

INTRODUCED: April 12, 2021

AN ORDINANCE No. 2021-087

To amend Ord. No. 2020-049, adopted May 11, 2020, which adopted the Fiscal Year 2020-2021 General Fund Budget and made appropriations pursuant thereto, by re-appropriating a \$467,000.00 portion of the Fiscal Year 2019-2020 fund balance excess identified as an assignment of “Unspent Building Code Fees” in the City’s 2020 Comprehensive Annual Financial Report, and to appropriate these funds to the Fiscal Year 2020-2021 General Fund Budget by increasing estimated revenues and the amount appropriated to the Department of Planning and Development Review by \$467,000.00 for the purpose of supporting the local building department functions of the Department of Planning and Development Review’s Division of Permits and Inspections in compliance with Va. Code § 36-105.

\_\_\_\_\_  
Patron – Mayor Stoney

\_\_\_\_\_  
Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: APR 26 2021 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That Ordinance No. 2020-049, adopted May 11, 2020, which adopted the General Fund Budget for the fiscal year commencing July 1, 2020, and ending June 30, 2021, and made appropriations thereto, be and is hereby amended by re-appropriating \$467,000.00 from that portion of the fund balance excess for the fiscal year commencing July 1, 2019, and ending June 30, 2020, identified as an assignment of “Unspent Building Code Fees” in the City’s 2020

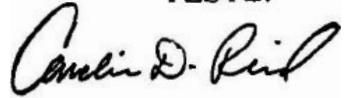
AYES:                    8                    NOES:                    0                    ABSTAIN:                    \_\_\_\_\_

ADOPTED:    APR 26 2021    REJECTED:    \_\_\_\_\_    STRICKEN:    \_\_\_\_\_

Comprehensive Annual Financial Report for the purpose of supporting the local building department functions of the Department of Planning and Development Review's Division of Permits and Inspections in compliance with section 36-105 of the Code of Virginia (1950), as amended.

§ 2. That the funds re-appropriated pursuant to section 1 of this ordinance are hereby appropriated to the General Fund Budget for the fiscal year commencing July 1, 2020, and ending June 30, 2021, by increasing estimated revenues by \$467,000.00, increasing the amount appropriated for expenditures by \$467,000.00, and allotting to the Department of Planning and Development Review the sum of \$467,000.00 for the purpose of supporting the local building department functions of the Department of Planning and Development Review's Division of Permits and Inspections in compliance with section 36-105 of the Code of Virginia (1950), as amended.

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

**A TRUE COPY:**  
**TESTE:**  
  
**City Clerk**



# CITY OF RICHMOND

## INTRACITY CORRESPONDENCE

**O&R REQUEST**

**DATE:** February 26, 2021 **EDITION:** 2

**TO:** The Honorable Members of City Council

**THROUGH:** The Honorable Levar M. Stoney, Mayor *JMS*

**THROUGH:** Lincoln Saunders, Acting Chief Administrative Officer *JLS*

**THROUGH:** Shelia White, Acting Director of Finance *Shelia White*

**THROUGH:** Jay A. Brown, Director of Budget and Strategic Planning *JAB*

**THROUGH:** Sharon L. Ebert, Deputy Chief Administrative Officer for Economic Development & Planning *Sharon Ebert*

**THROUGH:** Kevin J. Vonck, Acting Director of Planning Development & Review *Kevin Vonck*

**FROM:** Jason Carangelo, Commissioner of Buildings *Jason Carangelo*

**RE:** Appropriation of Prior Year Assigned Balance of Building Department Revenue

**ORD. OR RES. No.** \_\_\_\_\_

**PURPOSE:** To amend Ordinance 2020-049, adopted May 11, 2020, General Fund budget by appropriating \$467,000 in prior year assigned fund balance of \$656,995 unspent building department revenue to the FY2021 Planning Development & Review (PDR) general fund budget to support the operations of the Permitting and Inspections Division.

