

ERIN MENDENHALL
Mayor

MARY BETH THOMPSON
Chief Financial Officer



DEPARTMENT OF FINANCE

CITY COUNCIL TRANSMITTAL


FEB 23, 2022 10:05 WEST

Lisa Shaffer, Chief Administrative Officer

Date Received: _____

Date sent to Council: _____

TO: Salt Lake City Council
Dan Dugan, Chair

DATE: February 23, 2022

FROM: Mary Beth Thompson, Chief Financial Officer *Mary Beth Thompson*

SUBJECT: FY 2022 Open Legislative Intents February Responses

SPONSOR: NA

STAFF CONTACT: Randy Hillier, (801) 535-6606 or
Mary Beth Thompson (801) 535-6403

DOCUMENT TYPE: Legislative Intents

RECOMMENDATION: The Administration is forwarding to the City Council responses to the City Council's FY 2022 adopted legislative intents and further responses from prior fiscal year's open legislative intents. The Administration's final responses to the above-mentioned legislative intents will be contained in the FY 2022-23 Mayor's Recommended Budget Book.

BUDGET IMPACT: None

PUBLIC PROCESS: Public Hearing

Garrett A. Danielson

FY 2022 Legislative Intents / Previous Year's Intents that Remain Open

Attorney

FY 2021 – Decriminalization Review of City Code. It is the intent of the Council that an in-depth review be conducted of the City Code to consider items that could be de-criminalized. Council staff could work with Council Members and the City Attorney's Office to draft a scope and come back with a report on the timeline.

Previous Administration Response: The City Attorney's Office has two clerks from the University of Utah Law School starting in May 2021 and we are excited to engage them in this analysis and process. The clerks' work product will be a chart that can be shared with both the Council and Administration so both branches can prioritize sections of City Code to potentially decriminalize.

February 2022 Response: The Attorney's Office performed an initial review of City code with the help of a law student clerk and the Prosecutor's Office. This project required more attention and expertise than initially expected and we look forward to engaging City Attorney's Office resources for the project in FY 2022-23.

CAN

FY 2021 – Transfer Housing Trust Fund Development Loans and Payments to RDA. The Council intends to transfer the Housing Trust Fund's housing development-loan-related balances and payments to be overseen by the RDA. During FY20, HAND and the RDA developed a detailed "housing framework" for consideration by the RDA Board and the Council. These bodies may wish to schedule time once the FY21 budget is complete to finalize this work, which may include changes to City ordinances and/or board policies.

Previous Administration Response: HAND continues to work with the RDA, the Attorneys, and Finance regarding the transfer of the Housing Trust Fund or HTF (aka HDTF) portfolio. The portfolio resides in HAND's loan management system (N4F), and HAND continues to maintain the loans. The key component of transferring the portfolio requires ordinance modifications regarding the current Housing Trust Fund Ordinance that includes process for the HTF Advisory Board. For example, the HTFAB does not currently have the authority to make a recommendation to the RDA Board, only to the Mayor and City Council. Clarification from Council/Board on moving forward with the proposed structure from RDA staff will guide future process for the HTFAB and would assist in proposed modifications. HAND will continue to work with CAN Leadership, the RDA, the Attorneys, and Finance on proposed code modifications and identifying appropriate fund classes and cost centers to enable the transfer.

February 2022 Response: Housing Stability continues to work with CAN Leadership, the RDA, the Attorneys, and Finance regarding the transfer of the Housing Trust Fund or HTF (aka HDTF) portfolio. The portfolio resides in Housing Stability's loan management system (Benedict Group Inc., LNF), and Housing Stability continues to administer the

FY 2022 Legislative Intents / Previous Year's Intents that Remain Open

loans and assist the HTF Advisory Board. In 2022, Finance will prepare a budget amendment to transfer the balance sheet of the loans, and coordinate with RDA for their corresponding budget amendment to accept the balance sheet. The Attorney's Office will assist with globally reassigning the loans to RDA. Housing Stability and RDA have completed a transfer test between loan systems (the RDA uses the same loan system). Once the loans are transferred, the Attorney's Office will prepare and review with the Council needed code modifications related to restructuring the HTF Advisory Board. Housing Stability will continue to work with CAN Leadership, the RDA, the Attorneys, and Finance on the steps required to finalize the HTF transfer to the RDA.

