



COUNCIL STAFF REPORT

CITY COUNCIL of SALT LAKE CITY
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TO: City Council Members

FROM: Ben Luedtke, Sylvia Richards,
Jennifer Bruno, and Kira Luke

DATE: January 16, 2024

RE: **Budget Amendment #3 of Fiscal Year (FY) 2024**

Project Timeline:

Set Date: November 14, 2023
1st Briefing: December 5, 2023
2nd Briefing: December 12, 2023 (if needed)
Public Hearing: December 12, 2023
3rd Briefing: January 9, 2024
4th Briefing: January 16, 2024
Potential Action: January 16 or February 6, 2024

NEW INFORMATION

At the January 9 briefing, the Council discussed the modified proposal for item A-1 from the Fire Department which requests four civilian single-role paramedics. The Council took a unanimous straw poll in support of the proposal. Item A-1 has a related resolution that would request admission to the Tier 2 Firefighters Retirement System for emergency medical personnel including paramedics and social workers. The retirement system resolution and the budget adoption ordinance will be listed separately on the formal meeting agenda for individual votes.

The Finance Department has provided a General Fund revenues update presentation that will be given at the January 16 briefing. Council Members had requested the update as context to consider the remaining items in Budget Amendment #3. On January 16, the Council will continue reviewing items that were not yet discussed at earlier briefings. The Council may consider voting on item A-1, the related resolution, and remaining budget items in this amendment at the January 16 formal meeting.

– Information below was provided to the Council at earlier briefings –

At the December 12 briefing, the Council reviewed four items previously discussed with time sensitive deadlines (e.g., the upcoming Utah Legislature's General Session, anticipated price increases, winter shelter needs, and manufacturer order windows). At the formal meeting later that day, the Council closed the public hearing and adopted the four urgent items listed below. The budget amendment remains open. Some Council Members expressed a preference to receive a General Fund Balance update as confirmed by the annual financial audit and revenue projections as context for considering remaining items in this budget amendment. The Finance Department is expected to be available to present these updates at the January 16 briefing. The Fire Department submitted a modified proposal for item A-1 which is summarized below. At the time of publishing, details were pending on remaining funds from prior year appropriations related to item I-1 for physical security improvements to City Hall.

Urgent Items Adopted on December 12

- A-4: City Attorney's Office Legislative Division Request for Four New FTEs (\$317,190 from General Fund Balance of which \$20,000 is one-time for workspaces, and \$12,000 to the IMS Fund one-time)
- A-15: Mill & Overlay Pilot Program for Street Pavement Maintenance (\$205,177 from the Quarter Cent Sales Tax for Transportation Fund Balance, and Transferring \$955,177 to the Fleet Fund)
- A-16: The Road Home's Family Hotel Winter Interim Plan (\$300,000 from General Fund Balance)
- D-2: IMS FY2023 Encumbrance Reappropriation (\$4,269,083 from IMS Fund Balance)

Modified Proposal for A-1: Fire Department Medical Response Civilian Single Role Paramedics

Request for Two New FTEs and Reclassify Two Vacant Entry-level Firefighter FTEs

(Budget Neutral in FY2024 Using Vacancy Savings; \$133,266 New Ongoing General Fund Cost in FY2025)

After the Council's initial discussion on December 5, the Fire Department submitted a modified proposal for this item. The table below compares the original and modified proposals. The Department considers staffing civilian single role paramedics in the existing Medical Response Teams to be a pilot program. Currently, firefighter EMTs staff the Medical Response Teams. If the pilot program creates operational efficiencies as expected, then additional civilian single role paramedics may be requested in the next annual budget.

Proposal	FTEs (full-time employees)	FY2024 Budget Impact	FY2025 Budget Impact
Original	4 new FTEs	\$160,519 from General Fund Balance	\$292,638
Modified	Reclassify 2 vacant entry-level firefighter FTEs, and 2 new FTEs	Budget neutral; using vacancy savings	\$133,266

– Information below was provided to the Council at earlier briefings –

At the first briefing, the Council discussed time sensitive items and the three items requesting new full-time employees (FTEs). The other items will be discussed at the follow-up briefing on December 12. The Council may consider adopting some or all items in Budget Amendment #3 after the public hearing is held, although standard practice would be to consider only the time sensitive items. In addition to the amendment adoption ordinance, the Council could also act on another ordinance that is proposed for item A-4 to codify a Legislative Affairs Division in the City Attorney's Office and the duties and functions of that department. Item A-1 also has a resolution proposed requesting admission to the Tier 2 Firefighters Retirement System for emergency medical personnel including social workers.

Straw Polls

The Council took the following nonbinding straw polls at the first briefing:

- A-4: City Attorney's Office Legislative Division Request for Four New FTEs (\$317,220 from General Fund Balance):
 - o Six in favor, none against, and one absent to support a division director FTE appointed (\$85,510) and a senior city attorney merit (\$117,676).
 - o Three in favor, three against, and one absent to support a special projects analyst (\$61,707) and administrative assistant (\$52,297).
 - o Note the amounts above in parenthesis are half-year costs for salary, benefits, \$3,000 per employee for electronic devices (e.g., computers), and \$5,000 per employee to establish workspaces.
- A-15: Mill & Overlay Pilot Program for Street Pavement Maintenance (\$205,177 from the Quarter Cent Sales Tax for Transportation Fund Balance and Transferring \$955,177 to the Fleet Fund)
 - o Six in favor, none against, and one absent to support the additional funding request, transfer to the Fleet Fund, and funding source swap.
- A-16: The Road Home's Family Hotel Winter Interim Plan (\$300,000 from General Fund Balance)
 - o Six in favor, none against, and one absent to support the one-time appropriation for motel and hotel vouchers available to families experiencing homelessness.

