

June 16, 2021

To: Mayor and Members of City Council

From: Paula Boggs Muething, City Manager *UB for PBM* 202102259

Subject: **Emergency Ordinance – Reappropriation of FY 2021 General Fund Budget Items**

Attached is an Emergency Ordinance captioned:

AUTHORIZING the transfer and appropriation of the sum of \$1,368,235 from the unappropriated surplus of General Fund 050 to various operating budget accounts according to the attached Schedule of Transfer effective July 1, 2021, for the purpose of providing funds for leveraged support commitments, an economic development deal audit, and a tax abatement study previously approved by City Council in fiscal year 2021.

Approval of this Emergency Ordinance authorizes transfer and appropriation of the sum of \$1,368,235 from the unappropriated surplus of General Fund 050 to various operating budget accounts according to the attached Schedule of Transfer effective July 1, 2021, for the purpose of providing funds for leveraged support commitments, an audit of ordinances related to economic development deals, and a tax abatement study previously approved by the City Council in fiscal year 2021.

For the various reasons outlined below, a total of \$1,368,235 will be returned to the fund balance of the General Fund at the end of FY 2021 as these funds cannot be expensed or encumbered before June 30, 2021. Thus, \$1,368,235 will be considered unappropriated surplus at the start of FY 2022. In order to make these funds available immediately in FY 2022, this Emergency Ordinance authorizes the re-appropriation of these funds, effective July 1, 2021, in order to meet the commitments outlined below. This process normally occurs during the yearend closeout process but due to the timing of the execution of the agreements, the request is to roll these funds now so that they are available for the start of the new fiscal year.

Community Safety Response Program (\$421,323)

Ordinance No. 0190-2020 authorized the appropriation of \$1,000,000 for the implementation of a Community Safety Response Program. This funding was subsequently allocated to various organizations for program implementation. In order to align funding with contract terms, a total of \$421,323 will be reappropriated in FY 2022. This includes \$199,200 for the Hamilton County Mental Health Recovery Board, \$124,123 for the Victim's Assistance Liaison/Cincinnati Respect Our Witness (VALU/CCROW) Unit of the Cincinnati Police Department, and \$98,000 for the Community Safety Response Program implementation.

Safety Coordinators/Organizers Program (\$214,667)

Ordinance No. 0328-2020 authorized the appropriation of the sum of \$200,000 for a Safety Coordinators/Organizers Program as part of the City's violence reduction initiatives. The City entered into an agreement with the Local Initiatives Support Corporation (LISC) to begin a Safety Coordinators/Organizers Program and agreed to pay an amount up to \$230,000.

Additional funds were provided from the existing FY 2021 appropriation in the Cincinnati Initiative to Reduce Violence (CIRV)'s budget. \$214,667 will be provided in FY 2022.

Economic Development Deals Audit (\$150,000)

Ordinance No. 0216-2021 authorized the appropriation of \$150,000 to the Office of the City Manager (CMO) for an audit of ordinances passed by the City Council related to economic development deals between January 1, 2018, and December 31, 2020. However, the CMO does not anticipate a contract will be executed prior to FY 2021 yearend.

Residential Tax Abatement Study (\$150,000)

Ordinance No. 0333-2020 authorized the appropriation of \$150,000 to the Department of Community and Economic Development (DCED) for a residential tax abatement study. However, DCED does not anticipate a vendor will be selected prior to FY 2021 yearend due to procurement requirements and the request for proposal (RFP) timeline.

The Dragonfly Foundation & Rosemary's Babies (\$432,245)

Ordinance No. 0354-2020 authorized the appropriation of \$432,245 to DCED, which included \$250,000 for The Dragonfly Foundation and \$182,245 for Rosemary's Babies. Both recipients will utilize City funding for infrastructure improvements. However, both organizations need to secure gap financing before contract with the City can be executed and funding can be disbursed. The Dragonfly Foundation and Rosemary's Babies are unable to secure the necessary gap financing before FY 2021 yearend.

The reason for the emergency is the immediate need to meet commitments and ensure contracts can be executed as soon as possible.

The Administration recommends passage of this Emergency Ordinance.

cc: Christopher A. Bigam, Assistant City Manager
Karen Alder, Finance Director

Attachment