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**Title:** Recommendation to approve the Fiscal Year 2022 first departmental and fund budget appropriation adjustments in accordance with existing City Council policy. (Citywide)

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Date	Ver.	Action By	Action	Result
3/8/2022	1	City Council	approve recommendation	Pass

Recommendation to approve the Fiscal Year 2022 first departmental and fund budget appropriation adjustments in accordance with existing City Council policy. (Citywide)

On August 24, 2021, the City Council adopted the Appropriations Ordinance governing the City of Long Beach’s (City) Adopted Budget for Fiscal Year 2022 (FY 22). Periodically, changes in revenue or operating conditions require mid-year appropriation adjustments. For example, in certain cases, these adjustments enable departments to expend recently awarded grant revenue for which there is no existing appropriation. In addition, changes for multi-year grants/projects are necessary to bring appropriations in line with final grant/project award amounts. Other instances involve a department spending over the appropriation authority towards a contractual obligation or a City Council initiated project or general operations that require appropriation adjustments to be made. In accordance with the City’s practice, these adjustments are presented periodically throughout the year to the City Council for consideration. See Attachment A for a Summary of Proposed Adjustments of impacted City funds.

This matter was reviewed by Assistant City Attorney Gary J. Anderson on February 15, 2022.

The following requests for adjustments to FY 22 departmental and fund appropriations are necessary to reflect changes in operating conditions. City Council action is requested on March 8, 2022, to enable the timely processing of budget adjustments.

**Citywide Activities**

- Increase appropriations in the General Fund Group in the Citywide Activities Department by \$1,578,757 for Council District Priority Funds, offset by funds set aside for this*

*purpose, and:*

*Increase appropriations in the Special Advertising and Promotion Fund Group in the Citywide Activities Department by \$115,142 for Council District Priority Funds, offset by funds set aside for this purpose.*

This request is to appropriate budget for Council District Priority Funds (also known as Divide-by-Nine funding) in FY 22 coming from the various sources as described below.

Council District Priority Funds are budgeted in the Citywide Activities Department in both the General Fund Group and the Special Advertising and Promotions Fund Group until they are approved for specific allocation by the City Council. Each year an appropriation increase is needed to carryover unallocated funds into the following fiscal year. The remaining unallocated amount at the end of FY 21 was \$1,098,594 for the General Fund Group (Table A) and \$111,942 for the Special Advertising and Promotion Fund Group (Table B). The tables, organized by Council District, reflect balances as of the end of FY 21 and may not reflect the current balances.

On March 10, 2020, Council District Priority Funds from the Special Advertising and Promotions Fund Group were directed to support the Spring into Summer Community Concert which was scheduled for April 26, 2020. Due to the COVID-19 pandemic, this event was cancelled. As such, the original \$3,200 originally appropriated was not expended in FY 20 as originally intended and will be returned to Council District 3.

Lastly, individual City Council District Office budget surpluses are allocated in the following fiscal year to supplement each respective Council Office's District Priority funding for infrastructure projects and existing City programs. Budget adjustments are necessary to appropriate any FY 21 year-end Council District Office budget savings to supplement FY 22 District Priority funding in the Citywide Activities Department.

The tables below show the breakdown of the Council District Priority Funds to be appropriated in FY 22.

**Table A**

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General Fund District Priority Funds			
City Council District	Unallocated District Priority Funds	Council Districts' Operating Budget Savings	Total District Priority Funds for FY 21
District 1	\$ 39,957	\$ 35,641	\$ 75,598
District 2	142,528	57,356	199,884
District 3	78,766	-	78,766
District 4	266,561	211,260	477,821
District 5	151,461	32,868	184,329
District 6	125,557	110,363	235,919
District 7	152,645	6,530	159,175
District 8	141,119	1,666	142,785
District 9	-	24,480	24,480
<b>Total Unallocated District Priority Funds from the General Fund</b>	<b>\$ 1,098,594</b>	<b>\$ 480,164</b>	<b>\$ 1,578,757</b>

\* These amounts reflect the balance as of the end of FY 21 and do not reflect the current available balances by Council District.

**Table B**

Special Advertising and Promotion Fund District Priority Funds			
City Council District	Unallocated District Priority Funds	Unspent Appropriated District Priority Funds	Total District Priority Funds for FY 21
District 1	\$ 14,035		\$ 14,035
District 2	25,711	-	25,711
District 3	2,979	3,200	6,179
District 4	21,111	-	21,111
District 5	20,111	-	20,111
District 6	273	-	273
District 7	26,111	-	26,111
District 8	1,111	-	1,111
District 9	500	-	500
<b>Total Unallocated District Priority Funds from the Special Advertising &amp; Promotion Fund</b>	<b>\$ 111,942</b>	<b>\$ 3,200</b>	<b>\$ 115,142</b>

\* These amounts reflect the balance as of the end of FY 21 and do not reflect the current available balances by Council District.