– Information below was provided to the Council at earlier briefings –

Budget Amendment Number Three includes 31 proposed amendments, \$3,103,054 in revenues and \$15,244,714 in expenditures of which \$1,738,732 is from General Fund Balance and requesting changes to eight funds. Additionally, the transmittal indicates there is an increase of nine FTE's. Four of the nine FTEs are being requested in Item A-1 for the Fire Department and four FTEs are being requested in A-4 for the City Attorney's new Legislative Division. The other new FTE is being requested in A-13 in the Finance Department.

Fund Balance

If all the items are adopted as proposed, then General Fund Balance would be projected at 14.3% which is \$5,784,487 above the 13% minimum target of ongoing General Fund revenues. *Note: this figure includes both General Fund and Funding our Future fund balances.* The Administration's chart of projected Fund Balance later in this report was prepared before the Council voted in item I-1 of Budget Amendment #2 to return \$1 million to General Fund Balance from an affordable housing development grant that did not proceed. This increased the projected percentage from the 14.08% to 14.3%.

The projected Fund Balance does not include unused FY2023 budgets that drop to Fund Balance at the end of the fiscal year. The General Fund typically sees \$2 million to \$3 million drop to Fund Balance annually, which would increase the Fund Balance percentage. It also does not include actual revenues through the end of the last fiscal year. The comprehensive annual financial audit will confirm the actual Fund Balance through the end of FY2023. The annual audit is typically completed in December.

This updated 14.3% combined Fund Balance is higher than estimated during the annual budget deliberations in June and Budget Amendment #1 last month due to finance department clarification on best practices for what to include or not include in Fund Balance calculations. The revised estimate did not impact the Funding Our Future portion of Fund Balance which remains at 14.51% which is \$791,501 above the 13% minimum target.

Council Request: Tracking New Ongoing General Fund Costs Approved in Midyear Budget Amendments

Council staff has provided the following list of new ongoing costs to the General Fund. Many of these are new FTE's approved during this fiscal year's budget amendments, noting that each new FTE increases the City's annual budget if positions are added to the staffing document. Note that some items in the table below are partially or fully funded by grants. If a grant continues to be awarded to the City in future years, then there may not be a cost to the General Fund but grant funding is not guaranteed year-over-year.

Budget Amendment	Item	Potential Cost to FY2025 Annual Budget	Full Time Employee (FTEs)	Notes
#2	Item A-1: Homeless General Fund Reallocation Cost Share for State Homeless Mitigation Grant	\$53,544	0.5 FTE Community Development Grant Specialist for Homelessness Engagement and Response Team (HEART)	This position is proposed to be half funded from the State Homeless Shelter Cities Mitigation Grant and half by the General Fund for FY2024. The \$107,088 reflects the fully loaded annual cost for the FTE.
#2	Item A-5: Create a Public Lands Planning & Design Division	\$11,139	Reclassify an existing FTE to a higher pay grade and director of new division. Request position be appointed in a future budget opening.	Transfer all four (4) full-time landscape architect positions and associated operating budget (\$543,144) from the Engineering Division (Public Services Department) to this new division in the Public Lands Department.
#2	A-6 Sorenson Janitorial and County Contract - Senior Community Programs Manager	Budget Neutral <i>(see note to the right)</i>	1 Senior Community Programs Manager	This item requires amending an existing interlocal agreement with the County. At the time of publishing this report, staff is checking whether the amendment could result in additional funding needs to maintain current levels of service. The item might not be budget neutral depending on the agreement changes.
#2	A-7: Economic Development Project Manager Position	\$122,000	1 Economic Development Project Manager	Would be focused on the creation of Special Assessment Areas or SAAs for business districts and renewal every three to five years.
#2	A-9: Know Your Neighbor Program Expenses	\$6,500		Program expenses were inadvertently left out of the last annual budget
#2	A-10: Love Your Block Program Expenses	\$55,750		Program expenses were inadvertently left out of the last annual budget

Budget Amendment	Item	Potential Cost to FY2025 Annual Budget	Full Time Employee (FTEs)	Notes
#2	Item E-3: Homeless Shelter Cities Mitigation Grant Award	\$3,107,201	<p><u>13 Existing FTEs:</u></p> <ul style="list-style-type: none"> - 2 Police sergeants - 10 police officers - 1 Business & community liaison <p><u>4.5 New FTEs:</u></p> <ul style="list-style-type: none"> - 1 Sequential Intercept Case Manager in the Justice Court - 0.5 Grant Specialist in CAN (half grant funded and half by the General Fund in item above) - 1 Police sergeant - 2 police officers 	<p>Admin expects to apply for grant funding annually to cover these costs. General Fund would not need to cover costs if the State grant is awarded to the City to fully cover the costs.</p> <p><i>Note: Justice Court FTE is part of the City's contribution towards implementation of the "Miami Model" of diversion out of the homelessness system.</i></p>
#2	G-1: Greater Salt Lake Area Clean Energy and Air Roadmap Coordinator Position	\$482,915 (funding is to cover four years of new FTE)	1 Coordinator	Four years of salary and benefits. The position would be responsible for facilitating the sustained involvement of jurisdiction partners, managing consultants, assisting with community engagement, coordinating stakeholder and public engagement activities and presentations, and tracking task completion and achievement.
#3	A-1: Fire Department (4 New FTEs)	\$292,638	4 New Medical Response Paramedic FTEs	Annual cost
#3	A-4 City Attorney's Office Legislative Division (4 New FTEs)	\$594,441	Legislative Affairs Director (E34) • Senior City Attorney (E39) • Special Projects Analyst (E26) • Administrative Assistant (N21) Focus on legislative affairs, with special emphasis on the legislative session	Annual cost
#3	A-9: Adding Multimodal Specialized Road Markings	\$200,000		

Budget Amendment	Item	Potential Cost to FY2025 Annual Budget	Full Time Employee (FTEs)	Notes
	Maintenance Funding into the Streets Division's Base Budget			
#3	A-10: Downtown Parking Pay Station Replacements	\$271,985		Would be paid annually over six fiscal years from FY2025 – FY2030
TOTALS		\$4,715,199	28 FTEs of which 24 are New	

Revenue for FY 2023-24 Budget Adjustments

The Administration indicates that there are no revenue projection updates yet for FY2024. An updated is anticipated in the next budget amendment after the comprehensive annual financial audit is completed.

