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City Council

Approval of an Ordinance Appropriating \$550,000 of Funds from the Economic Development Reserve Program to Support Community Economic Recovery Efforts - First and Final Reading

Agenda Date: 3/24/2020
Agenda Item Number: 4.W
File Number: 20-0291

Type: ordinance **Version:** 1 **Status:** Passed

Title

Approval of an Ordinance Appropriating \$550,000 of Funds from the Economic Development Reserve Program to Support Community Economic Recovery Efforts - First and Final Reading

Recommended Action

Committee Recommendation:

On Tuesday, March 18, 2020, the Finance Committee approved forwarding a recommendation to the full City Council to appropriate \$550,000 of Economic Development Reserve Program funds to support community economic recovery efforts.

City Manager Recommendation:

Move to approve the Ordinance appropriating \$550,000 of Economic Development Reserve Program funds to support community economic recovery efforts.

Report

Issue:

Whether to appropriate \$550,000 of Economic Development Reserve Program funds to support economic recovery efforts.

Staff Contact:

Nanci Lien, Fiscal Services Director, Administrative Services Department, 360.753.8465

Presenter(s):

None - Consent Calendar item

Background and Analysis:

The City Council may revise the City's Budget by approving an ordinance. Generally, budget amendments are presented quarterly to Council for their review and approval but may be made at any time during the year. Authorizing this appropriation to be included in the first quarter budget amendment ordinance presented to Council in April provides authorization to expend the funds.

On March 17, 2020, City Council passed Ordinance No.7233, declaring a public health emergency in response to the COVID-19 epidemic in our community. The Ordinance gives the City more flexibility to address the impacts of the coronavirus pandemic on the City of Olympia.

On March 18, 2020, Mike Reid, City of Olympia Economic Development Director, presented an Economic Response Plan to Finance Committee. The plan recommends contributing \$50,000 to the Thurston County United Way and Community Foundation's "COVID-19 Community Response Fund." This fund is aimed at providing immediate aid to financially impacted people. Mike Reid also recommended appropriating \$500,000 to be earmarked for projects identified by a Regional Economic Recovery Task Force.

On March 18, 2020, the City Council Finance Committee unanimously recommended appropriating \$550,000 of the Economic Development Reserve Program funds for use in efforts to support the City's response to the community's economic distress.

The Ordinance shall take effect immediately upon adoption by a vote of a majority plus one.

Neighborhood/Community Interests (if known):

This work is vital to ensuring that residents and businesses, suffering severe financial impacts due to the novel coronavirus COVID-19 epidemic, have the resources they need to aid in their recovery.

Options:

1. Approve the Ordinance appropriating \$550,000 of Economic Development Reserve Program funds to support community economic recovery efforts. This provides staff with budget capacity to proceed with economic relief initiatives approved by City Council.
2. Do not approve appropriating \$550,000 in Economic Development Reserve Program funds and direct staff to return to Council with another funding alternative to support community economic recovery efforts.
3. Do not approve appropriating \$550,000 in Economic Development Reserve Program funds to support community economic recovery efforts. This will impede economic relief initiatives.

Financial Impact:

The funding source for this appropriation is reserves set aside for the purpose of economic development. The economic development account has sufficient funds to cover the appropriation.

Attachments:

Ordinance