2. *Decrease appropriations in the General Fund Group in the Legislative Department by \$111,909 to offset the Mayor's Office and Administrative Bureau's overage in FY 21 per*

*policy.*

At the end of FY 21, the Mayor's Office exceeded its operating budget by \$57,793 and the Administrative Bureau exceeded its operating budget by \$54,115, a combined total of \$111,909. Per policy and practice, this will be offset in the following fiscal year's operating budget. A budget adjustment is requested to reduce the Mayor's Office and Administrative Bureau's FY 22 budget by the net overage amount of \$111,909.

*3. Decrease appropriations in the General Fund Group in the Legislative Department by \$2,539 to offset the Third Council District Office's overage in FY 21.*

At the end of FY 21, Council District 3 exceeded its operating budget by \$2,539, which per policy and practice will be offset in the following fiscal year's operating budget. A budget adjustment is requested to reduce Council District 3's FY 22 budget by the net overage amount of \$2,539.

*4. Increase appropriations in the General Fund Group in the City Manager Department by \$19,381, offset by Ninth Council District One-time District Priority Funds transferred from the Citywide Activities to reimburse the Office of Special Events and Filming for Uptown Jazz Festival overages; and,*

*Decrease appropriations in the General Fund Group in the Citywide Activities Department by \$19,381 to offset a transfer to the City Manager Department.*

On June 8, 2021, City Council approved appropriating \$45,000 of Ninth Council District One-time District Priority Funds in the General Fund Group to support the Uptown Jazz Festival. To support the festival and align the needed use of District Priority One-time funds, the Ninth Council District engaged in fundraising for the event. Although the fundraiser was able to gather funding support for the event, expenses for the festival exceeded the amount set aside for this event, including funds from the fundraiser, by \$19,381. The Ninth Council District has exhausted its District Priority One-Time funds in FY 21 and will be offset by the Ninth Council District's FY 22 District Priority One-time funds.

## **Health and Human Services**

*5. Increase appropriations in the General Fund Group in the Health and Human Services Department by \$25,000 for a FY 21 encumbrance that was deleted in error, offset by funds set aside for this purpose.*

As part of the FY 21 year-end closing process, \$25,000 was earmarked as an encumbrance to be paid in FY 22 in the General Fund Group in the Health and Human Services Department. The amount was accounted for as part of the FY 21 year-end reserves to be released in FY 22 for this purpose, but the item was removed from the system in error, resulting in the Health and Human Services Department not receiving the appropriate budget to pay for the obligation in FY 22. This request is to appropriate the \$25,000 as a technical

correction, offset by reserves set aside for this purpose.

### **Motorola Public Safety Radios - Debt Payment**

6. *Decrease appropriations in the General Services Fund Group in the Technology and Innovation Department by \$11,698,896 to align the debt service payments for the Motorola Public Safety Radios to an annual and smaller amount and to continue to pay off the full lease purchase on the original multiyear amortization schedule as previously contemplated, and;*

*Decrease appropriations in the General Fund Group in the Citywide Activities Department by \$11,698,896 to eliminate the full transfer of Measure A funds previously set aside to pay off the public safety radio lease purchase.*

On September 11, 2018, City Council approved a 12-year lease-purchase financing with Motorola to acquire \$17.7 million of Motorola-based radio dispatch, radio signal, and portable and mobile radio infrastructure for day-to-day and emergency response radio communications for the Police, Fire, Public Works, Disaster Preparedness and Airport Departments (The Airport Department paid cash for its equipment, so was not included in the lease-purchase financing). At the time of the approved action in 2018, it was the City's intent to pay off the lease purchase of approximately \$18.3 million, without penalty, in October 2021 (FY 22) with Measure A funds. The Adopted FY 22 Budget included an appropriation in the General Fund Group of Measure A funding in the amount of \$13.6 million to transfer to the General Services Fund Group to support the payoff of the entire lease-purchase, as recommended in 2018. Now, three years after the original plan was proposed and approved, City staff recommends a different approach of paying the debt, starting this fiscal year. This recommendation would reduce the FY 22 appropriation from \$13.6 million to \$11.97 million to cover the FY 22 debt service payment and eliminate the need to carryover FY 21 unspent Measure A balance of \$1,378,196 set aside to support the Public Safety Motorola Radio debt payment. There are two reasons for keeping the original, 12-year amortization schedule for the public safety Motorola radios. The first relates to public finance notions of equity and fairness between different generations of taxpayers, and the other relating to financial and budgetary flexibility for the City Council. For long-lived assets like bridges, roads, water treatment plants, public buildings, and, in this case, radio infrastructure, the best way to ensure that each generation of taxpayers pays for their use of the asset is to debt-finance the asset for as long as its useful life, and then every year thereafter pay the principal and interest on the debt financing from those years' tax revenue. The second reason for the alternative approach is that continuing to make the annual payment of principal and interest on the lease-purchase financing, instead of paying it off all at once, will allow for additional Measure A resources to be allocated in earlier years as part of a new Measure A out-year plan. It is still the intent that Measure A will fund the debt service payments of the radios on the original multiyear amortization schedule. The City Council Letter of September 11, 2018 contemplated this alternative approach: "The purpose of extending the term for 12 years is to maximize the City's financial flexibility. If the City elects to continue making debt service payments beyond FY 22, the annual debt service payments would be approximately