Revenue	FY23-FY24 Annual Budget	FY23-24 Amended Budget	Revised Forecast	Amended Variance Favorable (Unfavorable)
Property Taxes	129,847,140	129,847,140	129,847,140	-
Sale and Use Taxes	117,129,000	117,129,000	117,129,000	-
Franchise Taxes	12,348,127	12,348,127	12,348,127	-
Payment in Lieu of Taxes	1,905,573	1,905,573	1,905,573	-
Total Taxes	261,229,840	261,229,840	261,229,840	-
Licenses and Permits	40,878,104	40,878,104	40,878,104	-
Intergovernmental Revenue	5,134,621	5,134,621	5,134,621	-
Interest Income	8,000,000	8,000,000	8,000,000	-
Fines	4,063,548	4,063,548	4,063,548	-
Parking Meter Collections	2,801,089	2,801,089	2,801,089	-
Charges, Fees, and Rentals	4,881,922	4,881,922	4,881,922	-
Miscellaneous Revenue	3,502,359	3,502,359	3,502,359	-
Interfund Reimbursement	26,131,213	26,131,213	26,131,213	-
Transfers	9,938,944	9,938,944	9,938,944	-
Total W/O Special Tax	366,561,640	366,561,640	366,561,640	-
Additional Sales Tax (1/2%)	49,084,479	49,084,479	49,084,479	-
Total General Fund	415,646,119	415,646,119	415,646,119	-

Fund Balance Chart

The Administration's chart below shows the current General Fund Balance figures. Fund balance has been updated to include proposed changes for Budget Amendment #3. Based on those projections the adjusted fund balance is projected to be at 14.08%. After this chart was developed, the Council added \$1 million to Fund Balance in Budget Amendment #2 which increased the estimated percentage to 14.3%.

	FY2023 Budget Projected			FY2024 Budget		
	FOF	GF Only	TOTAL	FOF	GF Only	TOTAL
Beginning Fund Balance	18,395,660	141,728,022	160,123,682	13,132,752	97,874,345	111,007,097
Budgeted Change in Fund Balance	(2,100,608)	(20,736,262)	(22,836,870)	(3,657,641)	(29,211,158)	(32,868,799)
Prior Year Encumbrances	(3,162,300)	(17,260,909)	(20,423,209)	(1,879,654)	(10,259,789)	(12,139,443)
Estimated Beginning Fund Balance	13,132,752	103,730,851	116,863,603	7,595,457	58,403,398	65,998,855
<i>Beginning Fund Balance Percent</i>	29.60%	27.04%	27.30%	14.51%	14.89%	14.85%
Year End CAFR Adjustments						
Revenue Changes	-	-	-	-	-	-
Expense Changes (Prepays, Receivable, Etc.)		(2,257,746)	(2,257,746)		(2,257,746)	(2,257,746)
Fund Balance w/ CAFR Changes	13,132,752	101,473,105	114,605,857	7,595,457	56,145,652	63,741,109
<i>Final Fund Balance Percent</i>	29.60%	26.45%	26.78%	14.51%	14.32%	14.34%
Budget Amendment Use of Fund Balance						
BA#1 Revenue Adjustment	-	(475,000)	(475,000)	-	-	-
BA#1 Expense Adjustment	-	-	-	-	(204,200)	(204,200)
BA#2 Revenue Adjustment	-	-	-	-	-	-
BA#2 Expense Adjustment	-	-	-	-	763,950	763,950
BA#3 Revenue Adjustment	-	6,000,000	6,000,000	-	-	-
BA#3 Expense Adjustment	-	(6,538,000)	(6,538,000)	-	(1,730,732)	(1,730,732)
BA#4 Revenue Adjustment	-	194,600	194,600	-	-	-
BA#4 Expense Adjustment	-	(7,584,328)	(7,584,328)	-	-	-
BA#5 Revenue Adjustment	-	-	-	-	-	-
BA#5 Expense Adjustment	-	(5,940,349)	(5,940,349)	-	-	-
BA#6 Revenue Adjustment	-	19,120,198	19,120,198	-	-	-
BA#6 Expense Adjustment	-	(11,719,731)	(12,219,731)	-	-	-
BA#7 Revenue Adjustment	-	-	-	-	-	-
BA#7 Expense Adjustment	-	-	-	-	-	-
Change in Revenue	-	-	-	-	-	-
Change in Expense	-	-	-	-	-	-
Fund Balance Budgeted Increase	-	-	-	-	-	-
Adjusted Fund Balance	13,132,752	94,530,495	107,163,247	7,595,457	54,974,670	62,570,127
<i>Adjusted Fund Balance Percent</i>	29.60%	24.64%	25.04%	14.51%	14.02%	14.08%
Projected Revenue	44,364,490	383,650,846	428,015,336	52,338,120	392,166,803	444,504,923

A summary spreadsheet outlining proposed budget changes is attached to the transmittal. The Administration requests that document be modified based on the decisions of the Council.

The budget opening is separated in eight different categories:

- A. New Budget Items
- B. Grants for Existing Staff Resources
- C. Grants for New Staff Resources
- D. Housekeeping Items
- E. Grants Requiring No New Staff Resources
- F. Donations
- G. Council Consent Agenda Grant Awards
- I. Council Added Items

Impact Fees Update

The Administration's transmittal provides an updated summary of impact fee tracking. The information is current as of 7/20/23. The table below has taken into account impact fees appropriated by the Council on August 15 as part of the FY2024 Capital Improvement Program (CIP). As a result, the City is on-track with impact fee budgeting to have no refunds during all of FY2024 and FY2025. The transportation section of the City's Impact Fees Plan was updated in October 2020. The Administration is working on updates to the fire, parks, and police sections of the plan.

