

City of Redmond



Agenda

Tuesday, September 12, 2023

4:30 PM

**City Hall: 15670 NE 85th St; Remote: Comcast Ch. 21/321, Ziplify Ch. 34,
Facebook (@CityofRedmond), Redmond.gov/rctvlive, or 510-335-7371**

Committee of the Whole - Finance, Administration, and Communications

Committee Members

Steve Fields, Presiding Officer

Jeralene Anderson

David Carson

Jessica Forsythe

Varisha Khan

Vanessa Kritzer

Melissa Stuart

AGENDA

ROLL CALL

1. Approval of ARPA Small Business Resiliency Grant [CM 23-462](#)
Subrecipient Contract

[Attachment A: Subrecipient ARPA City Contract - OneRedmond](#)

[Attachment B: Redmond 2023 Small Business Resiliency Grant Proposal](#)

[Attachment C: 2020 Small Business Grant Recap](#)

Department: Planning and Community Development, 5 minutes

Requested Action: Consent, September 19th

2. Approval of Second Amendment to the Joint Interlocal [CM 23-453](#)
Agreement Regarding the Community Development Block
Grant

[Attachment A: First Amendment to Joint ICA Regarding CDBG - redlined
version](#)

[Attachment B: Second Amendment to Joint ICA regarding CDBG](#)

Department: Planning and Community Development, 5 minutes

Requested Action: Consent, September 19th

3. 2023-2024 Budget Adjustment #1 [CM 23-424](#)

[Attachment A: Ordinance 2023-2024 Budget Adjustment #1](#)

[Exhibit 1: 2023-2024 Budget Adjustment #1](#)

Department: Finance, 5 minutes

Requested Action: Consent, October 3rd

4. 2023-2024 Budget Adjustment #2 [CM 23-341](#)

[Attachment A: Ordinance 2023-2024 Budget Adjustment #2](#)

[Exhibit 1: 2023-2024 Budget Adjustments #1-2](#)

Department: Finance, 5 minutes

Requested Action: Consent, October 3rd

5. 2nd Quarter 2023 Overtime Report [CM 23-423](#)

[Attachment A: 2023 2nd Quarter Overtime Report](#)

Department: Finance, 5 minutes

Requested Action: Informational

6. 2023 Development Services User Fee Study Update [CM 23-463](#)

Department: Finance, 5 minutes

Requested Action: Study Session, September 26th

7. Benefits Update - Potential RedMed Plan Changes for 2024 [CM 23-437](#)

[Attachment A: Resolution](#)

[Exhibit 1: 2024 Plan Changes](#)

Department: Human Resources, 15 minutes

Requested Action: Consent, October 3rd

ADJOURNMENT



Memorandum

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-462

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Planning and Community Development	Carol Helland	425-556-2107
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DEPARTMENT STAFF:

Planning and Community Development	Seraphie Allen	Deputy Director
Planning and Community Development	Philly Marsh	Economic Development Manager

TITLE:

Approval of ARPA Small Business Resiliency Grant Subrecipient Contract

OVERVIEW STATEMENT:

Approval of a contract with OneRedmond to administer the 2023 ARPA Small Business Resiliency Grants.

The small business grant program will provide 100 businesses with \$5,000 cash grants along with an introduction to financial education and capacity building programs available to small businesses.

OneRedmond will provide funding and technical assistance to applicable Community Based Organizations (CBOs) to market this grant opportunity; to assist in the application process for members of their community; and to develop initial programming with the CBOs focused on an introduction to financial capacity building. Technical assistance may include briefings and trainings with the CBO workgroup on the program, translated materials, and coordination of in-person/one-one-one assistance.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information**

☒ **Provide Direction**

☐ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**

2030 Comp Plan Policies:

EV-19 Participate in partnerships with other agencies, businesses, nonprofits and other organizations that further the City's economic vitality goals.

EV-20 Implement, in conjunction with business, education and other community partners, the Strategic Plan for Economic Development to...Identify strategies to retain existing businesses and help them

succeed.

EV-21 Initiate or participate in the following activities in support of economic vitality:

- Monitor future trends and economic conditions;
- Prepare information for businesses on available public sector financing;
- Support federal and state funding of cost effective business financing programs;
- **Required:**
Council Approval is required for contracts over \$50,000
- **Council Request:**
N/A
- **Other Key Facts:**
OneRedmond Administered the 2020 CARES Act Funded Small Business Resiliency Grant Program.

OUTCOMES:

This program will not only support businesses with cash grants helping to mitigate the impacts of COVID, but also work with partners to provide in-language programming to help diverse small businesses accesses future capital needed to successfully operate and grow their business. This program will help to keep businesses in operation in Redmond.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
October-December 2023
- **Outreach Methods and Results:**
OneRedmond staff conducted calls with representatives from the cities of Bellevue, Newcastle, and SeaTac which leveraged ARPA funding to support small business needs to understand how their programs were structured. Staff also conducted a call with the Washington State Department of Commerce to learn more about the State Small Business Credit Initiative (SSBCI) that will launch five capital access programs for small businesses. Programs include a Micro and Small Business Loan Fund, a Revenue-based Loan Program, and other programs aimed at broadening access to capital for small businesses. In addition, Commerce's Small Business Resilience Network (SBRN) is also working on a Credit Building Pilot Program to provide capital to build credit for small businesses and entrepreneurs.
- **Feedback Summary:**
Access to capital remains a key challenge for many small business owners. This coupled with the lack of understanding and financial education needed to access existing and new loans programs is a key barrier for all businesses, in particular our minority-owned businesses. This grant opportunity provides the opportunity to incentivize business owners to learn more about the financial resources and other mechanisms of funding including loan products available. Experienced business owners who have successfully accessed capital through other financial products will be invited to share their experience and wisdom with participants.