FY 2022 - Update Boarded-Building Fee. It is the intent of the Council that the Administration propose a boarded building fee that includes the full City costs of monitoring and responding by Police, Fire and other City departments at these properties.

February 2022 Response: The cost analysis related to this Legislative Intent is in the process of being finalized. Further detail will be forthcoming in the next Legislative Intent response.

FY 2022 - Trips-to-Transit Expansion Evaluation. It is the intent of the Council that the Administration provide their strategy for evaluating whether to expand the Trips-to-Transit program, which will begin to serve Westside neighborhoods in late 2021, to other areas of the City.

February 2022 Response: CAN recommends the following metrics as guides on expansion to help inform the policy decisions related to allocating the budget for expansion. The Upper Avenues and the East Bench are the other two areas identified in the Transit Master Plan as candidates for on-demand service.

- Usage/ridership: Is the service popular enough to justify expansion?
- Cost per rider: Is the service cost effective enough to justify expansion?

The service provider (Via) does ridership modeling based on land use, demographics, and other data. The documented ridership and costs associated with the Phase 1 service in the Westside communities will allow for more accurate forecasts. Within the next year or two, we will have enough data from phase 1 to be able to do more accurate forecasts for the potential expansion neighborhoods.

Finance

FY 2022 - Expanded Funding Our Future Definition. It is the intent of the Council that the definition of "public safety" for allocation of Funding Our Future revenue include not only the Police Department, Fire Department, and 911 Dispatch, but also any social workers and non-emergency traffic enforcement programs which are designed to expand the City's public safety

FY 2022 Legislative Intents / Previous Year's Intents that Remain Open

alternative response model. (Note: The current definition included Fire and 911 Dispatch since FY2020.)

February 2022 Response: Response forthcoming.

Police

FY 2021 - Police Department Role: It is the intent of the Council to re-evaluate the role the City asks the Police Department to play, and the budget to fulfill that role, and ask the Administration to evaluate moving certain programs out of the Police Department, like park rangers and social workers, and potentially add a function to the Human Resources Department to enhance the independence of the Internal Affairs unit.

Previous Administration Response:

- i. **Park Rangers (Incorporates and FY 2020 Legislative Intent):** The Police Department has established a bike squad assigned to park patrols and is working closely with parks staff to identify the most effective use of these park patrol units. The Administration is also looking at other models around the country with the goal of enhancing the work these squads do with additional resources focused on customer service. Ideally, these additional resources would provide a combination of education and compliance of park rules, environmental services, and historical and cultural interpretation. Utilizing this model would not eliminate the need for the park patrol bike squads – whose focus is to enforce state and local laws and provide quick response in our public spaces when called.

February 2022 Response: The Police Department has a dedicated Park Bike Squad with a primary mission of providing a police presence in city parks to deter criminal activity and engage with citizens in a positive way to enhance the park experiences. The squad works with existing SLC Park employees to address on-going park issues that require police intervention such as illegal camping, curfew violations, drug use, thefts, and crimes of violence such as assaults and robberies. Under normal circumstances the Park Squad and Park employees meet monthly to discuss park issues (it should be noted the Park Squad is not fully staffed so the monthly meetings have been suspended until the squad is back to full staffing).

Note: Park Rangers is a civilian program that is managed through the parks department.

The Police Civilian Response Team (PCRT) is conceptualized to be a public safety response to low-hazard non-emergency police related calls-for-service. This would be in terms of both telephonic case reports and in-person responses during high call-volume times and days of the week. The intent is to augment and enhance the current police response service within the city through diversity in

FY 2022 Legislative Intents / Previous Year's Intents that Remain Open

response teams; similar to the current co-response model with social workers, other than PCRT employees will generally not work exclusively with an officer.