Type	Unallocated Cash "Available to Spend"	Next Refund Trigger Date	Amount of Expiring Impact Fees
Fire	\$273,684	More than two years away	-
Parks	\$14,064,637	More than two years away	-
Police	\$1,402,656	More than two years away	-
Transportation	\$6,064,485	More than two years away	-

Note: Encumbrances are an administrative function when impact fees are held under a contract

Section A: New Items

Note: to expedite the processing of this staff report, staff has included the Administration's descriptions from the transmittal for some of these items.

A-1: Fire Department Medical Response Paramedics Request for Four New FTEs (\$160,519 from General Fund Balance)

The Administration is proposing a further evolution to staffing for the Medical Response Teams (MRTs). The proposal would increase the scope and efficiency of the team while reducing the cost of staffing each of four (4) SUV-based light response MRT units throughout Salt Lake City.

The proposal adds four civilian Paramedic FTEs to the Fire Department. Each would be classified as Single-Role Paramedics (SRP's) and would be allocated specifically to MRT positions currently held by firefighter/EMT's. The displaced firefighters would fill daily vacancies throughout the department, and staff additional apparatus as the department grows. This will likely result in overtime budget savings although the exact amount is unknown at this time. In its current form the MRT is a successful program, but from a budgetary perspective, staffing the MRTs exclusively with firefighter/EMTs is not the most efficient use of resources. Civilian Paramedics are a less costly position than a sworn firefighter, and the training time to onboard is significantly shorter (2 weeks rather than 16).

The request for FY2024 would be \$150,119 plus some startup costs of \$10,400. Full year funding for FY25 would be \$292,638.

Approving this shift mid-year would enable the department to start the hiring process for SRP's in January and incorporate them into the MRT's as soon as February 2024. The department plans to continue gathering data on the budgetary impact of this shift on the MRT program in order to inform the FY25 budget plan.

Background - The Salt Lake City Fire Department (SLCFD) currently operates three Medical Response Teams (MRTs) with another funded at the Salt Lake City Airport beginning in January of 2024 for a total of four MRTs staffed by 16 firefighter/EMTs. This initiative was initially funded by the Council in 2014, in part to realize fuel and staffing efficiencies. Having been proven successful over the years both from a sustainability and staffing perspective, it was expanded in 2022 to include social workers when available. When a social worker is combined with an MRT the City refers to this as a

Community Health Access Team (CHAT). The department has indicated that when all social worker positions are filled, their goal is to have a social worker on 2 MRT teams (becoming a CHAT), 6 days a week. Staff has included Attachment 3 showing relevant data for the first full year of CHAT operations.

- **Policy question** – In addition to the relevant data collected on the MRT program, the Council may wish to ask the Administration to also collect data on any potential department-wide overtime savings of this shift.

A-2: American Rescue Plan Act (ARPA) Grant Management Employee Expenses (\$14,225 from ARPA)

The Economic Development Department is requesting \$14,225 of ARPA funds budgeted in previous fiscal years that was not used. The funds would cover expenses for an existing employee supporting the Department's administration of ARPA local business direct assistance grants and local nonprofit pass-through assistance grants. The Department hired two FTEs to administer the programs through FY2023. However, the program implementation has taken longer than anticipated. One of the FTEs has left employment with the City and the position is no longer needed. This additional funding would provide a total of \$125,000 for the second position through the end of FY2024. The two grant assistance programs are expected to be completed at the end of FY2024 so the second FTE would no longer be needed next fiscal year.

A-3: Withdrawn Prior to Transmittal

A-4: City Attorney's Office Legislative Division Request for Four New FTEs (\$297,220 from General Fund Balance)

The Administration is proposing to add four new FTEs to create a Legislative Division within the City Attorney's Office. According to the transmittal, "The primary focus of this division will be on legislative affairs, with special focus on the legislative session and the various impacts to Salt Lake City." The amount requested for FY2024 (6 months of funding) is \$297,220.40, which includes one-time startup costs such as computers (\$12,000, to be budgeted as a transfer to IMS), and funding to establish workspaces and necessary equipment (\$20,000). The full year cost for the four positions is \$594,440.79. *Note: The Administration would like to gauge Council support on this item at the first briefing such as a straw poll and consider whether to approve this item at the December 12 meeting, so that positions can be advertised/onboarded prior to the 2024 State Legislative Session which begins Tuesday, January 16, 2024.*

The four proposed positions are as follows:

- Legislative Affairs Division Director (Grade E34 - appointed)
- Senior City Attorney (Grade E39 - merit)
- Special Projects Analyst (Grade E26 - merit)
- Administrative Assistant (Grade N21 - merit)

The proposal also includes an ordinance to amend the City Code to document this as a new division and to clarify that the City Attorney's Office and Legislative Division report equally to both branches of government. The Administration notes that the ordinance:

- Establishes that because the City Attorney manages the legal affairs of both the executive and legislative branches of government, she reports to both the Mayor and Council Chair, and can be removed at the discretion of the Mayor.
- Clarifies that the City Attorney supervises the Recorder's Office, Risk Management Division, and Division of Legislative Affairs.
- Clarifies that the City Attorney may retain outside counsel on behalf of the City, if she concludes that the City Attorney's Office has a conflict of interest, is unable, or is unavailable to perform that legal work for the City.
- Creates the Division of Legislative Affairs, which will be responsible for monitoring state and federal legislation and engaging in advocacy, collaboration, and tracking of all legislative matters for the City.
- Establishes the director of legislative affairs, who will work with both branches of government on the City's legislative agenda and will report to both branches of government on legislative priorities and policies.

Staff is working with the Attorney's Office on several clarifying edits to the ordinance to ensure it matches the intent of the bullet points listed above. See Attachment 1 for the approved as to form version of the ordinance and Attachment 2 for the redlined version (showing edits in track changes format).

A-5: Additional Funding for 2100 South Reconstruction in Sugar House (\$3,323,950 from Transportation Impact Fees)

This request would maximize the eligible use of transportation impact fees for complete streets elements in the 2100 South reconstruction project. The total estimated cost for reconstructing 2100 South through the Sugar House Business District (from 700 East to 1300 East) continues to increase due to inflation, supply chain issues, and an expanded scope in response to community-desired elements. Construction level designs are anticipated to be completed this winter. Then the

project would go out to bid after which exact costs would be known. Construction may begin in 2024. The table below summarizes budget line items for this project including the additional funding requested in this budget amendment. No further funding requests are anticipated for this project.