\$2,200,000.” This proposed recommendation to decrease the use of Measure A funding in FY 22 is contingent upon confirmation from the Measure A Citizens Advisory Committee that the proposed adjustment is in conformance with the intent of Resolutions No. RES-16-0018 and RES-16-0017 prioritizing spending.

### **FY 21 Measure A Funds to be Reappropriated**

City Council authorized the allocation of one-time funds for specific department projects or operations funded by Measure A. The following appropriations are needed to carryover these funds to FY 22 to complete these projects or activities. These unspent one-time funds as identified below were all reserved at the end of FY 21 for this purpose and the reserves will be released with the appropriation. There is no budgetary impact.

7. *Increase appropriation in the General Fund Group in the Parks Recreation and Marine Department by \$100,000 for irrigation pumps, offset by unspent one-time Measure A funds.*
8. *Increase appropriation in the General Fund Group in the Public Works Department by \$683,342 for the City's Tree Trimming Program, offset by unspent one-time Measure A funds.*

### **FY 21 One-Time Funds to be Reappropriated**

For projects with start dates between FY 18 and FY 21, the City Council authorized the allocation of one-time funds for specific department projects or operations. The following appropriations are needed to carryover these funds to FY 22 to complete these projects or activities. The unspent one-time funds identified below were all reserved at the end of FY 21 for this purpose and the reserves will be released with the appropriation. There is no budgetary impact.

9. *Increase appropriation in the General Fund Group in the City Clerk Department by \$367,500 to continue support for the 2021 Redistricting Plan including advertising and staffing costs associated with the previously approved Measure DDD, offset by unspent one-time funds.*
10. *Increase appropriation in the General Fund Group in the City Manager Department by \$212,829 for citywide homelessness response and cleanup efforts, offset by unspent one-time funds.*
11. *Increase appropriation in the General Fund Group in the City Manager Department by \$150,836 for one-time critical needs that may arise and otherwise go unfunded, offset by unspent one-time funds.*
12. *Increase appropriation in the General Fund Group in the City Manager Department by \$50,601 to continue support for the City's racial equity and reconciliation goals, offset by unspent one-time funds.*

13. *Increase appropriation in the General Fund Group in the City Manager Department by \$120,693 to continue support for the 2021 Redistricting Plan including communications, consultants and internal coordination efforts associated with the previously approved Measure DDD, offset by unspent one-time funds.*
14. *Increase appropriation in the General Fund Group in the City Manager Department by \$6,000 for Child Care Service Agreement during the City Council Meetings, offset by unspent one-time funds.*
15. *Increase appropriation in the General Fund Group in the City Manager Department by \$51,902 for costs related to the preparation of a Strategic Vision for 2030 Plan as directed by the City Council on February 5, 2019, offset by unspent one-time funds.*
16. *Increase appropriation in the General Fund Group in the City Prosecutor Department by \$29,630 for the City Prosecutor's Internship Program, offset by unspent one-time funds.*
17. *Increase appropriation in the General Fund Group in the City Prosecutor Department by \$42,455 for the City Prosecutor's Digital Paperless Project, offset by unspent one-time funds.*
18. *Increase appropriation in the General Fund Group in the City Prosecutor Department by \$95,063 for the Gang Prevention Strategy Program, offset by unspent one-time funds.*
19. *Increase appropriation in the General Fund Group in the City Prosecutor Department by \$274,462 for the Priority Access Diversion Program, offset by unspent one-time funds.*
20. *Increase appropriation in the General Fund Group in the Economic Development Department by \$23,864 to temporarily staff the Opportunity Zones Business Development Program, offset by unspent First District Priority Funds.*
21. *Increase appropriation in the General Fund Group in the Economic Development Department by \$44,000 for the Pacific Avenue Property and Business Improvement Distri (PBID), offset by unspent Sixth District Priority Funds.*
22. *Increase appropriation in the General Fund Group in the Economic Development Department by \$61,549 for the Anaheim Street Business Corridor improvements, offset by unspent one-time funds.*
23. *Increase appropriation in the General Fund Group in the Economic Development Department by \$106,352 for the Pacific Avenue Business Corridor improvements, offset by unspent one-time funds.*
24. *Increase appropriation in the General Fund Group in the Economic Development Department by \$400,000 for the acquisition of property known as Virginia Village at 5301 Long Beach Boulevard, offset by unspent one-time funds.*

