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| **MEETING DATE: September 19, 2023 ITEM NUMBER: 6.{{item.number}}**  **SECOND READING: Click or tap here to enter text. {{customfields.ResoOrdNumber}}**  **TYPE OF ITEM:** Click or tap here to enter text. **PRESENTED BY: Harold Dominguez, City Manager's Office, Harold.Dominguez@longmontcolorado.gov Jim Golden, Finance Administration, Jim.Golden@longmontcolorado.gov Teresa Molloy, Budget, Teresa.Molloy@longmontcolorado.gov Other City Staff** |

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| **SUBJECT/AGENDA TITLE:**  2024 Proposed Budget Presentation |

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| **EXECUTIVE SUMMARY:**  The Proposed 2024 Budget presentation will focus on the categories of Natural Resources 8:5 project update, new positions, incremental development revenue, one time expenses, Human Service Agency funding, LDDA budget, Supporting Actions for Mental Health, early childhood capacity building, grants and external funding sources, and the Longmont Humane Society. This information is consecutively numbered and will be available on the City’s website with the 2024 proposed budget documents should we need to refer back to any information from this communication as we continue to move through the weekly 2024 budget presentations.  Link to all the budget documents:  [2024 Budget Documents](https://www.longmontcolorado.gov/departments/departments-e-m/finance/budget-office/budget-process/2024-budget-documents) |

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| **COUNCIL OPTIONS:** |

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| **RECOMMENDED OPTIONS:** |

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| **FISCAL IMPACT & FUND SOURCE FOR RECOMMENDED ACTION:** |

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| **BACKGROUND AND ISSUE ANALYSIS:**  Citizens wishing to view the 2024 Proposed Budget, the 2024-2028 Proposed Capital Improvement Program, or the 2024 Proposed Pay Plan can access these documents on the City’s website at the following location: [2024 Budget Documents](https://www.longmontcolorado.gov/departments/departments-e-m/finance/budget-office/budget-process/2024-budget-documents)  **NATURAL RESOURCES 8:5 PROJECTS UPDATE**  On August 22, 2023, Council approved Capital Improvement Program (CIP) Amendments for the first three 8:5 park projects planned. These amendments included an additional appropriation of $7,492,854 from the fund balance portion of the Park Improvement Fund in order to cover higher than anticipated construction costs since the projects were initially planned. This appropriation included the following projects and amounts:  PRO049 Dry Creek Community Park - $5,629,000  PRO127 South Clover Basin Neighborhood Park - $1,248,854  PRO140 Fox Meadows Neighborhood Park - $615,000  Staff are working to prepare a second Appropriation and CIP Amendment item for Council approval to further support planned 8:5 projects, totaling approximately $6,139,000 from the fund balance portion of the Park Improvement Fund. This appropriation will include the following projects and amounts:  PRO049 Dry Creek Community Park - $1,193,000  PRO127 South Clover Basin Neighborhood Park - $320,000  PRO139 Wertman (Nino Gallo) Neighborhood Park - $4,126,000  PRO140 Fox Meadows Neighborhood Park - $500,000  While the previous appropriation addressed the costs directly associated with the design and construction contracts for the first three 8:5 park projects, they did not include all necessary costs for the projects, such as material testing, LPC electrical service fees, Arts in Public Places contributions, prairie dog mitigation, and project contingencies. This additional appropriation is needed to ensure these projects have adequate funding available to meet these required project expenditures.  Additionally, this upcoming appropriation will include funding to construct one additional park, Nino Gallo Neighborhood Park. This park was initially anticipated to be developed in 2020, but was paused mid-way through design. Design resumed in 2022 and is now complete, but funds have not been appropriated for the construction of the park. This project was not included in the previous appropriation, as the design had not been completed at that time.  As a result of these additional appropriations needed from the Park Improvement Fund, future proposed funding levels in the Proposed 2024-28 Capital Improvement Program were adjusted to ensure the continued health and sustainability of the Park Improvement Fund. Specifically, the funded portion of PRO049 Dry Creek Community Park in 2026 was reduced to offset the proposed $6,139,000 contribution from the fund balance portion of Park Improvement Fund. An updated project page for this project and five-year fund statement for the Park Improvement Fund is attached as ***Attachments J and K***.  **NEW POSITIONS**  There are a total of 34.0 new FTE being added in this budget: 13.50 in the General Fund, 4.94 in the Streets Fund, 4.31 in the Electric & Broadband Fund, 4.0 in the Public Safety Fund, 2.10 in the Open Space Fund, 2.04 in the Fleet Fund, 1.0 in the Attainable Housing Fund, 0.67 in the Storm Drainage Fund, 0.50 in the Sustainability Fund, 0.49 in the Water Fund, 0.31 in the Sewer Fund, and 0.14 in the Sanitation Fund. New positions included in this budget are:   * 1.0 FTE Redevelopment Manager-fixed term: from the General Fund * 1.0 FTE Device Specialist-fixed term: from the General Fund * 1.0 FTE Senior Code Enforcement Zoning & Housing Inspector: from the General Fund * 3.0 FTE Custodian-offset by $60,242 reduction in contract services: from the General Fund * 1.0 FTE Youth Program Specialist-REWiND: from the General Fund * 1.0 FTE Youth Program Specialist-Family Engagement: from the General Fund * 1.0 FTE Senior Recreation Program Coordinator: from the General Fund * 1.0 FTE Grounds Maintenance Technician II: from the General Fund * 1.0 FTE Parks Supervisor: from the General Fund * 1.0 FTE Senior Parks & Open Space Ranger-Union Reservoir: from the General Fund * 1.0 FTE Public Information Officer-offset by $49,608 reduction in temp wages: from the General Fund * 1.0 FTE Neighborhood Resource Specialist-Vision Zero: from the Streets Fund * 1.0 FTE Alternative Transportation Planner-Vision Zero: from the Streets Fund * 1.0 FTE Senior GIS Mapping Tech-Vision Zero: from the Streets Fund * 1.0 FTE Transportation Engineering Assistant-Vision Zero: from the Streets Fund * 1.0 FTE Administrative Analyst-fixed term: from the Streets Fund & Storm Drainage Fund * 1.0 FTE PMO Manager-fixed term: funded by 10 different funds * 1.0 FTE Administrative Analyst-fixed term: funded by 10 different funds * 1.0 FTE Outreach Victim’s Advocate: from the Public Safety Fund * 3.0 FTE Firefighter: from the Public Safety Fund * 1.0 FTE Natural Resources Technician II-Plant Ecologist: from the Open Space Fund * 1.0 FTE Natural Resources Technician II-Plant Weeds: from the Open Space Fund * 1.0 FTE Master ASE Technician II: from the Fleet Fund * 1.0 FTE Fleet Service Coordinator Assistant-offset by $26,799 reduction in temp wages: from the Fleet Fund * 1.0 FTE Homeownership Specialist: from the Attainable Housing Fund * 1.0 FTE Data Analyst: for Broadband from the Electric & Broadband Fund * 1.0 FTE Journey Substation Worker: for Electric from the Electric & Broadband Fund * 1.0 FTE Energy Efficiency & Education Specialist: from the Sustainability Fund and Electric & Broadband Fund * 1.0 FTE Technical Functional Analyst: for Electric from the Electric & Broadband Fund * 1.0 FTE Technical Functional Analyst CRM & Special Projects: from the Sanitation, Water, Sewer, Storm Drainage and Electric & Broadband Funds   The overall impact of all changes to FTEs in this budget is an increase of 34.0 FTE, which brings the total budgeted positions to 1,147.815.  ***Metric Data for New FTE included in the 2024 Proposed Budget***  Metric data on all new positions being added in 2024 that would tell the story of ‘what will be different in 2025 with the addition of these positions’ can be found in ***Attachment L***. The additional metric information is in bold blue font in this attachment.  **INCREMENTAL DEVELOPMENT REVENUE (IDR)**  The 2024 proposed budget includes a projection of 750 building permits for new dwelling units. The current incremental development revenue financial policy calls for any revenue above a base of 200 new dwelling units to be considered incremental development revenue. There is a total of $399,062 in incremental development revenue from in the proposed budget (building permits $352,729 and plan reviews $46,333). The full amount is being used to cover ongoing expenses that are subject to reduction in the event that this level of revenue is not sustained in the future per the Incremental Development Revenue financial policy.   |  |  |  | | --- | --- | --- | | **2024 IDR available** | **$ 399,062** |  | | **Ongoing uses of IDR – positions** |  |  | | initially added in 2015 | 40,964 | Planning Technician (46% of the FTE) | | initially added in 2016 | 185,187 | Associate Planner and Permit Technician | | Initially added in 2017 | 118,768 | Electrical Inspector | | **Ongoing uses of IDR – other ongoing** |  |  | | initially added in 2017 | 44,500 | temp wages | | initially added in 2018 | 9,643 | overtime for plan review | | **2024 total IDR uses** | **$ 399,062** |  |   **ONE TIME EXPENSES**  ***General Fund***  There is a total of $8,439,170 of one-time expenses included in the proposed 2024 General Fund budget. There is $4,109,8360 of one-time revenues that will be used to help offset these one-time expenses making the net one-time expense in the General Fund $4,329,340, $48,938 will come from the reserve for Union Reservoir and $4,280,402 from the undesignated fund balance. ***Attachment M*** is a listing of all one-time expenses in the General Fund. As in previous years we have categorized these expenses in the following areas:  Capital - Equipment $ 1,624,700  IT Equipment or Technology Improvements 1,153,561  Non-Capital - Small Equipment & Supplies 183,017  One Time Services or Expenses 5,477,892  ***Public Safety Fund***  There is a total of $1,178,785 for capital and other one-time expenses included in the proposed 2024 Public Safety Fund budget. ***Attachment N*** is a listing of all the one-time expenses in the Public Safety Fund. We have categorized these expenses in the following areas:  Capital - Equipment $ 182,854  IT Equipment or Technology Improvements 372,187  Non-Capital - Small Equipment & Supplies 85,675  One Time Services or Expenses 282,519  PBF201 Safety and Justice Rehabilitation 200,000  PRO211 Prairie Dog Barrier Replacements 55,550  ***Other Funds***  There is a total of $13,813,491 for capital and other one-time expenses (not including CIP) in the proposed 2024 budget for all other funds. ***Attachment O*** is a listing of these one-time expenses. We have categorized these expenses in the following areas:  Capital - Equipment $ 8,902,739  IT Equipment or Technology Improvements 438,050  Non-Capital - Small Equipment & Supplies 153,903  One Time Services or Expenses 4,318,799  **LDDA BUDGET**  The LDDA prepares and submits a number of budgets annually. First, for the LDDA itself, there are five individual sub-funds included on pages 762 to 772. They are the DDA operating fund; the DDA construction fund; the DDA debt service fund; the DDA building permit fund or development incentive program (DIP); and the DDA Arts & Entertainment fund. Along with those budgets the LDDA also prepares and submits the budget for the Downtown Parking Fund (pages 773-774) and the General Improvement District #1 (pages 779-781).  The LDDA operating fund proposed budget for 2024 includes an increase in overall expenses of $3,119 over 2023. There was $25,000 of one time expense for TIF renewal in this budget for 2023 which is why the overall increase for 2024 is so low. For 2024 the personal services lines items are increasing 3.6% reflecting increased salary costs and benefits linked to those amounts. There is a $6,345 decrease in O&M expenses with the removal of the $25,000 one time expense. The proposed budget as presented includes total expenses of $380,882 with revenue identified to cover all of the proposed expenses for 2024. The largest part of that revenue is $335,874 of property tax based on a conservative staff estimate of the assessed valuation. The preliminary assessed valuation received in late August would generate closer to $372,725 of property tax in 2024. The fund balance of the fund in the proposed budget projected to be approximately $344,503 by the end of 2024.  The LDDA construction fund is utilized when there are projects that involve the use of LDDA tax increment dollars. In 2024 the LDDA is proposing three capital projects: TRP137 Main Street Corridor Plan at a cost of $250,000; DTR008 Downtown Alley Improvement at a cost of $120,000; and DTR036 Downtown Crosswalk Enhancements at a cost of $30,000. The LDDA is also proposing to fund a number of other projects with $368,500 of tax increment dollars in 2024. These are projects and priorities from the Downtown Longmont Master Plan of Development.   * Placer Al data service $ 15,000 * Pedestrian metrics 3,500 * Mural/cultural project 35,000 * Parking study update 15,000 * Event trailer 20,000 * Economic vitality 25,000 * Microtransit downtown shuttle 150,000 * Incentives 50,000 * Cameras 5,000 * Spoke garage O&M & lease 50,000   $368,500  The construction fund also has $20,840 of operation expense to cover project management of the CIP projects. The LDDA implements project management fees to allocate some staff time against the TIF projects that they support. Over the course of each TIF project a 4% management fee is applied to the total project cost. Finally, there is $76,221 for the annual cost for infrastructure renewal & replacement. A loan of tax increment dollars from the Debt Service Fund to the Construction Fund will be needed in 2024 to provide the funding for these projects. There is also $58,400 of parking fee revenue from the Roosevelt Apartments parking garage.  