The PCRT will be an added program to the SLCPD repertoire of services offered to SLC residents, businesses, and visitors. It will have a defined leadership structure and consist of several full-time employees. Professional oversight, training, policy requirements, and codes of conduct would be the same as every other SLCPD employee.

A steering committee is currently working through the logistics of adding a new response program to the police department. The logistics include but are not limited to - development of an initial and on-going training program, specific job and duty descriptions, leadership components, equipment procurement, uniforms, dispatch interactions, overlap with traditional policing services, and policies and procedures.

- ii. **Social Workers:** The Social Workers are working with officers assigned to the Crisis Intervention Team in a Co-responder model. The social workers have expressed concerns regarding a potential shift in this model, because they often respond to dangerous situations that ultimately require a police officer. The Department and the Administration are committed to continuing to evaluate the co-responder model to ensure that City residents are getting the best and most helpful response to calls for service, and that social workers and officers remain safe on the job.

February 2022 Response: Social Work team expansion is in progress. The FY 22 budget added an additional 9 FTE's. As those positions are hired on this will facilitate coverage of shifts on evenings and weekends. The Social Workers are highly effective working as a co-responder model providing valuable resources to the community and officers while answering calls for service and client management.

Internal Affairs Unit: The Police Department is actively working with Human Resources to enhance the oversight of the Internal Affairs Unit and is in the process of hiring a Civilian Director. A Civilian Director will ensure that the IA unit operates professionally and with the continuity and experience that is required to best serve the Department and the City's residents.

February 2022 Response: The Salt Lake City Police Department has hired a civilian Director for the Internal Affairs Unit (IAU). The civilian IAU Director works closely with the Chief's Office, Human Resources, the Civilian Review Board, other City components and the public, providing continuity and steady leadership as the incumbent is non-sworn and therefore not subject to rotational assignments.

FY 2022 Legislative Intents / Previous Year's Intents that Remain Open

The IAU Director oversees the Internal Affairs Unit, ensuring the professional standards program is one that is fair, objective, thorough and consistent, reflecting the values of the Salt Lake City Police Department, while protecting the rights of officers and citizens, promoting respect and trust within the Department and the community, resulting in a culture of individual responsibility, accountability, and adherence to the greatest standards of professionalism.

The IAU Director supports the IAU staff by providing guidance and direction to investigators including reviews of investigative methodologies, interviews, and reports. The IAU Director fosters and promotes a culture of compliance and trust, identifying issues of concern while offering suggestions to improve training, policy, and procedures.

FY 2021 - Police Department Zero-based Budget Exercise. It is the intent of the Council to hire an independent auditor to evaluate each line item in the Police Department budget with the goal of conducting a zero-based budget exercise, which takes the budget apart and builds it back in a way that aligns with the policy goals of the Council, Mayor and public. A report back to the Council would happen in September, or sooner if possible.

Previous Administration Response: The Council hired an auditor to evaluate the Police Department Budget and the presentation to Council by Matrix is scheduled on 4/20/2021.

February 2022 Response: The Police Department participated in the independent audit evaluation by Matrix during FY 2021. The Police Department is now participating in the City's initial efforts to undertake a program-based budgeting process that will provide department costs based on programs within the department.

FY 2021 – Police Department Reporting Ordinance. The Council intends to work with the Attorney's Office to create an ordinance that establishes reporting requirements for internal information collected by and related to the Police Department.

Previous Administration Response: While the first step of this reporting and transparency goal was the adoption of the body camera ordinance in 2020, the Attorney's Office looks forward to engaging with the Council on additional reporting requirements for internal information collected by and related to the Police Department.

February 2022 Response: Response forthcoming.

Public Lands

FY 2022 - Golf Fund Update. It is the intent of the Council that the Administration provide information on the following items in anticipation of a work session briefing to review and

FY 2022 Legislative Intents / Previous Year's Intents that Remain Open

discuss options for the Golf Fund. (Note: this item consolidates Legislative Intents from FY21, FY20, and FY19.)