25. *Increase appropriation in the General Fund Group in the Economic Development Department by \$84,982 for an Economic Equity Specialist to address income inequality by exploring and supporting public banking and universal basic income, offset by unspent one-time funds.*
26. *Increase appropriation in the General Fund Group in the Economic Development Department by \$150,000 for Santa Fe corridor improvements, offset by unspent one-time funds.*
27. *Increase appropriation in the General Fund Group in the Economic Development Department by \$17,000 for the creation of a community vision for the business corridor on Pine Avenue, offset by unspent First District Priority Funds.*
28. *Increase appropriation in the General Fund Group in the Fire Department by \$25,477 for a comprehensive study of Fire Services, offset by unspent one-time funds.*
29. *Increase appropriation in the General Fund Group in the Financial Management Department by \$151,680 for the ePro Purchasing System, offset by unspent one-time funds.*
30. *Increase appropriation in the General Fund Group in the Health and Human Services Department by \$20,000 to support the extension of the City's Winter Shelter Program, offset by unspent one-time funds.*
31. *Increase appropriation in the General Fund Group in the Health and Human Services Department by \$30,000 to support the Homeward Bound Program, designed to help reunite individuals who are experiencing homelessness with family and friends who are willing and able to offer ongoing support to end the cycle of homelessness, offset by unspent one-time funds.*
32. *Increase appropriation in the General Fund Group in the Health and Human Services Department by \$80,000 to support capital improvements at the Navigation Center, offset by unspent one-time funds.*
33. *Increase appropriation in the General Fund Group in the Library Services Department by \$18,750 for the Youth Poet Laureate Program, offset by unspent one-time funds.*
34. *Increase appropriation in the General Fund Group in the Police Department by \$3,964,594 for the Long Beach Safety Recovery Plan for violent crime reduction and community engagement activities, offset by unspent one-time funds.*
35. *Increase appropriation in the General Fund Group in the Police Department by \$31,679 for the Fireworks Enforcement Pilot Program, offset by unspent one-time funds.*



36. *Increase appropriation in the General Fund Group in the Police Department by \$1,483,685 to support the transition to a new Records Management System to comply with the Department of Justice's mandate to implement the new national incident-based crime reporting systems, offset by unspent one-time funds.*
37. *Increase appropriation in the General Fund Group in the Parks Recreation and Marine Department by \$77,484 for senior programming, offset by unspent one-time funds.*
38. *Increase appropriation in the General Fund Group in the Parks Recreation and Marine Department by \$100,000 for a Gate Arm at El Dorado East Regional Park, offset by unspent one-time funds.*
39. *Increase appropriation in the General Fund Group in the Parks Recreation and Marine Department by \$129,205 for the Daisy Lane Tree Project, offset by unspent one-time funds.*
40. *Increase appropriation in the General Fund Group in the Parks Recreation and Marine Department by \$22,500 for the Fix Long Beach Project for spay and neuter clinics, offset by unspent one-time funds.*
41. *Increase appropriation in the General Fund Group in the Public Works Department by \$73,983 for tree trimming, offset by unspent Seventh District Priority Funds.*
42. *Increase appropriation in the General Fund Group in the Public Works Department by \$298,846 to address diseased Magnolia trees citywide, offset by unspent one-time funds.*
43. *Increase appropriation in the General Fund Group in the Public Works Department by \$10,000 for start-up costs for the City Street Light Maintenance Program, offset by unspent one-time funds.*
44. *Increase appropriation in the General Fund Group in the Public Works Department by \$20,000 for landscaping and irrigation work along Pine Avenue, offset by unspent First District Priority Funds.*
45. *Increase appropriation in the Health Fund Group in the Health and Human Services Department by \$403,317 to support a two-year pilot program for HIV and STD testing and outreach, offset by unspent one-time funds.*
46. *Increase appropriation in the Special Advertising and Promotion Fund Group in the City Manager Department by \$160,000 for wayfinding signage citywide, offset by unspent one-time funds.*
47. *Increase appropriation in the Special Advertising and Promotion Fund Group in the City Manager Department by \$250,000 for wayfinding signs and art on public buildings, offset by unspent one-time funds.*
48. *Increase appropriation in the Special Advertising and Promotion Fund Group in the City*

*Manager Department by \$2,261 for a community concert, offset by unspent Third District Priority Funds.*

*49. Increase appropriation in the Special Advertising and Promotion Fund Group in the City Manager Department by \$50,000 to support Long Beach Walls (formerly POW! WOW! Long Beach) for art murals, offset by unspent one-time funds.*