The final payment on the tax increment financing (TIF) bonds issued in 1998 was made in December of 2008. In order to have the tax increment stream of revenue continue as allowed by statute a new debt was established in 2007 by creating an interfund debt to finance the use of TIF dollars (which can only be used to pay debt) for 2008. That debt is maintained so that the TIF revenue can continue. For 2024, the budget for the DDA debt service fund calls for the use of $782,161 of TIF dollars to fund the projects and the project management fees as referenced for the Construction Fund above. There is also another $386,474 budgeted to repay a loan to provide funding for the DDA Arts & Entertainment Fund for 2024. TIF revenue in the 2024 budget is projected at $1,649,454 based on 2022 assessed valuation information. In late August after the proposed budget was completed the assessor’s office provided 2023 preliminary assessed valuation information that projects the 2024 TIF revenue at $2.14 million.  The LDDA Building Permit Fund administers the Development Improvement Program (DIP). Revenues come from fees on building permits from construction projects in the DDA area. Under an IGA, the City transfers an amount equal to these fees to the DDA DIP Fund for downtown improvement projects. The proposed 2024 budget includes $60,000 of revenues for the program to cover a projected $60,000 of program grants.  Since 2007 the LDDA has used TIF funds to fund a marketing and advertising program to fund business recruitment, marketing, branding, special events and promotion for the downtown. The DDA Arts & Entertainment Fund was created during 2011 and funded through TIF revenues as well for a variety of program expenses. In 2014 the two programs were combined into the Arts & Entertainment Fund. The proposed 2024 budget for the Arts & Entertainment Fund of $492,674 includes $181,474 for salary & benefits for 1.41 FTE and temporary staff wages. The budget also includes $311,200 for program expenses including $223,500 for contract services which funds event related expenses and the holiday lights downtown. This budget proposes to fund the proposed 2024 expenses with new TIF funds of $386,474. This amount will combine with program revenues and $11,500 from the City for holiday lights to fund the total proposed budget for the Arts & Entertainment for 2024. ***Attachment P*** are updated budget pages reflecting the $11,500 contribution from the City for the holiday lights.  The Downtown Parking Fund is a City fund that is administered by the LDDA. Parking permits are the primary source of revenue for this fund amounting to $75,000 for 2024. The budget for the Downtown Parking Fund can be found on pages 773 & 774. Expenditures during 2024 total $128,770 for parking lot upkeep and upgrades. The fund balance of this fund is projected to be $149,970 by the end of 2024.  The General Improvement District #1 budget is also proposed by the LDDA. That can be found on pages 779-781. As shown in proposed budget document the GID includes revenue of $198,416 and expenses of $189,020. Based on projected assessed valuation data the revenue estimates were set as $187,916 from property tax from the GID mill levy. The fund balance of this fund is projected to be approximately $294,485 by the end of 2024.  The Arts & Entertainment District, now known as the Downtown Longmont Creative District, is an integral part of redeveloping the Downtown area for the community. The LDDA has used resources from the state designation to create Downtown Longmont Community Ventures (Ventures), a non-profit organization with a mission to promote Downtown vibrancy through arts, culture and economic development. This organization is charged with finding diversified funding streams, sponsorships and stakeholder engagement, as well as supporting implementation of the Arts & Entertainment District plan. Currently, Ventures is being managed by LDDA staff and a volunteer board of directors. The goal is to transition all Creative District programming and implementation to this organization.  ***LDDA Tax Increment Financing***  In the state of Colorado, the state statutes allow for the creation of downtown development authorities and the statutes also govern the powers of such authorities. The section of the statutes that pertain to downtown development authorities is Section 31 Article 25 Part 8. Those sections also address the use of tax increment financing by DDA’s. One of the powers or responsibilities assigned to a DDA in state statute is to:  Plan and propose, within the downtown development area, plans of development for public facilities and other improvements to public or private property of all kinds, including removal, site preparation, renovation, repair, remodeling, reconstruction, or other changes in existing buildings which may be necessary or appropriate to the execution of any such plan which in the opinion of the board will aid and improve the downtown development area;  The Longmont DDA first created a plan of development upon being formed in 1982. The Authority’s Plan of Development, adopted by the City Council in June of 1983, describes a series of objectives designed: to promote the health, safety, prosperity, security and general welfare of the District; to strengthen the economic vitality of the downtown area by preventing the deterioration of property values and structures and by eliminating blighted conditions; and to prepare and implement plans for the economic and physical revitalization of the DDA. The LDDA updated the Master Plan of Development in 1987; in 1995; and most recently in 2017.  In adopting the LDDA Plan of Development in 1983 the City Council adopted the use of tax increment financing as authorized in the Colorado State Statutes:  *That portion of said property taxes…in excess of such amount shall be allocated to and, when collected, paid into a special fund of the municipality for the* ***payment of the principal of, the interest on, and any premiums due in connection with the bonds of, loans or advances to, or indebtedness*** *incurred by, whether funded, refunded, assumed, or otherwise, the municipality for financing or refinancing, in whole or in part,* ***a development project*** *within the boundaries of the plan of development area.*  The Plan established a base property valuation for the overall District as of December 1982 and beginning in 1983, the incremental property tax generated by the various mill levies on those properties above the 1982 base level is earmarked as LDDA TIF revenue and deposited in the LDDA TIF Fund.  While the state statutes allow for tax increment financing by a DDA, they limit the use of those funds to the payment of debt used to finance a development project. Such debt is subject to voter authorization. In March of 1985 the qualified electors of the District authorized the City to issue bonds in an aggregate amount not to exceed $4,500,000 to finance DDA development projects. That authorization was used up with bond issues in 1986 and 1998 and smaller financing projects in between. In 2005 the LDDA received voter approval of a ballot question that would allow debt to be increased up to $10,000,000 for DDA development projects pursuant to the LDDA plan of development which projects may include but not be limited to, at the discretion of the Authority, a mixed use parking structure. Between 2005 and 2015 the LDDA and the City approved the use of $10 million of tax increment financing for the following projects:  Legal expenses for 2005 election $ 7,000  St. Stephen’s pocket park 142,693  Marketing & promotion of downtown 20,000  Marketing program (2007-2013) 1,000,820  Façade loan program 1,300,000  Alleyscape study 18,750  Master plan of development 75,000  Longs Peak & Main market study 8,666  DR-8 Downtown alley improvements 1,414,360  DR-24 Longmont Theatre 250,000  Arts & Entertainment District 75,000  DR-23 Parking lot improvements 340,167  DR-25 Downtown breezeway improvements 746,400  A&E District programs 1,062,504  Storefronts campaign 150,000  Business retention & recruitment 16,666  BID plan 25,000  Incentive programs 1,100,000  Parking structure @ Roosevelt apartments 2,024,000  DR-19 Streetscape improvements 175,000  Infrastructure replacement funding 47,974  Total uses $10,000,000  In November of 2012 LDDA voters approved an additional $25 million of debt authorization which is likely to cover the use of LDDA TIF revenue through 2033 for which the TIF is currently authorized to continue under state statute. Since receiving the $25 million authorization the LDDA and the City have approved the use of $6,546,455 of tax increment financing for projects and efforts such as the following:  PBF-215 Coffman Project $ 2,000,000  Incentive programs 400,000  Infrastructure replacement funding 290,090  Project management expenses 200,980  DTR-023 Downtown Parking Lot improvements 30,000  DTR-029 Downtown Alley Planning 25,000  DTR-032 Plaza Rehabilitation 100,000  DTR-033 Wayfinding Gateways 250,000  Arts & Entertainment programs 1,644,396  Clean & safe programs 80,000  Placemaking programs 320,000  Connectivity programs 150,000  Creative District programs 60,000  Economic vitality programs 157,500  Redevelopment programs 25,000  Marketing collaboration programs 30,000  Metrics 29,500  Electric