



City of Richmond

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Legislation Text

File #: RES. 2020-R027, **Version:** 1

To request that the Chief Administrative Officer, in accordance with City Charter § 5.05.1(c), provide the Council with revised financial and activity reports due to reduced economic activity in the business communities within the city of Richmond occasioned by the disaster presented by the spread of COVID-19.

WHEREAS, on March 23, 2020, the Governor of Virginia issued Executive Order No. 53 (2020), which ordered that “[e]ffective 11:59 p.m., Tuesday, March 24, 2020 until 11:59 p.m., Thursday, April 23, 2020, all public and private in person [sic] gatherings of 10 [sic] or more individuals are prohibited;” and

WHEREAS, on March 30, 2020, the Governor of Virginia issued Executive Order No. 55 (2020), which imposed criminal penalties for violation of the prohibition on “[a]ll public and private in-person gatherings of more than ten individuals,” among other prohibitions; and

WHEREAS, these executive orders effectively have closed all restaurants in the city to dine-in patrons and relegated restaurants to take-out sales only, resulting in drastic reductions in employment by and income to those restaurants; and

WHEREAS, the Council believes that, as citizens adhere to the prohibitions set forth in Executive Order No. 55, business communities within the city of Richmond are particularly affected by the decrease in business activity and the reduction in business income, which the Council anticipates will reduce the City’s revenue estimates for the fiscal year commencing July 1, 2019, and ending June 30, 2020, and the fiscal year commencing July 1, 2020, and ending June 30, 2021; and

WHEREAS, section 5.05.1(c) of the Charter of the City of Richmond (2019), as amended, prescribes that it shall be the duty of the Chief Administrative Officer, as directed by the Mayor, to “[p]resent adequate financial and activity reports as requested by the council;” and

WHEREAS, section 6.16(c) of the Charter of the City of Richmond (2019), as amended, prescribes that, “[i]f at any time during the fiscal year it appears probable to the mayor that the revenue or fund balances available will be insufficient to finance the expenditures for which appropriations have been authorized, the mayor shall report to the city council without delay, indicating the estimated amount of the deficit, any remedial action taken by the mayor and recommendations as to any other steps to be taken;” and

WHEREAS, the Council believes that it is in the City’s best interests that the Council request that the Chief Administrative Officer, pursuant to section 5.05.1(c) of the Charter of the City of Richmond (2019), as amended, provide the Council with revised financial and activity reports for the fiscal year commencing July 1, 2019, and ending June 30, 2020, and the fiscal year commencing July 1, 2020, and ending June 30, 2021, including revised revenue estimates, due to reduced economic activity in the business communities within the city of Richmond occasioned by the disaster presented by the spread of COVID-19;

NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF RICHMOND:

That the Council hereby requests that the Chief Administrative Officer, pursuant to section 5.05.1(c) of the Charter of the City of Richmond (2019), as amended, provide the Council with revised financial and activity reports for the fiscal year commencing July 1, 2019, and ending June 30, 2020, and the fiscal year commencing July 1, 2020, and ending June 30, 2021, including revised revenue estimates, due to reduced economic activity in the business communities within the city of Richmond occasioned by the disaster presented by the spread of COVID-19 on a schedule agreed to by the President of the Council and the Mayor.

BE IT FURTHER RESOLVED:

That the financial and activity reports that this resolution requests include the following:

1. Revised revenue estimates for the fiscal year commencing July 1, 2019, and ending June 30, 2020, and

the fiscal year commencing July 1, 2020, and ending June 30, 2021, including any assumptions and methodologies used in any revised forecasts for meals tax revenues, delineating, to the extent permitted by law, the revenues anticipated or collected from restaurants and other businesses required by law to collect and remit to the City meals taxes from its patrons.

2. Revised revenue estimates for the fiscal year commencing July 1, 2019, and ending June 30, 2020, and the fiscal year commencing July 1, 2020, and ending June 30, 2021, including any assumptions and methodologies used in any revised forecasts for business, professional, and occupational license taxes, delineating, to the extent permitted by law, the revenues anticipated or collected from restaurants and other businesses required by law to remit business, professional, and occupational license taxes to the City.

3. Revised revenue estimates for the fiscal year commencing July 1, 2019, and ending June 30, 2020, and the fiscal year commencing July 1, 2020, and ending June 30, 2021, including any assumptions and methodologies used in any revised forecasts for other sources of tax revenues payable to the City, delineating, to the extent permitted by law, the revenues anticipated or collected from restaurants and other businesses required by law to collect or remit, or both, payments on such other taxes to the City.

BE IT FURTHER RESOLVED:

That the Council also requests that the Chief Administrative Officer, provide in the financial and activity reports requested by this resolution recommendations concerning actions that the City may take, to the extent permitted by law, to mitigate the effects of the COVID-19 pandemic on restaurants in the city of Richmond and recommendations from the Director of Budget and Strategic Planning concerning, for the fiscal year commencing July 1, 2020, and ending June 30, 2021, a revised General Fund Budget and a revised Capital Budget and how those budgets may be balanced so that projected expenditures do not exceed projected revenues in light of any revenue shortfalls caused by the spread of COVID-19.