*50. Increase appropriation in the Special Advertising and Promotion Fund Group in the City Manager Department by \$100,000 for advertising and media consulting services to promote the City of Long Beach, offset by unspent one-time funds.*

*51. Increase appropriation in the Airport Fund Group in the Airport Department by \$92,089 for the Arts, Community and Entertainment Program (ACE), offset by unspent one-time funds.*

*52. Increase appropriation in the Development Services Fund Group in the Development Services Department by \$39,032 for Certified Access Specialist training and programs to educate the public about disability access improvements, offset by unspent one-time funds.*

*53. Increase appropriation in the Development Services Fund Group in the Development Services Department by \$92,700 to create architectural and engineering collateral materials to assist applicants in complying with the City's Building Code, offset by unspent one-time funds.*

*54. Increase appropriation in the Development Services Fund Group in the Development Services Department by \$236,677 for technology improvements for the Development Services Permit Center, offset by unspent one-time funds.*

*55. Increase appropriation in the Development Services Fund Group in the Development Services Department by \$342,462 to cover costs of the General Plan Land Use Element and Urban Design Element update implementation, including consulting services to prepare Zoning Code amendments, offset by unspent one-time funds.*

*56. Increase appropriation in the General Services Fund Group in the Technology and Innovation Department by \$46,442 for a GeoDatabase upgrade, offset by unspent one-time funds.*

*57. Increase appropriation in the General Services Fund Group in the Technology and Innovation Department by \$80,460 for professional consulting services related to the development of the Information Technology Strategic Plan, offset by unspent one-time funds.*

*58. Increase appropriation in the General Services Fund Group in the Technology and Innovation Department by \$38,000 to upgrade the ServiceNow platform, offset by unspent one-time funds.*

*59. Increase appropriation in the General Services Fund Group in the Technology and Innovation Department by \$200,000 for the ServiceNow System Platform, offset by unspent*

*one-time funds.*

*60. Increase appropriation in the General Services Fund Group in the Technology and Innovation Department by \$220,000 for Body Worn Camera technology infrastructure, offset by unspent one-time funds.*

*61. Increase appropriation in the General Services Fund Group in the Technology and Innovation Department by \$220,504 for a citywide cyber security risk assessment, offset by unspent one-time funds.*

*62. Increase appropriation in the General Services Fund Group in the Technology and Innovation Department by \$250,000 to improve obsolete technology in existing City facilities, offset by unspent one-time funds.*

*63. Increase appropriation in the General Services Fund Group in the Technology and Innovation Department by \$1,533,529 for eligible capital improvements to video broadcasting and A/V infrastructure, offset by the balance of multi-year allocations of Public, Education, and Government (PEG) fee revenue.*

*64. Increase appropriation in the Employee Benefits Fund Group in the Civil Service Department by \$200,000 for consulting services to evaluate and improve Civil Service testing processes, offset by unspent one-time funds.*

*65. Increase appropriation in the Employee Benefits Fund Group in the Human Resources Department by \$93,305 to fund additional employee services, offset by unspent one-time funds.*

*66. Increase appropriation in the Tidelands Operating Fund Group in the City Manager Department by \$50,845 for continued Homeless Response Program services, offset by unspent one-time funds.*

*67. Increase appropriation in the Tidelands Operating Fund Group in the City Manager Department by \$135,732 to aid Rapid Response to homeless issues along the beachfront, offset by unspent one-time funds.*

*68. Increase appropriation in the Tidelands Operating Fund Group in the Development Services Department by \$250,000 for a visioning effort for the Downtown Shoreline Planned Development (PD-6) Zoning District, offset by unspent one-time funds.*

### **Appropriations Using FY 21 Year-End General Fund Operating Surplus**

The FY 21 Year-End Performance Report identified recommended uses of funds available in the General Fund Group. The following appropriation requests are funded from the FY 21 year-end General Fund operating surplus as recommended in the FY 21 Year-End Performance Report.

69. *Increase appropriations in the General Fund Group in the Citywide Activities Department by \$109,649, to implement the City Council's policy to reserve 5 percent of one-time revenue to fund unfunded liabilities, offset by FY 21 year-end funds available.*

70. *Increase appropriations in the General Fund Group in the City Managers Department by \$270,000 to provide funding for Beach Streets University, offset by FY 21 year-end funds available.*

71. *Increase appropriations in the General Fund Group in the City Managers Department by \$75,000 for a technology solution to support the Cannabis Social Equity Program, offset by FY 21 year-end funds available.*

72. *Increase appropriations in the General Fund Group in the City Managers Department by \$100,000 to support the development of a comprehensive communications plan to support the efforts across all City Departments that are working to address homeless related matters, offset by FY 21 year-end funds available.*