Source	Amount
Original 2100 South Bond Amount	\$8,000,000
Transportation Impact Fees	\$660,410
Class C	\$814,027 (minimum, could increase)
Remaining contingency from 300 West project that can be applied to 2100 South	\$850,000
2022-2023 CIP Complete Streets	\$300,000
2023-2024 CIP Complete Streets	\$2,750,000 (of \$3,293,000 – the remainder goes to Virginia Street)
Additional Streets Reconstruction Bond Funds from Budget Amendment #1	\$1,500,000
Requested additional transportation impact fees in Budget Amendment #3	\$3,323,590
Total	\$18,198,027

Note: Public Utilities elements are funded separately and not reflected in the table

The project webpage is publicly available at www.2100southslc.org

A-6: Additional Funding for 600/700 North Reconstruction (\$3,204,371 from Transportation Impact Fees)

This request would almost maximize the eligible use of transportation impact fees for complete streets elements in the 600/700 North corridor reconstruction and transformation project. It is eligible for another \$400,000 of transportation impact fees however the current unallocated available balance is not enough to cover that additional amount. The Council may see a request in a future budget opening for the additional \$400,000 if enough transportation impact fee revenue comes in later this fiscal year or next. The total estimated cost for reconstructing the corridor (from Redwood Road to 800 West) continues to increase due to inflation, supply chain issues, and an expanded scope in response to community-desired elements.

The 2022 Sales Tax Revenue Bond included \$9,753,000 for this project. The Council also approved \$1,879,654 in FY2022 CIP from Funding Our Future transit dollars for this project. A frequent (every 15 minutes) bus service route runs along this corridor. Several other smaller funding sources are also anticipated to be used for the project such as Class C funds, remaining Streets Reconstruction bond funds unused from completed projects, grants, and CIP complete streets funds. Construction level designs are anticipated to be completed this winter. Then the project would go out to bid after which exact costs would be known. Construction may begin in 2025.

The project webpage is publicly available at www.600northslc.org

A-7: Security Access Control System Upgrades (\$400,000 from General Fund Balance)

Additional one-time funding is needed to continue transitioning City buildings to an upgraded S2 control access system as the citywide standard. The back-end software was recently upgraded for the Public Safety Building and City Hall. This item would allow the same upgrade for Plaza 349 and the Justice Court buildings. The funding also includes card readers and proximity cards (sometimes called smart badges or access cards) for employees using the four buildings. The Council could discuss this item in a closed session since the topic relates to security devices, personnel, and/or systems.

A-8: Additional Funds to Purchase Electric Trucks instead of Sedans for the Compliance Division (\$20,000 from General Fund Balance)

Current funding would allow the Fleet Division to purchase two electric sedans. One sedan to replace a jeep that is past useful life and another sedan for three new FTEs added in the annual budget to create the RV and Long-term Parking Enforcement Team. This funding request would allow both vehicles to be electric trucks instead of sedans. The larger vehicles would provide greater capabilities for the team to operate during the winter, inclement weather, and in neighborhoods with steep roads. The trucks also have larger cargo space for equipment and supplies such as pay station kiosks.

A-9: Adding Multimodal Specialized Road Markings Maintenance Funding into the Streets Division's Base Budget (\$200,000 from General Fund Balance)

The Council did not fund this item in FY2024 CIP but requested the Administration evaluate adding this ongoing maintenance need to the ongoing base budget for the Public Services Department or the Transportation Division in the Community and Neighborhoods Department. The Council previously funded this item in CIP for a couple years. The Administration recommends increasing the Streets Division's base budget by \$200,000. This item would be a one-time appropriation from General Fund Balance. The next annual budget would then include the \$200,000 as ongoing. Council Members discussed the competitive CIP process, and that basic maintenance and safety funding better belongs in the annual operating budgets of some departments. Any unused funds at the end of the fiscal year would lapse to General Fund Balance.

The funding will be used for hiring contractors with specialized equipment. Examples of city-owned assets that could be maintained include 1,010 bike racks, over three miles of green painted pavement, bike lanes, enhanced crosswalks, and radar feedback signs. The Public Services Department and Transportation Division will develop optimal maintenance schedules for these assets and evaluate potential equipment and staffing costs to bring the work in-house vs. the current approach of using outside contractors.

A-10: Downtown Parking Pay Station Replacements (\$135,993 from General Fund Balance)

The blue tower parking pay stations in the downtown are over a decade old and past the recommended useful life. This is causing increasing maintenance costs and operations issues. The Administration issued a Request for Proposals (RFP) and is evaluating the bid submissions. This item is being included in a budget amendment because of timeliness challenges around equipment ordering and delivery windows. Based on the RFP responses, the Administration estimates a seven-year payment schedule would be best. An initial half year payment would be this fiscal year and then larger payments evenly spread across years two through seven (fiscal years 2025 – 2030). A shorter payment schedule or a one-time lump-sum payment could result in savings because the total cost would be less than the seven-year payment schedule. However, the larger upfront costs for a shorter schedule or one-time lump-sum payment would also reduce the General Fund Balance more in the short-term.

New parking pay stations are expected to have features not available on the current older equipment such as pay by license plate capabilities, public service information like events in the area, business and organization sponsored parking validations, pay parking citations at a station, multiple languages, and pollution sensors. The old meters would be recycled to the extent possible. New meters may be in new locations based on revenue evaluations for old station locations.

Policy Questions:

- Public Education – The Council may wish to ask the Administration how the public, downtown businesses, and other organizations will learn about the new parking pay stations. The Council may also wish to ask whether the existing ParkSLC mobile app will continue, or a new app would be needed.
- Parking Demand Management – The Council may wish to ask the Administration would the new stations allow the City to improve parking demand management practices and whether funding would be needed to study options such as variable pricing during peak hours, paying for shorter or longer time periods, real-time information on where parking spaces are available (public and private), reservation-based parking spaces, vending zones like food trucks, and supporting the potential pedestrianization of closing Main Street during certain times.

