policy.
 - 4) The Ordinance is recommending to appropriate \$2,258,513 which may bring the Unassigned Fund Balance below the 10% of the total FY16 budgeted expenditures.
- The Committee may wish to know what the potential impact may be on the City's bond rating.
 - The Fund Balance policy states that, "to the extent that the Unassigned General Fund balance is ever drawn upon, the City shall budget the replenishment of the amount drawn over the next three subsequent fiscal years.
 - The Committee may be interested in knowing what the Administration's plan is for replenishing the Unassigned Fund Balance.
 - The Committee may be interested in knowing if the Administration took the proposed utilization of Unassigned Fund Balance into account as part of the Mayor's proposed FY 17 budget. If the three subsequent fiscal years budgets are to include an amount to replenish the Unassigned Fund Balance does that mean the FY17 budget that was recently adopted includes an amount to begin the replenishment?
 - If both the Revenue Stabilization Contingency Fund and the Fund Balance policies state that both need to be replenished the Committee may be interested in knowing which is to be replenished first and what is the Administration's plan to ensure that this happens.

Budget Reallocations

- Ordinance No. 2016-181 also proposes to re-allocate funds between agencies and non-departmental to be in line with 3rd Qtr. expenditure projections.
 - Increases are proposed for eleven (11) departments that are collectively projected to overspend their FY 16 budgets by \$9,336,267.

	Department	Current Budget	Total Ammendmnts	Final Budget
1	Auditor	1,919,731	112,234	2,031,965
2	Emergency Communications	4,183,908	62,146	4,246,054
3	Finance	22,288,877	249,258	22,538,135
4	Fire and Emergency Services	44,672,244	1,794,346	46,466,591
5	Information Technology	19,277,259	206,716	19,483,975
6	Justice Services	8,896,467	159,466	9,055,933
7	Non-Departmental (Net)	56,174,301	815,257	56,989,558
8	Office of Animal Control	1,599,385	9,823	1,609,208
9	Police	85,088,088	1,351,676	86,439,764
10	Public Works	59,788,116	2,128,274	61,916,390

- The net increase of \$815,257 proposed for Non-Departmental is composed of two increases and four decreases.

Non-Departmental Organization	Current Budget	Final Budget	Proposed Amendments
Decreases			
311 Call Center	939,421	879,767	(59,654)
City Celebrations - Venture Richmond	1,190,248	1,088,773	(101,475)
Family Advocacy Center	34,650	0	(34,650)
HDL Economic Development Grant	25,000	0	(25,000)
Total: Organizations with Decreases	2,189,319	1,968,540	(220,779)
Increases			
GRCCA Subsidy	6,500,000	7,265,543	765,543
Retirees' Health Care	3,543,436	3,813,929	270,493
Total: Organizations with Increases	10,043,436	11,079,472	1,036,036
Organizations with No Change	43,941,546	43,941,546	0
Total Non-Departmental	56,174,301	56,989,558	815,257

- The committee may be interested in knowing if Venture Richmond and the Family Advocacy Center are aware that their allocations are being reduced, and why the allocations for these two organizations are proposed for reduction.

Fiscal Impact:

- The Ordinance will amend the FY16 general Fund Budget. It will increase the total budget by \$5,854,465. The final budgets for various agencies would change to reflect the expenditure projections that were included in the 3rd qtr. financial report.
- The ordinance will also amend the budget to appropriate funds from the City's fund balance. The Revenue Stabilization Fund and Unassigned Fund Balance accounts will be reduced.

32. Ord. No. 2016-182 (Patron: Mayor Jones) To amend Ord. No. 2015-73-84, adopted May 15, 2015, which adopted a General Fund Budget for Fiscal Year 2015-2016 and made appropriations pursuant thereto, to transfer funds in the amount of \$125,000 from the Department of Economic and Community Development agency and to appropriate \$125,000 to a new line item in the Non-Departmental agency for the purpose of making a grant pursuant to Va. Code § 15.2-953(B) to Southside Community Development and Housing Corporation to implement a YouthBuild USA project targeted to up to 32 eligible East End participants between the ages of 16 and 24.