- Golf Fund Financial Sustainability: Trends in revenues, expenditures,
- Long-term CIP Plans. Based on current projections and the recently completed short-term CIP plan,
- Golf Food and Beverage Options. A review of the specific open space zoning ordinances, with the goal of removing barriers to providing additional food and beverage options in golf courses. To the extent that barriers exist in State law the Council requests an analysis of those, and that changing them be identified as a future legislative priority.

February 2022 Response: See [Attachment #1](#) at the end of the document.

FY 2022 - Public Lands Maintenance. It is the intent of the Council that the Administration provide an estimate of the funding that would be needed to adequately maintain all of the City's public lands. This estimate should include the number of FTEs, as well as supplies, equipment, and appropriate signage.

February 2022 Response: Providing adequate maintenance of Salt Lake City's public lands is an increasingly complex issue, involving funding deficiencies, aging infrastructure, growth of the City, staffing restraints, extreme weather events, and increasing crime and antisocial behavior. We are constantly balancing the needs of daily park users against the needs of persons experiencing homelessness. In addition, : physical condition, accessibility, positive experience for visitors, relevance to the community served and the adaptability of the asset to changing circumstances are factors that contribute to the quality of the City's green infrastructure.

Innovative and environmentally based approaches to improving our public lands is key to making long term changes to the maintenance concerns of today. Well designed and well-used public spaces is key to community wellness and has a direct relationship to their usage. Research has shown that there is a direct relationship between the level of park use and the perception of security: the larger the number of visitors involved in positive activities within a park acts as a deterrent to anti-social behavior.^{1,2}

An accumulation of events impacting maintenance has led to a decline in Salt Lake City's public lands and park appearance. In some instances, poor appearances has clearly led to a decrease in beneficial and legal park use and perception of safety. With these influences, the natural progression is an increase in crime and anti-social behaviors occurring in our public spaces. These factors contribute to the public's perception of safety and their willingness to use a space.

The Department is proposing an FY22-23 CIP funding request to take a deep look at our public lands and ask the following questions: does the public space meet the needs of its users; is the park or trail diverse and interesting; does it connect people with their

FY 2022 Legislative Intents / Previous Year's Intents that Remain Open

community; does the public green space look well-kept and cared for; and can it provide visitors with a positive image and experience. Understanding the relevance of our public lands to the communities they serve and the deferred maintenance needs within each public green space is critical to prioritizing resource allocation.

With these factors in mind, the following framework outlines steps to adequately maintain the City's public lands. The Public Lands team is working on narrative to explain these solutions with cost estimates including FTE's, supplies, and equipment.

- 1. Close the recruitment gap**
 - a) Seasonal Staffing & Affordable Care Act implications
 - b) Wages
 - c) Extreme Working Conditions
 - d) Increasing Supervisory Demands
- 2. Match growth of the City with growth of our Public Lands System**
 - a) More Park Visitors
 - b) Pressure to Grow
 - c) Design and Crime
- 3. Address the City's Public Lands aging infrastructure**
 - a) Growth without Investment
 - b) Large Equipment Replacement
- 4. Improve stewardship capacity**
 - a) Volunteer Programs
 - b) Friends Groups
 - c) Data Collection
- 5. Resolve unfunded directives**
 - a) Weed Abatement
 - b) Unsheltered Camp Cleanup
 - c) 1,000 Tree Initiative
 - d) Tree Protection
- 6. Reduce or eliminate crime and antisocial behaviors in parks, golf courses, trails and natural lands.**
 - a) Involving Community in Design
 - b) Visibility
 - c) Activity and Life
 - d) Park Rangers
 - e) Signage

Public Services

FY 2015 Maintenance of Business Districts. It is the intent of the Council that the Administration explore changes so that maintenance of business districts (existing and future) would be paid through the Business Improvement District (BID) process, so that property owners that benefit share in the costs.