A-11: Reappropriation for Rail Spur Removal (\$205,000 from General Fund Balance to CIP Fund)

The Council originally approved this funding in Budget Amendment #1 of FY2023. A reappropriation is needed because the funds were not used by the end of last fiscal year and lapsed to General Fund Balance. The rail spur at 600 West and 500 South was conveyed in 1997 by the City to a private party, with partial consideration for this conveyance being an easement to construct, operate, and maintain a railroad spur and associated facilities. Since the rail spur has not been used for over one year, the City is contractually obligated to remove it. There have been a couple similar rail spur removals in recent years. The Administration stated this is believed to be the last rail spur removal in the area. Note that the budget spreadsheet in the Administration's transmittal mistakenly identifies this item as ongoing when the funding is one-time.

A-12: Police Officer Overtime Related to the Sanctioned Campground Pilot Program (\$500,000 from ARPA Funds Unused in Prior Fiscal Years)

This item would provide one-time funding for police officer overtime shifts at and in the area around the sanctioned campground pilot program ("temporary shelter community") at approximately 300 South and 600 West. It is expected to operate until April 30, 2024. The overtime shifts would be voluntary so some might go unfilled. The overtime rate would be \$65/hour as an incentive for shifts to be filled. The Police Department will evaluate staffing levels to determine how many officers are needed by shift (e.g., days, evenings, and nights). The Department will also utilize vacancy savings to fund additional overtime shifts as needed. Over the five months of December through April, the \$500,000 could provide an average of five police officers working 10-hour overtime shifts per day. The actual staffing levels per day and time of day

will vary based on officers signing up for voluntary shifts, the volume of calls for service, proactive patrols, and other factors.

At the time of publishing this staff report an ARPA reconciliation was pending to show which budgets were unused in prior fiscal years and whether any more ARPA funding remains available for repurposing. The Council previously put \$1.5 million from the General Fund into a holding account for potential expenses related to the temporary sanctioned campground. All those funds remain in the holding account.

Policy Questions:

- Where would officers be for overtime shifts? – The Council may wish to ask the Administration would officers be inside the sanctioned campground, immediately around it, and/or how wide of an area around it would be proactively patrolled?
- Additional Funding Needs – The Council may wish to ask the Administration whether more funding is anticipated to be needed for the temporary sanctioned campground's operations, mitigating public safety issues, or other related costs.

A-13: New Financial Grant Analyst FTE in the Finance Department for Grants Administered by the Housing Stability Division (\$46,643 from CDBG and \$14,548 from ARPA)

This request would fund one FTE for the remainder of Fiscal Year 2024. The position is intended to oversee grants administered by the Housing Stability Program. The proposed grant analyst will work under the direction of the Deputy Director of Finance and will assist in the financial monitoring of multiple grants to ensure compliance with city financial processes as well as state and federal grant requirements. The position will be split across two grant funding sources – 75% CDBG and 25% from ARPA. A job description for this position was included in the Administration's transmittal. The City has experienced a significant increase in the number and complexity of grant applications and grant awards over the past few years. This trend is expected to continue as departments apply for more grants such as billions of dollars in federal grants spread over multiple years from the Bipartisan Infrastructure Law and Inflation Reduction Act.

Historically, the City has not used all the available funding from CDBG to cover the costs of administering the program as allowed under U.S. Housing and Urban Development (HUD) regulations. There is anticipated to be enough ongoing CDBG funding to help cover most costs related to this new FTE over the long-term. The remaining 25% of the costs may be covered by other grant funding depending on how much the FTE directly works on those programs. The ability to use grant funds for personnel expenses is often limited to hours spent working directly on the grant programs.

- **Policy question:** The Council may wish to ask the Administration to provide metrics on the number of grant applications and awards in recent years and are additional resources (e.g., software, FTEs, trainings) needed to improve management of grants.

A-14: Consulting for Enterprise Billing Systems (\$250,000 from the IMS Fund Balance)

This item was previously appropriated in Budget Amendment 5 of FY2023 but, due to delays in the RFP process, was ineligible to be encumbered prior to the fiscal year end and fell to IMS's fund balance. The RFP process is underway, and the Department wishes to reappropriate this funding.

The Public Utilities Billing System (PUBS) was developed and expanded by IMS over the past two decades. The system is reaching the end of life and needs to be replaced. In addition to Public Utilities, some General Fund departments use the system, like Sustainability and Community and Neighborhoods. This funding is to hire a consultant to evaluate the City's needs and identify the best path for a smooth implementation of the system's replacement. Microsoft support for the current system is expected to end as soon as July 2024.

A-15: Mill & Overlay Pilot Program for Street Pavement Maintenance (\$205,177 from the Quarter Cent Sales Tax for Transportation Fund Balance and Transferring \$955,177 to the Fleet Fund)

The Council approved \$750,000 in FY2024 CIP from quarter cent sales tax for transportation funds to purchase an asphalt paver and a cold-milling machine that do this type of pavement maintenance. In the FY2024 annual budget, the Council also approved \$130,000 ongoing from Funding Our Future for program supplies. The Public Services Department was notified that the manufacturer increased prices after these appropriations were approved. \$205,177 is needed in addition to the \$750,000 in CIP to purchase the two machines. The Department has previously rented these machines. Purchasing the machines is estimated to be a more cost-effective option in the long term than continuing to rent.

This item would also swap the funding sources for two projects to better align funding eligibilities with project uses. At the time of publishing this report, staff has requested information on the allowable uses of quarter cent sales tax for transportation funds as equipment purchases were previously thought to be eligible. The Mill & Overlay equipment would be shifted away from quarter cent sales tax for transportation funds to General Fund dollars and Class C (gas tax) funds that were also approved by the Council in FY2024 CIP. An equivalent \$750,000 for complete streets reconstruction

projects would be shifted away from General Fund dollars and Class C (gas tax) funds to the quarter cent sales tax for transportation funds.