Summary of Ordinance/Resolution and Background:

Ordinance No. 2016-182 does two things:

1. It authorizes the transfer \$125,000 from the FY 2016 General Fund budget of the Department of Economic and Community Development to the Non-Departmental agency.
2. It appropriates \$125,000 to a new line item in the Non-Departmental agency for a grant to Southside Community Development and Housing Corporation for a YouthBuild USA project.

33. Ord. No. 2016-183 (Patron: Mayor Jones) To amend ch. 12, art. IV of the City Code, concerning fees for City services, by adding therein a new § 12-121, concerning fees for the use of the City's bicycle share system, and to amend Appendix A of the City Code by adding therein new fees for City Code § 12-121, for the purpose of establishing the fees to be charged for the use of the City's bicycle share system.

Summary of Ordinance/Resolution and Background:

Ordinance No. 2016-183 establishes the fees to be charged for the use of the City's bicycle share system.

Staff Analysis and Questions:

- Fees for the use of the City's bicycle share system are set out as follows.

Code Section	Description	Fee
12-121(b)	(1) Annual user pass	\$96.00
	(2) Monthly user pass	\$18.00
	(3) Occasional user pass	
	(a) One-way trip	\$1.75
	(b) 24-hour / one-day	\$6.00
	(c) Seven-day / weekly	\$18.00
	(4) Group user pass	\$288.00
12-121(c)	Extra time - weekday	
	(1) Zero to 45 minutes	Free
	(2) 45 minutes to one hour and 15 minutes	\$3.00
	(3) One hour and 15 minutes to one hour and 45 minutes	\$8.00
	(4) One hour and 45 minutes to two hours and 15 minutes	\$15.00
	(5) Two hours and 15 minutes to two hours and 45 minutes	\$24.00
	(6) Two hours and 45 minutes to three hours and 15 minutes	\$35.00
	(7) Three hours and 15 minutes to three hours and 45 minutes	\$47.00
	(8) Three hours and 45 minutes to four hours and 15 minutes	\$62.00
	(9) Four hours and 15 minutes to four hours and 45 minutes	\$79.00
	Extra time - weekend	
	(1) Zero minutes to one hour and 15 minutes	Free
	(2) One hour and 15 minutes to one hour and 45 minutes	\$3.00
	(3) One hour and 45 minutes to two hours and 15 minutes	\$8.00
	(4) Two hours and 15 minutes to two hours and 45 minutes	\$15.00
	(5) Two hours and 45 minutes to three hours and 15 minutes	\$24.00
	(6) Three hours and 15 minutes to three hours and 45 minutes	\$35.00
	(7) Three hours and 45 minutes to four hours and 15 minutes	\$47.00
	(8) Four hours and 15 minutes to four hours and 45 minutes	\$62.00
	(9) Four hours and 45 minutes to five hours and 15 minutes	\$79.00

- Ordinance No. 2016-183 states that revenues generated by the proposed fees shall be deposited to the City Treasury and that they shall be appropriated annually to pay for the

Staff Analysis and Questions:

- The schedule for quarterly reports and budget amendment ordinance, if warranted, would be as follows:

Fiscal Quarter	Due Date
1st	November 1
2nd	February 1
3rd	May 1

- This resolution expresses the intent of City Council that a systematic program to continually monitor city expenditures against the adopted appropriations, and make needed adjustments quarterly shall be established.
- As part of the 'Well-managed Government' strategy the administration currently makes adjustments to the budget "...to more closely align agency budgets with their projected expenditure..."
- Such adjustments were made In FY 2012, FY 2013, FY 2014, and FY 2015 in third quarter re-appropriation papers. Ord. No. 2016-181 was introduced on June 13, 2016 for the same purpose.
- These third quarter adjustment are introduced too late in the fiscal year for City Council to have any meaningful input on the final disposition.
- Continually monitoring and reporting on City expenditures in comparison to adopted appropriations, will strengthen the City's financial management.

Fiscal Impact:

- There is no expenditure or revenue impact.

Analysts: Brown and Echelberger