FY 2022 Legislative Intents / Previous Year's Intents that Remain Open

Most Recent Administration Response: Public Services has had productive discussions with RDA staff about various models to fund maintenance. Discussions have focused on Central 9th and Regents Streets and include considering how parking can support business district maintenance.

February 2022 Response: Nothing further has developments since the last Administration response.

RDA

FY 2022 - Energy Efficiency as a Condition of any RDA Project Loans and Investments. It is the intent of the Council/Board that all RDA project loans and investments require certain energy efficiency standards be met, including that buildings be all-electric, as a condition of funding by January 1, 2022.

Staff note: The Council/Board may wish to designate specific energy efficiency or sustainability standards, such as those set out by LEED and other accrediting organizations. (See examples at <https://www.epa.gov/smartgrowth/green-building-standards>.)

February 2022 Response: The Agency Board (Council) adopted a Sustainability Development Policy during a December 2021 meeting that satisfies the conditions and requirements requested in the Legislative Intent.

FY 2022 - Structure of Accounts within RDA and All Other Departments, including Fund Balances and Previous Capital Projects. It is the intent of the Council/Board to review the full structure of RDA accounts with RDA and Finance Staff, including fund balances and capital projects funded in previous years. The Board may wish to discuss with the RDA and Finance staff the best way to get this information on a real-time basis. Staff note: The City's Enterprise Resource Planning (ERP) effort will help in tracking/providing this information in a less labor-intensive way, although the horizon for full implementation could be a year or longer.

February 2022 Response: The efforts requested in this Legislative Intent are being undertaken as part of the preparation for the implementation of the new ERP system.

FY 2022 Legislative Intents / Previous Year's Intents that Remain Open

Attachment #1

Golf Fund Financial Sustainability: Trends in revenues, expenditures,

	TOTAL				GOLF CIP			
	5-Year	FY21	FY22	FY22	5-Year	FY21	FY22	FY22
	Average	Actual	YTD	Budget	Average	Actual	YTD	Budget
Revenue								
Green Fees	4,096,296	5,526,531	3,233,254	4,050,383	325,586	395,791	220,823	312,000
Driving Range	322,033	472,678	223,589	340,431	-	-	-	-
Golf Cart Rental	1,601,338	2,225,396	1,195,364	1,532,825	-	-	-	-
Concessions	62,205	840	52,514	92,408	-	-	-	-
Retail Sales	738,596	827,626	572,255	741,545	-	-	-	-
Other	1,883,039	5,766,712	563,686	2,763,047	(531,140)	(3,532,165)	10,580	601,433
Total Revenue	8,703,508	14,819,783	5,840,662	9,520,639	(205,554)	(3,136,374)	231,403	913,433
Expense								
Personal Services	3,690,550	3,855,857	2,325,650	4,358,876	-	-	-	-
Retail Merchandise	520,561	460,191	219,460	551,088	-	-	-	-
Operating Supplies	690,637	826,477	543,166	704,936	-	-	-	-
Utilities	153,077	158,927	74,626	165,990	-	-	-	-
Water	705,267	711,375	387,210	771,600	-	-	-	-
Charges & Services	863,397	650,703	488,486	1,125,608	180	-	-	-
Total Expense	6,623,489	6,663,530	4,038,598	7,678,098	180	-	-	-
Operating Net Income	2,080,019	8,156,253	1,802,064	1,842,541	(205,734)	(3,136,374)	231,403	913,433
Non-Operating Expense								
City Charges	263,321	349,758	144,492	368,176	-	-	-	-
Debt Service (Carts/Equipment)	312,525	77,650	19,497	19,497	-	-	-	-
Debt Service (ESCO)	-	-	-	-	409,979	460,315	356,464	476,633
Capital Expenses	213,472	141,940	433,110	1,178,398	322,695	221,306	-	2,037,836
Total Debt & Capital	789,319	569,348	597,099	1,566,071	732,674	681,621	356,464	2,514,469
Net Income	1,290,700	7,586,905	1,204,965	276,470	(938,408)	(3,817,995)	(125,061)	(1,601,036)
Comparison Vs. Budget	excludes Wingpointe, JRP3							

Over the past two years, the Golf Fund has seen a highly impactful surge of play due to conditions associated with the COVID-19 situation. This surge led to a renewed interest in the game among current and previous players that may have left the game in the past. Additionally, a number of new players have taken up the sport.

