

City Council – Action Request Form

Date: January 30, 2019

To: The City Manager

From: Ben Rowe, Assistant City Manager
Patrice Toney, Budget and Evaluation Director

Council Action Requested:
Consideration of Amendments to the FY 2018-19 Budget Ordinances for the City of Winston-Salem, North Carolina

Strategic Focus Area: Service Excellence
Strategic Objective: Maintain City’s Financial Strength
Strategic Plan Action Item: No
Key Work Item: No



Summary of Information:

The proposed amendments to the FY 2018-19 budget ordinances authorize adjustments for the following purposes.

Appropriation of Grants and Other Revenues Received

- The Police Department has received a 2019 Police Benefit Fund grant totaling \$11,280 from The Winston-Salem Foundation for morale-building activities such as meals for officers and police personnel working on Thanksgiving and Christmas Days and the annual retiree luncheon. The proposed amendment appropriates these funds.

Committee Action:

Committee	Finance 2/11/19	Action	Approval
For	Unanimous	Against	
Remarks:			

- The Police Department has received additional federal forfeiture funds from the United States Department of Treasury totaling \$2,900, additional state controlled substance tax receipts from the Office of the State Auditor totaling \$32,910, and \$1,630 in investment income in the controlled substance tax fund. These funds would be used to purchase equipment.
- The Section 5339 Bus and Bus Facilities Program provides formula-based capital funding to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities to supplement the urban area Section 5307 funds for transit systems located in urbanized areas of more than 200,000 in population. The City of Winston-Salem is the Designated Recipient of Section 5307 funds and operates a fixed-route bus system, which are eligibility requirements to use the Section 5339 funds. The proposed amendment makes technical adjustments to the FY 16, FY 17, and FY 18 appropriations. The FY 16 and FY 17 allocations were awarded in a combined grant, with a local match of 20%. The proposed amendment appropriates an additional \$74,680 (\$12,940 in Federal Transit Administration (FTA) Section 5339 funds and \$61,740 in local matching funds). For FY 18, the budgeted local match was 15%. The proposed amendment appropriates \$45,590 in local matching funds, due to a local match requirement of 20%.
- The Community Development Department was notified by HUD in October 2018 that two (2) projects – Ridgewood Place (1 house) and East End Redevelopment Area (5 houses) – had failed to meet the statutory construction completion deadline of June 2017. As a result, HUD deobligated \$811,000 of the City’s 2014 federal HOME allocation. The proposed amendment decreases HOME funds in the amount of \$811,000.
- The City-County Public Art Commission (PAC) is requesting that City Council appropriate \$50,000 for a public art project to be located in the public right-of-way at the corner of Fourth and Spruce Streets in Downtown Winston-Salem. If approved, the \$50,000 amount would be split 50% with Grubb Properties, who is building the 240-unit Link 4th Street Apartments in this location. PAC envisions the artwork would be a reflection of the downtown community. The artist search would be managed by PAC with input from a Grubb Properties representative. The artwork could be located in a sidewalk bulb-out and upon installation would be dedicated to the City. This item was previously discussed at the January 2019 Community Development/Housing/General Government Committee meeting as an information item. The proposed amendment appropriates \$50,000 for this public art project.

- The Community Development Department has received \$173,872 in Emergency Solutions Grant (ESG) funds from the State of North Carolina to provide operating support to emergency shelters and assistance for extremely low-income individuals and families who are homeless. The City Council approved submission of the application, including grant allocations to agencies, in June 2018. The proposed amendment appropriates the \$173,872 in ESG funds.

Summer Music Series Sponsorship

- The Summer Music Series, consisting of Downtown Jazz on Friday nights in Corpening Plaza and Summer on Liberty on Saturday nights on Liberty Street, was started in 1998. Attendance for these events is approximately 1,500 to 2,500 per event and up to 45,000 attendees per year. For the 2018 events, the City contributed \$35,000 to the Downtown Winston-Salem Partnership from the occupancy tax fund. The proposed amendment appropriates a \$35,000 from occupancy tax fund reserves to contribute to the events for 2019. As of June 30, 2018, the occupancy tax fund had approximately \$352,000 in reserves. The Downtown Winston-Salem Partnership will work diligently to provide an inclusive and diverse musical lineup for the Summer Music Series events.

Additional Renovations to the Vivian H. Burke Public Safety Center

- Additional work items totaling \$660,000 are needed as part of the renovations to the Vivian H. Burke Public Safety Center, including the installation of a fire sprinkler system that will allow the auditorium to be expanded and replacement of windows which are leaking significantly due to the recent wet weather. The proposed amendment appropriates \$144,000 in reserves and transfers \$516,000 from other project balances for these additional items.