The Mill and Overlay provides a pavement maintenance option that is greater than filling a pothole or chip & slurry surface treatments and less than a full street reconstruction. For example, cutting down a few inches into deteriorated asphalt and removing a several foot stretch and then backfilling with new asphalt.

- **Policy question:** The Council may wish to consider a straw poll for this item so the Department could proceed with drafting contracts before the next price increase which is anticipated to be in mid-December.

A-16: The Road Home's Family Hotel Winter Interim Plan (\$300,000 from General Fund Balance)

This item would provide one-time funding to assist the State and The Road Home's efforts to provide motel rooms to families experiencing homelessness from December 2023 to June 2024. The motel vouchers could be considered a stopgap option until a new family non-congregate shelter opens next spring / summer. This new facility will be in addition to the existing Midvale Family Recourse Center or MFRC. The average cost is estimated at \$600-800 per week for a hotel room serving a family of four. Actual costs could be more or less depending on the size of a family and variable rates at different hotels. A one-page summary of the plan is shown as the last page of the Administration's transmittal. The Road Home stated there are existing contracts with motels for 12 rooms and one case manager assigned to the program. Additional case managers would be hired per 12 hotel rooms that are contracted to ensure adequate staffing to workload ratios. A supportive services manager is also anticipated to be hired.

The Administration has requested a straw poll on this item to facilitate contract development in advance of the final Council vote.

- **Policy Question:** The Council may wish to ask the Administration what is the funding gap for the overall plan and would the City's \$300,000 fill the existing funding gap? Adding up all the costs on the one-page summary indicates the total cost could exceed \$1 million. The Council may also wish to task what other entities are contributing funding towards the plan?

Section B: Grants for Existing Staff Resources (None)

Section C: Grants for New Staff Resources (None)

Section D: Housekeeping

D-1: Moving Funding for Downtown Central Precinct Tenant Improvements for North Temple Substation and Downtown Central Project (\$513,208 from CAN to Public Services)

Funding for the Downtown Central Precinct Tenant Improvements for North Temple Sub Station and Downtown Central Project in the amount of \$513,208 was added by the Council to the CAN budget during the budget decision making process. However, this funding should have gone to Public Services since it will be the Facilities division that will be managing the improvements. This item does not allocate any additional funding, but simply moves funding from one department to another for the same work.

D-2: IMS FY 2023 Encumbrance Roll Forward (\$4,269,083)

IMS has encumbered money that was expected to be paid out of the FY23 funds and either will need to be paid, or has already been paid in FY24. These encumbrances are listed in the Carry Over Encumbrance reports. All of these items have been approved for purchase by central finance in a prior year. These expenses will be paid for by the annual allocation that IMS uses to collect its revenue on an annual basis.

D-3: Move Cultural Core Funding to Non-Departmental from Arts Council Cost Center (\$250,000)

This item is to move funds from the Art's Council Division to the Economic Development's Non-Departmental budget. This is an effort to align funding with the appropriate cost center within the new financial system.

Section E: Grants Requiring No Staff Resources (None)

Section F: Donations (None)

Section G: Grant Consent Agenda

G-1: Utah Department of Natural Resources/Forestry (\$200,000 from Misc. Grants)

The Division of Forestry, Fire and State Lands (FFSL) has awarded Salt Lake City \$200,000 for the purposes of

removing navigational hazards, including downed trees, garbage, and other debris from the Jordan River from 2100 South to 2400 North. This funding will provide for safer conditions on the river channel for recreational boaters. A public hearing was held on September 19, 2023.

G-2: Department of Workforce Services-- Know Your Neighbor (\$100,000 from Misc. Grants)

DWS is extending the Salt Lake City's Know Your Neighbor contract. The original contract was for \$100,000 to pay for the salary and benefits of a full-time volunteer coordinator from October 1, 2022, to September 30, 2023. The extension will include an increase of \$100,000 to extend the period for one year starting October 1, 2023, and ending September 30, 2024. Thus, making the total amount of the contract \$200,000. This is a refugee volunteer program that runs through the Mayor's office. This program benefits refugee clients as well as people from the larger community who volunteer to help. Public Hearing will be held November 7, 2023. No match is required.

G-3: EPA Salt Lake City Schovaers Electronics Cleanup (\$495,200 from Misc. Grants)

This is one of two Brownfields grants awarded by the Environmental Protection Agency (EPA) to the Salt Lake City area for the purpose of cleaning up land of hazardous substances, pollutant or contaminants for the revitalization of the properties. These grants are part of the Infrastructure Investment and Jobs Act (IIJA). This grant has been awarded to Salt Lake City in the amount of \$495,200 to conduct remediation activities at the former Schovaers site (22 South Jeremy Street) in Salt Lake City. A second grant for \$1 million was awarded to Salt Lake County for the assessment and cleanup projects in Magna Township. A public hearing was held on December 13, 2022. No match is required.

G-4: Emergency Management Performance Grant (EMPG) (\$38,000 from Misc. Grants)

The Emergency Management Performance Grant (EMPG) provides state, local, tribal and territorial emergency management agencies with the resources required for implementation of the National Preparedness System and works toward the National Preparedness Goal of a secure and resilient nation. This is the annual allocation from the state and will be used to support Emergency Management functions and programs. A public hearing was held on May 16, 2023. A 50% match is required.

G-5: Victims of Crime Act (VOCA) - SLCPD Victim Advocates (\$346,132 from Misc. Grants)

The Salt Lake City Police Department is requesting continuation funding for our SLCPD VOCA grant funded Victim Advocate positions. Additionally, there are emergency funds for assisting victims included in the application. The grant will continue to fund 2.69 existing FTEs and includes emergency funds that will be used to help victims. This is a two-year grant. The period of performance starts July 1, 2023, and ends June 30, 2025. A public hearing was held on November 7, 2023. No match is required.

