



COUNCIL STAFF REPORT

CITY COUNCIL of SALT LAKE CITY

TO: City Council Members

FROM: Allison Rowland
Budget & Policy Analyst

DATE: April 12, 2022

RE: **SECOND ADMINISTRATION RESPONSE TO LEGISLATIVE INTENTS**

Item Schedule:

Briefing: April 12, 2022

Set Date: n/a

Public Hearing: n/a

Potential Action: n/a

ISSUE AT-A-GLANCE

The Administration has provided a progress update on responses to the Legislative Intents adopted by the Council as part of the Fiscal Year 2022 (FY22) budget, and on several Intents outstanding from previous years. The purpose of this update is to help clarify any pending questions before the annual budget discussions (see Attachment C1). The First Administration Responses on the FY22 Legislative Intents were briefed in the Council Work Session on September 22, 2021, and some previous years' Intents were closed.

Administration responses to each Legislative Intent are summarized below, and potential Council policy questions are noted in the context of each specific item. The full Legislative Intent statements and complete Administration responses can be found in the transmittal. The Council will consider closing any completed Legislative Intents during the upcoming budget discussions.

Goal of the briefing: *Review the Administration's progress on Council Legislative Intents and provide feedback as needed.*

SUMMARY OF ADMINISTRATION RESPONSES

1. Attorney's Office

- a. **FY21 – Decriminalization Review of City Code.** Initial review of City code carried out by law student clerk in summer of 2021 revealed that more attention and expertise will be needed to complete this review, including involvement of the Prosecutor's Office. The project will be continued in the coming fiscal year.



- ***The Council may wish to ask whether the Attorney’s Office plans to request any additional budget allocation for this project, and whether there is an estimated completion date.***

2. Community and Neighborhoods Department

- a. **FY22 - Update Boarded-Building Fee.** The cost analysis for this Legislative Intent will be finalized for the next Legislative Intent update, during the budget discussions.
- b. **FY22 - Trips-to-Transit Expansion Evaluation.** Ridership levels and cost-per-rider are the metrics used as guides to potential expansion. Also, the Transit Master Plan identifies the Upper Avenues and the East Bench as candidates for on-demand service. Data from Phase 1 (service to Westside communities) will be available in the next year or two and will allow the Transportation Division to forecast the potential for expansion in these neighborhoods.
- c. **FY21 - Transfer Housing Trust Fund Development Loans and Payments to RDA.** The Housing Stability Division continues to administer these loans and assist the HTF Advisory Board. In 2022, the Finance Department will prepare a budget amendment to transfer the balance sheet of the loans, and coordinate with RDA for a corresponding budget amendment to accept the balance sheet. Once the loans are transferred, the Attorney’s Office will prepare and review with the Council the needed code modifications related to restructuring the HTF Advisory Board.

3. Finance Department

- a. **FY22 - Expanded Funding Our Future Definition** [“public safety” definition in Funding Our Future to include social workers and non-emergency traffic enforcement programs). *Response forthcoming.*

4. Police Department

- a. **FY21 - Police Department Role.**
 - i. **Park Rangers.** The Park Rangers program, which is currently getting underway, is now part of the Public Lands Department and will be staffed by civilians. The Police Department’s dedicated Park Bike Squad will continue to provide a police presence in City parks to deter criminal activity, engage with residents, and work with Public Lands employees to address ongoing law enforcement issues like illegal camping, curfew violations, drug use, thefts, and violent crimes, like assaults and robberies.
 - ***The Council may wish to ask when the PD’s Park Bike Squad, which was not fully staffed as of February 2022, is anticipated to return to full staffing.***
 - ii. **Social Workers.** Hiring is underway to fill the additional 9 social worker positions authorized in the FY22 budget. These new staff members will help the team cover evening and weekend shifts.
 - iii. **Internal Affairs Unit.** The Department hired a civilian director for the Internal Affairs Unit, which is now part of the Chief’s Office. The director works closely with the City’s Human Resources Department, the independent Civilian Review Board, and the public. This director is not a sworn officer, which allows for continuity and steady leadership since the position is not subject to rotating assignments.
 - ***The Legislative Intent indicated that the Council’s interest was “to enhance the independence of the Internal Affairs unit.” The Council may wish to ask how this new position helps further that goal, and whether the Human Resources Department has taken on any new roles.***

- iv. **Police Civilian Response Team (PCRT).** This program is currently under development in the Police Department. It is planned as a response to police-related calls for service that are categorized as low-hazard and non-emergency. Professional oversight, training, policy, and codes of conduct will be the same as every other PD employee.
 - ***The Council may wish to ask when the hiring for the PCRT will begin, and how many FTEs will be hired for this new role.***
- b. **FY21 - Police Department Zero-based Budget Exercise.** The Police Department participated in the independent audit evaluation by Matrix Consulting during FY21 and is now participating in the City's initial efforts to undertake a program-based budgeting process. This process cannot get fully underway until the migration to the City's new Enterprise Resource Planning (ERP) is complete.
 - ***Would the Council like to request additional information on the Administration's efforts to undertake a program-based budgeting process?***
- c. **FY21 – Police Department Reporting Ordinance.** *Response forthcoming.*

5. Public Lands Department

- a. **FY22 - Golf Fund Update.** The Golf Division provided extensive information in response to the three-part Legislative Intent. The full response can be seen in Attachment 1 to the transmittal.
 - i. **Golf Fund Financial Sustainability: Trends in revenues, expenditures.** Golf revenues during the pandemic surpassed five-year averages; the number of rounds jumped by 18% FY20 to FY21. Operations costs are increasing across the board due to inflation and supply problems. The Division is attempting to establish a three-month operations cash reserve. In addition, the Administration's transmittal notes:

"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."
 - ii. **Long-term CIP Plans, based on current projections and the recently completed short-term CIP plan.** Last year, the Council approved an additional \$1 fee per 9 holes to increase CIP funds. It took effect on January 1, 2022. The Golf Division also provided some additional information on its pending long-term CIP plan in their response to this intent.

"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."

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.

- iii. **Golf Food and Beverage Options.** This part of the Legislative Intent specifies that the Golf Division should review the specific open space zoning ordinances with the goal of removing barriers to providing additional food and beverage options in golf courses. The Council also requested an analysis of any barriers that might exist in State law, and that changing these laws be identified as a future legislative priority. The Division's response is as follows:

"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."

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 nongolfing 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.”

- b. **FY22 - Public Lands Maintenance [Funding Estimates].** The Public Lands Department is working on an estimate of funding needs, based on a complex framework (see Transmittal) that includes full staffing at appropriate wages, replacement of failing infrastructure, and unfunded responsibilities, including tasks like weed abatement and tree maintenance.

6. Public Services Department

- a. **FY15 Maintenance of Business Districts.** Several years ago, Public Services reported having had productive discussions with RDA staff about various models to fund maintenance. Discussions focused on Central 9th and Regent Streets and included considering how parking can support business district maintenance. Nothing further has been reported since.

7. RDA

- a. **FY22 - Energy Efficiency as a Condition of any RDA Project Loans and Investments.** The RDA Board/Council adopted a Sustainability Policy during a December 2021 meeting.
- b. **FY22 - Structure of Accounts within RDA and All Other Departments, including Fund Balances and Previous Capital Projects.** The RDA responded, “The efforts requested in this Legislative Intent are being undertaken as part of the preparation for the implementation of the new ERP system.”

ATTACHMENTS

Attachment C1. Annual Schedule for Review of Legislative Intent