assessment & upgrades 70,000  COVID grants 200,000  Mural/Cultural project 30,000  Alley cameras 200,000  Parking study update 75,000  Parklet maintenance 25,500  Placer AI 12,000  Spoke garage maintenance 50,000  Main St speed mitigation 250,000  Beginning in 2014, the thirty-first year of the LDDA TIF, the base year for the calculation of the increment was 1992 and the LDDA was only entitled to receive 50% of the TIF. The City and the LDDA negotiated with some of the other taxing entities to receive more than 50% of the TIF generated by their respective mill levies. The annual deadline for such negotiations in reference to the next fiscal year is August 1st. The DDA has an agreement with the St. Vrain Valley School District for a portion of their mill levy. That agreement, along with the City’s own mill levy, is the only TIF dollars beyond the allowed 50% that the LDDA will receive in 2024. As a result the LDDA TIF revenue in this proposed 2024 budget is projected at $1,649,454.  In the 2023 legislative session, the Colorado General Assembly passed SB23-175 regarding the financing of Downtown Development Authority Projects. The bill creates the option for additional 20 year extensions after the expiration of the first 20 year extension. The LDDA first 20 year extension ends in 2033. At its August Board Meeting, the LDDA Board voted to request that the Longmont City Council extend its access to TIF beyond 2033 by authorizing an additional 20 year extension. The extension does not increase or change any mill rate or property tax commitments of the property owner. It authorizes an allocation of the normally assessed property tax within properties downtown to be used to invest in projects and programs within the Downtown District. TIF access is an important tool for implementing the LDDA Master Plan of Development and is a primary source of funding for the LDDA. An ordinance will be presented for consideration to authorize the extension.  ***Downtown Infrastructure Renewal***  Maintenance of the downtown is contracted for by the LDDA Executive Director as per the duties identified in the annual IGA’s between the LDDA and the LGID; and between the City and the LDDA. While some services are provided by external contractors a portion of it is being provided by Public Works and by Natural Resources. Depending on the type of maintenance or support provided the funding source comes from either the Longmont General Improvement District; the Downtown Parking Fund; the Arts & Entertainment Fund; and occasionally the DDA Operating Fund. Primarily the Longmont GID is the historical funding source for expenses related to the repair, replacement and maintenance of District assets including sidewalks, parking lot surfaces and improvements, breezeway walks, structures and other improvements.  In 2013 the Parks Division completed an asset inventory for the downtown to identify the need for continued maintenance and renewal of assets in the downtown. City staff met with the LDDA Executive Director to discuss approaches to meeting those needs. Staff checked with other cities with downtown development authorities that had funded infrastructure in their downtowns and how those entities handled the ongoing maintenance and replacement of those assets. Some were maintained by the City and some by the DDA. With the reduction in TIF revenue the LDDA began to experience in 2014 (year 31) it was unable to solely fund the maintenance and replacement costs. City staff concluded that the infrastructure should be treated as it would be elsewhere in the City where developer improvements are accepted and maintained by the City. Staff also concluded that services to the downtown involving trash removal and street cleaning were services being provided elsewhere in the City by the Sanitation Fund and Streets Fund respectively. Accordingly, it was decided that those services should also be provided by those funds to the downtown as well.  As indicated above, the City Council agreed to allow the LDDA to keep 100% of the TIF generated by the 13.42 mill levy of the General Fund rather than retain the 50% that is allowed for in year 31 under the state statutes. The LDDA Board designated that 50% of that amount, or 25% of the overall TIF generated by the levy (estimated at $76,221 for 2024), would be set aside for renewal or replacement of downtown infrastructure assets.  **EARLY CHILDHOOD CAPACITY BUILDING**  $ 849,951.23 was carried over in the Children, Youth and Families (CYF) budget (from 2022). A portion of this will be used to support the completion of work by Delivery Associates, create a marketing plan and launch the public facing early childhood dashboard to paint a clear picture of supply and demand of early childhood slots. Phase I of the project, the internal dashboard, has been completed and we have moved into Phase II. We’ll have City staff and consultant(s) from Delivery Associates here to provide a demo of the work completed thus far and to provide a roadmap of the work to be done in the next months.  Carryover funds will also support the Friend, Family, Neighbor (FFN) component of the Early Childhood Hub. Ideas for this project include, but are not limited to training space, options for care outside of normal business hours and using the hub as a central gathering place to access resources such as recreation, nutrition, and mental health services for young children. Children, Youth and Families staff along with community partners will be engaging the Friend, Family, Neighbor component of the care system in an Early Education Summit Reboot (follow up from the 2019 summit) to generate ideas on how to best integrate FFN into the Early Childhood Hub project prior to completing its full construction.  In addition to the carryover funds in the CYF budget, other budget line items that support Early Childhood initiatives are:   * $25,000 ongoing funds allocated to the 529 Jump Program; a program designed to bring awareness to saving for post-secondary education by utilizing a tax-deducting 529 savings account. * $200,000 one-time funds allocated to Early Childhood Capacity Building. Children, Youth and Families staff will work with our collaborators to determine the best way to invest these funds in our community. * $100,000 ongoing funds and $200,000 one-time funds that were initially directly called out for Council and Staff and are to be used to assist staff with the cost of childcare.   **SUPPORTING ACTIONS FOR MENTAL HEALTH**  The City Council directed that the non-earmarked 50% of the Special Marijuana Sales Tax be used for mental health and addiction; in 2024, that amount would be $275,000. Staff has found that the greatest need is in therapeutic services, specifically to support our unhoused community members namely those transitioning into housing through our partnership with Longmont Housing Authority. Mental health and substance use concerns that were present during the COVID-19 crisis continue to affect many adults, even as they try to move beyond the pandemic. Census data show nearly 4 in 10 (39.3%) of adults reported symptoms of anxiety and depression in February of 2021, compared to 32.3% in 2023, not much of a marked decrease post pandemic.  Staff has learned a great deal via the work we have done through our Neighborhood Impact Team (NIT). The multidisciplinary, center of excellence model that the NIT work has undertaken has made a difference in not only providing a safer environment for our community but also connecting individuals with much needed resources and services. A similar approach will be taken with Mental Health and Therapeutic Case management that occurs in different divisions across the city.  It is recognized that the mental health crisis hitting our nation shows no sign of abating, with provisional numbers for 2022 showing suicide rates rose by another 2.6% last year. That follows an overall 5% increase in suicides since 2021 according to the U.S. Center for Disease Control and Prevention. Since the City and the Longmont Housing Authority began partnering together in 2020, it has become clear that there is a need to support formerly unhoused residents living in the City’s permanent supportive housing communities with a more robust level of service to support their successful move into housing and self-sufficiency. This is critical, particularly for those experiencing mental health challenges. It is proposed that this funding be used to hire additional Clinicians to support the formally unhoused and provide high-quality community focused supportive mental health services and therapeutic case management. Creating a Mental Health Impact Team, like the NIT, will allow staff to take a broader citywide and cross departmental approach to supporting unhoused individuals. This will benefit not only our unhoused community members moving into housing programs, but also support employees working in those programs because they will be working on a multidisciplinary team. This cross-departmental, collaborative approach will better support the city in leveraging our collective resources.  **HUMAN SERVICE AGENCY FUNDING**  In 2023, the total Human Services funding was $2,468,850. It was allocated as follows:  $1,018,001 Homelessness/Housing Stability Services (41% of total funding) comprised of:   * $490,000 Navigation (including Diversion spending) * $55,000 Housing Focused Shelter * $273,001 Voucher program (15 vouchers)   $1,450,849 Human Services Agency Grant Funding (59% of total funding)  In 2024, there will be a substantial increase for Human Service Agency (HSA) funding.  