73. *Increase appropriations in the General Fund Group in the City Managers Department by \$100,000 to support urgent COVID-19 response and critical needs, offset by FY 21 year-end funds available.*

74. *Increase appropriations in the General Fund Group in the City Managers Department by \$82,750 to support the FY 22 Fourth of July downtown fireworks show display, offset by FY 21 year-end funds available.*

75. *Increase appropriations in the General Fund Group in the City Managers Department by \$25,000 to support the establishment of an Advisory Team and community engagement activities related to the creation of a Commission on Women and Girls, offset by FY 21 year-end funds available.*

76. *Increase appropriations in the General Fund Group in the Development Services Department by \$30,000 to support streamlining Accessory Dwelling Unit (ADU) permitting processes, offset by FY 21 year-end funds available.*

77. *Increase appropriations in the General Fund Group in the Development Services Department by \$30,000 to support a food truck vending program, offset by FY 21 year-end funds available.*

78. *Increase appropriations in the General Fund Group in the Development Services Department by \$100,000 to support the establishment of a Sidewalk Vendor Ordinance, offset by FY 21 year-end funds available.*

79. *Increase appropriations in the General Fund Group in the Health and Human Services Department by \$100,000 to conduct a feasibility study for mental health services*

*infrastructure, offset by FY 21 year-end funds available.*

*80. Increase appropriations in the General Fund Group in the Health and Human Services Department by \$55,412 to support homeless rapid response efforts, offset by FY 21 year-end funds available.*

*81. Increase appropriations in the General Fund Group in the Health and Human Services Department by \$85,000 to support the Racial Reconciliation Plan's violence prevention efforts, offset by FY 21 year-end funds available.*

*82. Increase appropriations in the General Fund Group in the Citywide Activities Department by \$550,000 to transfer to the Capital Projects Fund Group and; Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$550,000 to support the visioning, design and construction process for a COVID-19 memorial, offset by FY 21 year-end funds available.*

### **Contingent Appropriations Using FY 21 Year-End Measure A Surplus**

There was \$9,967,289 in unallocated Measure A surplus funds at FY 21 year-end. The following contingent appropriation adjustments implement the recommended uses of the Measure A surplus as proposed and detailed in the FY 21 Year-End Performance Report. These proposed recommendations for the uses of Measure A funds are contingent upon confirmation from the Measure A Citizens Advisory Committee that the proposed uses are in conformance with the intent of Resolutions No. RES-16-0018 and RES-16-0017 prioritizing spending.

*83. Increase appropriations in the General Fund Group in the Fire Department by \$500,000 to support the FY 22 Fire Engineer Academy, offset by FY 21 Measure A year-end funds available.*

*84. Increase appropriations in the General Fund Group in the Fire Department by \$165,000 to support lease and utilities cost at the temporary site of Fire Station 9, offset by FY 21 Measure A year-end funds available.*

*85. Increase appropriations in the General Fund Group in the Fire Department by \$250,000 to support increasing the Fire Academy in FY 22 from 24 to 28 recruits, offset by FY 21 Measure A year-end funds available.*

*86. Increase appropriations in the General Fund Group in the Police Department by \$549,792 to support lease costs associated with the Crime Lab and Evidence Storage Warehouse facilities, offset by FY 21 Measure A year-end funds available.*

*87. Increase appropriations in the General Fund Group in the Citywide Activities Department by \$1,700,000 to transfer to the General Services Fund Group for items #88 and #89*

*below, offset by a transfer of FY 21 Measure A year-end funds available.*

*88. Increase appropriations in the General Services Fund Group in the Technology and Innovation Department by \$200,000 to contribute towards the costs of repairing and upgrading citywide security cameras, offset by FY 21 Measure A year-end funds available.*

*89. Increase appropriations in the General Services Fund Group in the Technology and Innovation Department by \$1,500,000 to support upgrades at Police facilities to comply with State CLETS (California Law Enforcement Telecommunication Systems) regulatory mandate, offset by FY 21 Measure A year-end funds available.*

*90. Increase appropriations in the General Fund Group in the Parks, Recreation and Marine Department by \$50,000 to complete the final findings and outreach of the North Long Beach pool feasibility study, offset by FY 21 Measure A year-end funds available.*

*91. Increase appropriations in the General Fund Group in the Parks, Recreation, and Marine Department by \$50,000 to support improvements and renaming of the Tom Clark Building, offset by FY 21 Measure A year-end funds available.*

*92. Increase appropriations in the General Fund Group in the Parks, Recreation and Marine Department by \$200,000 to support tree trimming and identifying potential hazards, offset by FY 21 Measure A year-end funds available.*

*93. Increase appropriations in the General Fund Group in the Citywide Activities Department by \$6,502,497 to transfer to the Capital Projects Fund Group for items #94 through #107 below, offset by a transfer of FY 21 Measure A year-end funds available.*