**REASON:** House Bill 1966 (HB 1966) mandates that fees levied per §36-105 of the Code of Virginia shall be used to support the functions of the local building department. The appropriation of \$656,995 that was assigned for this purpose in the City's FY2020 Comprehensive Annual Financial Report (CAFR) will help to ensure the efficient and effective delivery of services in the Permits and Inspections Division (P&I). The funding will be available to P & I as an additional resource to meet the development community's expectations and to comply with this legislation as follows:

\$150,000	0100-00502-73104-SV2007	Bank Fees to cover credit card charges
\$125,000	0100-00502-70552-SV2007	Temporary Personnel Services
\$75,000	0100-00502-70161-SV2007	Management Services
\$17,000	0100-00502-71011-SV2007	Uniforms & Safety Supplies
\$50,000	0100-00502-80007-SV8007	Vehicle Expense (Purchase, P&I)
\$50,000	0100-00504-70123-SV2004	Environmental Services for Lot Abatement
\$467,000	Total	

**RECOMMENDATION:** The City Administration recommends adoption.

**BACKGROUND:**

The assignment of \$656,995 from FY2020 General Fund was affirmed via Ordinance 2020-049, and is reflected on page 63 of the City's FY2020 CAFR. These funds will supplement PDR's budget of \$10,722,320 included in the FY2021 adopted General Fund budget. The current modified appropriation for P&I (00502) is \$3,981,480. The new allocation to P&I is \$417,000. Thus the amended appropriation for P&I will be \$4,398,480. The current modified appropriation for Property Maintenance Code Enforcement (PMCE) is \$3,394,112. The new allocation to PMCE (00504) is \$50,000. The amended appropriation for PMCE is \$3,444,112.

Once appropriated these funds will be transferred to PDR's General Fund budget. Over the past 10 years the development and construction community's expectations regarding expedient permitting, plan review and inspection services have not been met due to the rapid increase and demand for these services as the City of Richmond has grown. Both locally and across the commonwealth contractors pursued assistance from legislators for solutions to this problem. As a result, in March of 2019 the General Assembly of Virginia amended and reenacted code 36-105 via HB 1966 which requires any fees that are levied by a local governing body in order to defray the cost of Building Code enforcement and appeals, with the exception of the levy imposed for the support of training programs of the Building Code Academy, be used only to support the functions of the local building department. "Local building department" means the agency or agencies of any local governing body charged with the administration, supervision, or enforcement of the Building Code and regulations, approval of plans, inspection of buildings, or issuance of permits, licenses, certificates or similar documents. Code of Virginia § 36-97. Definitions.

**SOURCE:** (must select all that apply)

- New/increased revenue
- Existing general
- Fund Balance/Reserve/Contingency/Other Funding)

**FISCAL IMPACT/COST ():**

- **If Adopted:** N/A
- **If Not Adopted:** N/A

**FISCAL IMPACT / COST:** N/A

**FISCAL IMPLICATIONS:** The PDR General Fund appropriation will increase by \$467,000 for FY2021 and the corresponding fund balance will decrease by \$467,000.

**BUDGET AMENDMENT NECESSARY:** Yes

**REVENUE TO CITY:** N/A

**DESIRED EFFECTIVE DATE:** Upon adoption

**REQUESTED INTRODUCTION DATE:** March 8, 2021

**CITY COUNCIL PUBLIC HEARING DATE:** March 22, 2021

**REQUESTED AGENDA:** Consent

**RECOMMENDED COUNCIL COMMITTEE:** Waiver requested

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** None

**AFFECTED AGENCIES:** Department of Finance, Budget and Strategic Planning

**RELATIONSHIP TO EXISTING ORD. OR RES.:** Amends FY2021 General Fund budget Ordinance 2020-049

**REQUIRED CHANGES TO WORK PROGRAM(S):** N/A

**ATTACHMENTS:** N/A

**STAFF:** Jason Carangelo, Building Commissioner 646-6359