G-6: Edward Byrne Memorial Justice Assistance Grant (\$386,620 from Misc. Grants)

The Edward Byrne Memorial Justice Assistance Grant Program (JAG) allows states and local governments to support a broad range of activities to prevent and control crime and to improve the criminal justice system, some of which could have environmental impacts. The Salt Lake City Police Department will use this money for the following:

- Professional Travel Training for Sworn and Civilian Staff - \$40,125
- Pole Cameras - \$20,000
- High Speed License Plate Recognition (+Accessories) - \$22,970
- Climbing Equipment - \$20,160
- Night Vision Goggles and Mounts - \$49,098
- Optics - \$11,192
- Ballistic Rated Windshields - \$19,500
- Surveillance Trailer Maintenance and Replacement - \$14,000
- K9 GPS and Narcotics Enforcement Supplies - \$6,132
- Community Policing and Targeted Enforcement Overtime - \$76,100
- Subaward to Salt Lake County (BJA allocation) - \$53,672
- Subaward to Unified Police Department (BJA allocation) - \$53,671

No new staff members are proposed as part of this item. A public hearing was held on September 19, 2023. No match is required.

G-7: Rocky Mountain Power Make Ready Rosewood Park (\$29,508 from Misc. Grants)

This item supports necessary infrastructure for the installation of one (1) approved dual port charger at Rosewood Park, located at 1400 North 1200 West in Salt Lake City. This charger will be available to the public 24/7. There is no cost related to the charger in this incentive. Accepting the incentive payment obligates the participant to maintain functioning chargers and allow public access 24/7 for a minimum of five years, starting from the date of the incentive payment. The maintenance cost of this item is the lesser of the following: \$29,507.51 or 80% of the total project cost. A public hearing was held on July 18, 2023. No match is required.

G-8: Rocky Mountain Power Make Ready Riverside Park (\$20,517 from Misc. Grants)

This item supports necessary infrastructure for the installation of one (1) dual port AC Level 2 charger at Riverside Park, located at 1450 West Leadville Avenue in Salt Lake City. This charger will be available to the public 24/7. There is no cost related to the charger in this incentive. Accepting the incentive payment obligates the participant to maintain functioning chargers and allow public access 24/7 for a minimum of five years, starting from the date of the incentive payment. No new staff positions. The maintenance cost of this item is lesser of the following: \$20,517.38 or 80% of the total project cost. A public hearing was held on July 18, 2023. No match is required.

G-9: Rocky Mountain Power Make Ready Regional Athletic Complex (\$12,882 from Misc. Grants)

This item supports the necessary infrastructure for the installation of one (1) approved dual port AC Level 2 charger at the Regional Athletic Complex, located at 2080 Rose Park Lane in Salt Lake City. This charger will be available to the public 24/7. There is no cost related to the charger in this incentive. Accepting the incentive payment obligates the participant to maintain functioning chargers and allow public access 24/7 for a minimum of five years, starting from the date of the incentive payment. No new staff members. The maintenance cost of this item is the lesser of the following: \$12,881.77 or 80% of the total project cost. A public hearing was held on July 18, 2023. No match is required.

G-10: Rocky Mountain Power Make Ready Day Riverside Library (\$22,642 from Misc. Grants)

This item supports the necessary infrastructure for the installation of two (2) approved dual port AC Level 2 chargers at the Day Riverside Library, located at 1575 West 1000 North in Salt Lake City. The project will result in a total of four (4) charging ports. The chargers will be available to the public 24/7. There is no cost related to the charger in this incentive. Accepting the incentive payment obligates the participant to maintain functioning chargers and allow public access 24/7 for a minimum of five years, starting from the date of the incentive payment. No new staff members. The maintenance cost of this item is the lesser of the following: \$22,642.33 or 80% of the total project cost. A public hearing was held on July 18, 2023. No match is required.

G-11: FEMA Power Poles Cameras (\$15,000 from Misc. Grants)

FEMA is providing funding to the Fire Department for the temporary installation of cameras onto existing power poles as needed. A public hearing was held May 16, 2023. No match is required.

G-12: Utah Crimes Against Children Task Force

The Office of Juvenile Justice and Delinquency Prevention (OJJDP) has created the Utah Internet Crimes Against Children (ICAC) Task Force Program, which is a national network of state and local law enforcement cybercrime units. The national ICAC program assists state and local law enforcement agencies to develop an effective response to cyber enticement, sexual exploitation of a minor, and other child sexual abuse material cases. The Police Department will utilize this funding to support its ongoing efforts to protect children from cybercrime. Public Hearing was held on August 15, 2023. No match is required.

Section I: Council-Added Items**I-1: Releasing Funds for Physical Security Improvements to City Hall (\$154,000 from CIP Holding Account)**

In Budget Amendment #5 of FY2023, the Council put \$1 million into a Capital Improvement Program or CIP Fund holding account for one-time to be determined physical security improvements to City Hall. The Public Services Department is requesting these funds in a budget amendment so the improvements could be done in tandem with current earthquake repairs to minimize disruptions in the building. The total project cost is estimated at \$240,886. The FY2023 annual budget included funding for building security which is \$86,886 of the project cost. If the Council approves this item, then the holding account would have a remaining balance of \$846,000. The Council could discuss this item in a closed session since the topic relates to security devices, personnel, and/or systems.

ATTACHMENTS

1. Division of Legislative Affairs Ordinance Approved as to Form
2. Division of Legislative Affairs Ordinance Redline

ACRONYMS

CAN – Department of Community and Neighborhoods
CIP – Capital Improvement Program Fund
EPA – U.S. Environmental Protection Agency
FTE – Full Time Employee
FY – Fiscal Year
GF – General Fund
FOF – Funding Our Future
IMS – Information Management Services
Misc. – Miscellaneous
OJJDP – Office of Juvenile Justice and Delinquency Prevention
RDA – Redevelopment Agency

SAA – Special Assessment Area

TBD – To Be Determined

VOCA – Victims of Crime Act