*94. Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$250,000 to support needed upgrades at the Main Health building, offset by a transfer of FY 21 Measure A year-end funds available.*

*95. Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$1,000,000 to fund the construction and replacement playground at Admiral Kidd Park, offset by a transfer of FY 21 Measure A year-end funds available.*

*96. Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$200,000 for the restoration of the Bixby Park Bandshell and further Bixby Park improvements, offset by a transfer of FY 21 Measure A year-end funds available.*

*97. Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$150,000 to support the Bluff Park Historic Lamps (Phase III), offset by a transfer of FY 21 Measure A year-end funds available.*

*98. Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$200,000 to support the visioning, design and construction process for a*

*COVID-19 memorial, offset by a transfer of FY 21 Measure A year-end funds available.*

*99. Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$1,500,000 to support funding needed for the El Dorado Duck Pond Rehabilitation project, offset by a transfer of FY 21 Measure A year-end funds available.*

*100. Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$200,000 for community outreach and design of an All Abilities (Universal Playground) at El Dorado Park, offset by a transfer of FY 21 Measure A year-end funds available.*

*101. Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$200,000 for the funding for community outreach and design for a new playground at Houghton Park, offset by a transfer of FY 21 Measure A year-end funds available.*

*102. Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$252,497 for Measure A Project reserves, offset by FY 21 Measure A year-end funds available.*

*103. Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$150,000 for the restoration of the MLK Jr. Statue and park area improvements, offset by a transfer of FY 21 Measure A year-end funds available.*

*104. Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$200,000 to rehabilitate various park restrooms, offset by a transfer of FY 21 Measure A year-end funds available.*

*105. Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$200,000 for community outreach and design for a new playground at Silverado Park, offset by a transfer of FY 21 Measure A year-end funds available.*

*106. Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$1,250,000 for the funding needed for City Gateway Signage and Monument Sign on the 405 and 22 freeways, offset by a transfer of FY 21 Measure A year-end funds available.*

*107. Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$750,000 for Traffic Signal and Pedestrian Safety Improvements, offset by FY 21 Measure A year-end funds available.*

## **Appropriations Using FY 21 Year-End Tidelands Operations Fund Group Surplus**

The FY 21 Year-End Performance Report identified recommended Tideland Operating Fund

Group uses of funds available in the amount of \$2.2 million with an additional \$1.55 million being made available by reallocating funds from reserves. With the FY 21 ending budgetary funds available and the reallocation of funds from reserves, there was a total of \$3,794,710 available to allocate to projects. The following appropriation requests are funded as recommended in the FY 21 Year-End Performance Report.

*108. Increase appropriations in the Tidelands Operations Fund Group in the Citywide Activities Department by \$3,000,000 for a transfer to the Tidelands Area Fund Group, and;*

*109. Increase appropriations in the Tidelands Area Fund Group (Queen Mary Fund) in the Public Works Department by \$3,000,000 for Queen Mary critical repairs, offset by FY 21 year-end funds available.*

*110. Increase appropriations in the Tidelands Operations Fund Group in the City Manager Department by \$82,750 to support the FY 22 Fourth of July downtown fireworks show display, offset by FY 21 year-end funds available.*

*111. Increase appropriations in the Tidelands Operations Fund Group in the Public Works Department by \$400,000 to improve the Bayshore Concessions stand, offset by FY 21 year-end funds available.*

*112. Increase appropriations in the Tidelands Operations Fund Group in the Public Works Department by \$100,000 for the Colorado Lagoon Playground, offset by FY 21 year-end funds available.*

*113. Increase appropriations in the Tidelands Operations Fund Group in the Public Works Department by \$150,000 to support design for the Alamitos Bay Water Quality Improvement project, offset by FY 21 year-end funds available.*

*114. Increase appropriations in the Tidelands Operations Fund Group in the Public Works Department by \$61,960 to make pavement repairs to Pine Avenue as contractually obligated by the Grand Prix agreement, offset by FY 21 year-end funds available.*

## **Long Beach Recovery Act**

*115. Increase appropriations by \$48,743,618 in the General Fund Group in various departments as shown in Table C below and by \$11,800,000 in the General Grants Fund Group in the Economic Development Department, offset by funds made available through the Long Beach Recovery Act; and approve the revised program allocations of the Long Beach Recovery Act as seen in Attachment B.*

The Long Beach Recovery Act (LBRA) was initially approved by the City Council on March 16, 2021, and each revision to the plan has been approved by City Council in subsequent reports. The total of LBRA has grown to \$255.6 million since the latest revised plan and is funded by various sources, including the General Fund, as a result of the City's approach in



using federal American Rescue Plan Act (ARPA) funds. The U.S. Department of Treasury’s Final Rule allows ARPA funding to be used to provide and maintain current government services (e.g., provision of police and other public safety services) up to the amount of the City's calculated revenue loss due to the pandemic. In compliance with the Final Rule, the City's approach will be to utilize the majority of APRA funding to maintain existing, eligible City services (specifically police services) for both FY 21 and FY 22. This portion of ARPA funding allocated to the City makes available General Fund monies, which are then used to enable the delivery of Council-approved programs for LBRA. As the LBRA programs made possible by ARPA were budgeted in the General Fund Group in FY 21, unspent funds are needed to be re-appropriated for FY 22. Table C below details the appropriation increase request by Department in the General Fund Group.