An additional $179,196 is available for immediate allocation. It is anticipated that there may be an additional $105,000. However, this is pending state property tax legislation that will be on the ballot in November 2023. Given that, at this point, the total HSA funding is $2,648,046.  The following 2024 HSA funding breakdown is proposed:   |  |  |  | | --- | --- | --- | | **2024 Human Services Set Aside Break Down** |  |  | | **Total Amount** | **$2,648,046** | **100%** | | Family Hoteling | $50,000 | 2% | | Homeless Prevention | $200,000 | 8% | | Navigation | $520,000 | 20% | | Housing Focus Shelter | $60,000 | 2% | | Locally Controlled Vouchers | $273,001 | 10% | | LTHERE (Longmont Targeted Homeless Engagement & Referral Effort) | $65,000 | 2% | | **Subtotal Homelessness Services** | **$1,168,001** | **44%** | | **Human Services Agency Funding** | **$1,480,045** | **56%** |   **GRANTS AND EXTERNAL FUNDING SOURCES**  Staff continues to actively monitor and pursue grants and external funding sources to support the achievement of City goals. The Bipartisan Infrastructure Law was passed in November 2021, providing federal funding opportunities in several key infrastructure programs.  A successful RAISE project the City is part of has been discussed with Council, and applications are in process for formula grant funding under the Energy Efficiency Community Block Grant (EECBG).  Staff is considering additional opportunities as Notices of Funding Opportunity are issued, which will continue over the next few federal fiscal years.  In August 2022, the Inflation Reduction Act (IRA) was passed, including further investments in clean energy and climate action totaling nearly $375 billion over the next ten years.  While the grant opportunities are fewer under the IRA, staff are working to position the City to be prepared for direct pay tax credits as guidelines are released regarding these programs.  In addition to these one-time federal investments, staff applies for federal, state, and local funding opportunities as appropriate.  **LONGMONT HUMANE SOCIETY**  In October 2022, the Longmont Department of Public Safety convened with the Longmont Humane Society to deliberate on an increase in funding for Longmont's service contract. The Longmont Humane Society conveyed that the previous cost-sharing model had posed financial challenges and was no longer sustainable. The previous annual contract amount with the Longmont Humane Society stood at $159,597.50.  The Longmont Humane Society presented the following funding augmentation requests:   * 2023: $475,000 * 2024: $625,000 * 2025: $700,000   During this period, the Longmont Humane Society aimed to approach seven government agencies to secure increased funding, with the goal of having each agency eventually cover 100% of their respective costs. Those seven other government agencies are Boulder County, Dacono, Firestone. Fredrick, Lyons, and Mead.  Between October 2022 and March 2023, the Longmont Humane Society and the Longmont Department of Public Safety collaboratively delved into data analysis to identify the factors driving the need for increased funding.  In June, the Longmont Humane Society proposed the following funding increases:   * 2024: $787,374 * 2025: $838,553 * 2026: To Be Determined (TBD)   In July 2023, the staff requested an additional funding increase for the Longmont Humane Society for 2023. The Longmont City Council approved additional funding, totaling $475,000 for the 2023 contract.  Looking ahead to 2024, staff has engaged in ongoing collaboration with the Longmont Humane Society, requesting a budget allocation of $734,747.  As they move forward into 2025 and beyond, the staff continues to scrutinize the data to ascertain Longmont's actual costs. An analysis of animals attributed to Longmont for the months of May, June, and July revealed a 35% error rate in the number of animals attributed to the City of Longmont. Staff anticipates resolving these discrepancies before seeking additional funding for the Longmont Humane Society. |
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| **ATTACHMENTS:**  Attachment J – PRO049 Dry Creek Community Park CIP Project Page  Attachment K – Updated Park Improvement Fund CIP Fund Statement  Attachment L – Metric Information for New Positions  Attachment M – General Fund One Time by Category  Attachment N – Public Safety Fund One Time by Category  Attachment O – All Other Funds One Time by Category  Attachment P – Updated Budget Pages for LDDA |