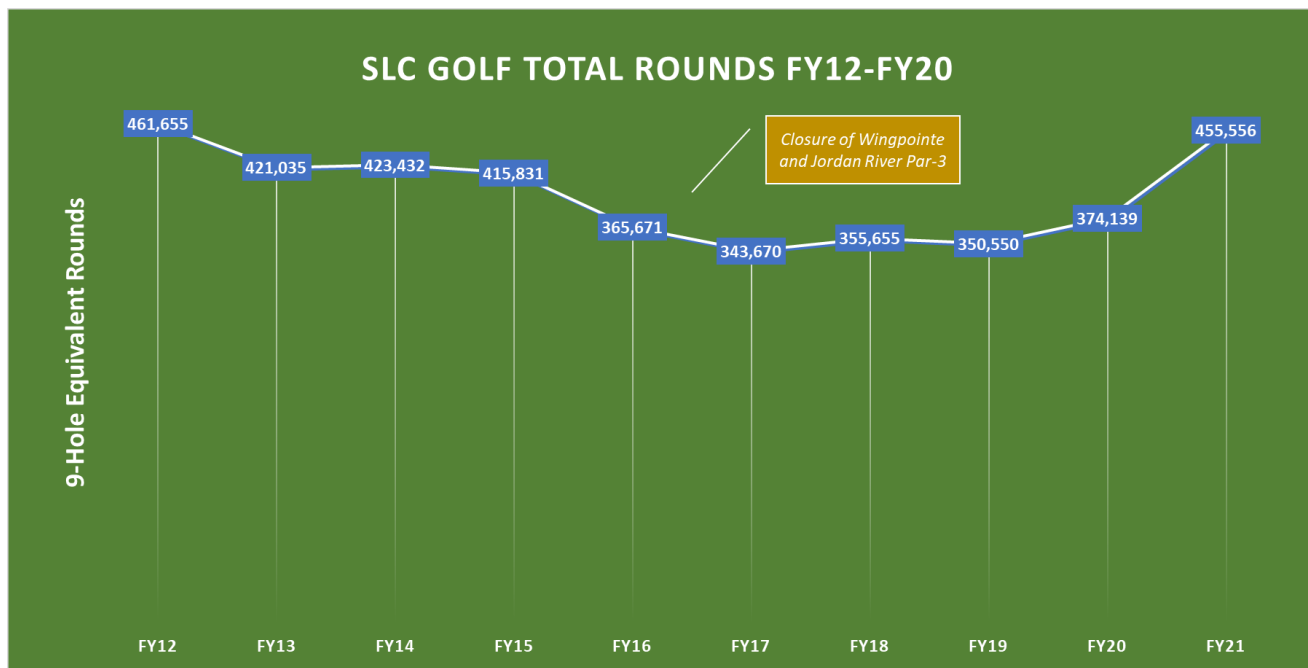
Golf revenues are up compared to 5-year averages due to the increase in play. However, operational costs for golf courses, as with most other industries, are experiencing a significant increase across the board due to inflationary, supply channel and scarcity factors.

FY 2022 Legislative Intents / Previous Year's Intents that Remain Open

The Golf Division is utilizing this opportunity to funnel increased revenues back into the golf facilities to address long over-due repairs and improvements to irrigation systems, playing surfaces, practice facilities, cart paths and clubhouse areas.

The Golf Division is attempting to stabilize the Fund in light of volatility in supply-chain and service delays and price increases by establishing a 3-month operational cash reserve.

Historical Golf Rounds:



Play in FY22 continues to outpace FY21 at 2.13% higher. FY21 saw an increase in play over FY20 by 17.87%. These increases can be tied to impacts of COVID-19. Interest in playing golf remains high and we expect to have numbers similar to last spring barring unseasonable weather during March through June.