**Table C**

<b>Department</b>	<b>General Fund Group Appropriation Increase</b>
City Manager	1,539,351
Development Services	5,060,000
Economic Development	17,406,805
Financial Management	150,000
Health and Human Services	16,616,862
Library Services	1,205,000
Parks, Recreation and Marine	1,265,600
Public Works	5,500,000
<b>General Fund Group Total</b>	<b>\$48,743,618</b>

The remaining portion of ARPA funds will be used to provide direct relief grants to those impacted most by the pandemic. Utilizing ARPA funds for these direct relief grant payments will provide the opportunity for these funds to be tax-exempt for the beneficiaries (if paid from the General Fund, these payments would be taxable to the recipients). By utilizing ARPA funds, the City alleviates the additional burden of beneficiaries being taxed on these direct relief grants. The requested appropriation increase of \$11,800,000 in the General Grants Fund Group in the Economic Development Department is to account for the appropriation needed for these direct relief grant payment programs.

Table D below details the current LBRA funding sources. Some of the Coronavirus Aid, Relief, and Economic Security (CARES) Act program operations have continued as part of existing LBRA programs. Of the funds that were previously set aside in the General Fund to support the CARES Act programs, \$831,156 was not utilized as of the end of FY 21. These funds have been added to LBRA as an additional source to support these on-going programs. Additional increases to LBRA are due to additional grant funds being awarded to the City.

**Table D: Long Beach Recovery Act Funding Sources (in millions)**

	<b>Total Program Allocation</b>	<b>Amount Spent in FY 21</b>	<b>Remaining Allocation</b>
General Fund*	124.0	34.1	89.9
General Fund new allocation**	0.8	0.0	0.8
Airport Grant	15.1	0.0	15.1
American Rescue Plan Act (ARPA) Direct Relief Grant <sup>+</sup>	11.8	0.0	11.8
CDC Public Health Workforce Development Grant	2.8	0.0	2.8
Emergency Rental Assistance Program (ERAP) - Round 1	30.2	16.4	13.8
ERAP - Round 2	21.2	0.0	21.2
Epidemiology and Laboratory Capacity Grant (ELC)	26.7	5.0	21.7
Health Disparities Grant	7.7	0.2	7.5
HUD Home-ARP (Homelessness)	10.2	0.0	10.2
Vaccination Grant	5.1	1.2	3.9
<b>Total Funding Sources</b>	<b>\$255.6</b>	<b>\$56.9</b>	<b>\$198.7</b>

\*Funds made available due to funding from ARPA covering existing City services.

\*\*Funds made available due to funding from CARES covering existing City services.

<sup>+</sup>This represents the portion of LBRA programs funded directly by ARPA. The remaining portion of ARPA funding will be used to support existing City services.

The Long Beach Recovery Act programs fall under three categories: Economic Recovery, Healthy and Safe Community, and Securing our City’s Future. The Economic Recovery programs increased by \$831,156 with additional funds to support on-going programs that had started under CARES. The Healthy and Safe Community programs increased by \$2.8 million with the addition of the CDC Public Health Workforce Development Grant. There have been no changes to the Securing Our City’s Future programs. Table E summarizes the total funding by Program Category.

**Table E: Long Beach Recovery Act Program Categories (in millions)**

	<b>Total Program Allocation</b>	<b>Amount Spent in FY 21</b>	<b>Remaining Allocation</b>
Economic Recovery	64.5	0.1	64.4
Healthy and Safe Community	115.4	23.1	92.3
Securing Our City’s Future	75.7	33.7	42.0

<b>Total Long Beach Recovery Act</b>	<b>\$255.6</b>	<b>\$56.9</b>	<b>\$198.7</b>
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LBRA programs continue to evolve as additional funding sources and recovery needs are identified. Attachment B details the revised LBRA programs, sub-programs, and the associated allocation amounts. Staff will continue to report to the City Council any new recovery-related funding sources secured by the City through the Bi-Annual Reports. Past reports are available on the City's Long Beach Recovery Act website at [www.longbeach.gov/recovery](http://www.longbeach.gov/recovery) <<http://www.longbeach.gov/recovery>>.

Approve recommendation.

KEVIN RIPER  
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

THOMAS B. MODICA  
CITY MANAGER