Long-term CIP Plans. Based on current projections and the recently completed short-term CIP plan,

The Golf Division continues to update short- and long-term CIP planning as situations dictate. Asset failures due to age necessitate flexibility as well as ever-changing supply chain complications and rising costs of materials and services.

Although a long-term plan has not been finalized, long-term CIP projects are being identified, evaluated and planned for. These long-term projects include replacement of aged and failing irrigation systems at Rose Park, Mountain Dell, Nibley Park and Forest Dale golf courses. New clubhouses are sorely needed at all locations.

FY 2022 Legislative Intents / Previous Year's Intents that Remain Open

The Public Lands Department and Golf Division management teams are evaluating all public funding options available including general obligation bonds, ZAP tax applications, TRCC funds and other state and federal grant programs along with public-private partnerships.

The Department of Public Utilities applied in October of 2021 for \$1.8 million dollars in federal WaterSMART funds to help pay for a new irrigation system and turf reduction program at the Rose Park Golf Course. The Golf Fund is providing \$1.8 million dollars in matching funds to this project. The grant award is in April. Golf is also beginning to allocate additional funds to cover escalating costs of this project.

On January 1, 2022, the Golf Division implemented an additional \$1 per 9 holes fee to the existing \$1 per 9 holes fee to increase the amount of funds available for CIP.

Golf Food and Beverage Options. A review of the specific open space zoning ordinances, with the goal of removing barriers to providing additional food and beverage options in golf courses. To the extent that barriers exist in State law the Council requests an analysis of those, and that changing them be identified as a future legislative priority.

In August of 2021, the contracted concessionaire for 5 of the 6 Salt Lake City golf courses abruptly requested to end their agreement with the City after just 15 months of operations citing financial losses. These losses were realized despite the Golf Division waiving their fees and all revenue sharing for the entirety of 2020 due to the pandemic disruption. The Golf Division continued operations of the cafes at the five courses for the remainder of 2021. However, the courses were not able to offer beer sales, which make up most of the concessionaire's profits.

City Code 15.08.050 makes it unlawful for a person to consume beer in a City park, unless it is a park in which the City has expressly granted a concessionaire operating in the park a license to sell beer. The City's golf courses are "parks" as defined in chapter 15.04.

The City has previously entered into a concessionaire agreement, authorizing a City employee to make the application at certain golf courses that were unable to secure a concessionaire contract or during the Olympics so alcohol could be served in the City & County Building. This action requires public liability and liquor liability ("dramshop") insurance, which the City does not carry. There are many risks and downsides to requiring a city employee to place themselves as the sole responsible individual on the application for a beer license and puts the employee in an extremely liable position should a lawsuit be filed. The Golf Division prefers not to require an employee to take this risk.

The City does not allow employees to receive tips, which is a normal practice at food and beverage operations. To try and attract workers in the golf Cafes, the Golf Division increased pay above the living wage. However, given the lack of a beer license at those locations and the higher wage, the course cafes lost a significant amount of revenue while trying to still provide café services to golf patrons.

FY 2022 Legislative Intents / Previous Year's Intents that Remain Open

The Golf Division has re-published the concessionaire RFP and hopes to contract with replacement concessionaires at the five locations for the 2022 season and beyond. However, absent new concessionaire contracts, the Golf Division will offer reduced services at the remaining courses.

Given the information detailed above, the two main obstacles to providing additional food and beverage services at this time are:

1. Lack of interest from potential concessionaires due to lack of revenue potential.
2. The State restriction to the City as an applicant for beer license.

The Golf Division has proposed altering (reducing) the fee structure for potential concessionaires to make operating a golf course café more profitable to attract more interest. The Golf Division is also looking into areas of additional investment within the café spaces to help make the operations more attractive to both potential concessionaires and golfing and non-golfing customers.

Golf will continue discussions with Human Resources and Finance, to explore options that could allow City employees to accept tips while working in Golf cafés. This would greatly help contain expenses necessary to operate.