BUDGET IMPACT:

Total Cost:

The total cost of this program funded by the American Rescue Plan Act Federal Award is \$570,0000

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-462

Type: Committee Memo

- 100 cash grants of \$5,000 per grant (\$500,000)
- Administration and program development (\$50,000)
- Community Based Organizations Subcontracts (\$20,000)

Approved in current biennial budget: ☒ Yes ☐ No ☐ N/A

Budget Offer Number:

000250 (Community and Economic Development)

Budget Priority:

Vibrant and Connected

Other budget impacts or additional costs: ☐ Yes ☐ No ☒ N/A

If yes, explain:

N/A

Funding source(s):

Federal Award Assistance Listing No. 21.027 - Coronavirus State and Local Fiscal Recovery Funds Federal Award # SLT-1220

Budget/Funding Constraints:

N/A

☐ Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
N/A	Item has not been presented to Council	N/A

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
9/19/2023	Business Meeting	Approve

Time Constraints:

The timing of this grant leverages opportunities for businesses to be ready to access anticipated capital loan products from the State of Washington.

ANTICIPATED RESULT IF NOT APPROVED:

Businesses will not receive funding and access to capital resulting in potential business closures in Redmond.

ATTACHMENTS:

Attachment A: ARPA Subrecipient Agreement with OneRedmond

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-462

Type: Committee Memo

Attachment B: Small Business Resiliency Grant Program Proposal

Attachment C: 2020 Small Business Grant Recap

AMERICAN RESCUE PLAN ACT (ARPA) SUBRECIPIENT AGREEMENT

Federal Award Assistance Listing No. 21.027 – Coronavirus State and Local Fiscal Recovery Funds

THIS AGREEMENT (“Agreement”) is entered into between the City of Redmond, a Washington municipal corporation (“City”), and **OneRedmond** (“Subrecipient”) for the purposes set forth hereinafter.

RECITALS

WHEREAS, the City has received funds from the United States Department of the Treasury pursuant to Sections 602 and 603 of the Social Security Act, which implements Section 9901 of the American Rescue Plan Act (“ARPA”), Subtitle M of Pub. L. 117-2; and

WHEREAS, Subrecipient is a non-Federal entity that has requested funds from the City in order to carry out programs or activities that are eligible for ARPA funding and that the City has determined will benefit Redmond residents or businesses; and

WHEREAS, the City and Subrecipient wish to set forth the terms and conditions under which the City will pass-through ARPA funds to Subrecipient to carry out the specified programs and activities.

NOW, THEREFORE, the City and Subrecipient agree as follows:

1. Scope of Programs and Activities. Subrecipient shall undertake and complete the programs and activities described on Attachment A to this Agreement. Subrecipient shall complete the programs and activities in a manner satisfactory to the City and consistent with the terms and conditions of this Agreement and applicable Federal statutes and regulations, including but not limited to, ARPA and the US Treasury Guidance *Interim Final Rule* on the “Coronavirus State and Local Fiscal Recovery Funds,” 86 Fed. Reg. 26786, 26787. If the *Interim Final Rule* is replaced with a permanent final rule during the term of this Agreement, Subrecipient shall also comply with such final rule.

2. Time of Performance. The programs and activities described on Attachment A shall begin on September 19, 2023 and end on December 31, 2023, unless terminated earlier as provided in this Agreement.

3. Administrative Cost and Grant Disbursement

A. The City will fund Subrecipient for allowable costs incurred described on Attachment A in an amount not to exceed **\$ 570,000**. All funds provided by the City under this Agreement shall be used solely for the programs and activities described on Attachment A. This includes \$50,000 for subrecipients administration and program development, \$20,000 for subcontracts with community-based organizations to promote to diverse

businesses, and \$500,000 to be directly awarded to businesses. The \$50,000 for administration and program development and the \$20,000 for subcontracts with community-based organization shall be paid by the City on a reimbursement basis as expenses are incurred, subject to receipt of invoices detailing the expenditures as provided below. The \$500,000 for direct business grants will be disbursed to Subrecipient after grants are awarded to businesses and grant contracts are signed. Subrecipient must provide a list of businesses to receive the grant for funds to be disbursed.

B. ARPA requires that all funds be obligated no later than December 31, 2024 and expended no later than December 31, 2026. Subrecipient therefore understands that if this Agreement provides for programs and activities to be undertaken by Subrecipient after December 31, 2024, Subrecipient will be entitled to receive reimbursement for such programs and activities only if (i) the programs and activities are listed on Attachment A; and (b) request for reimbursement is submitted to the City no later than September 1, 2026, to enable the City to properly audit the request and make payment prior to the December 31, 2026 deadline. The City will not reimburse Subrecipient for any expenses not incurred and submitted in a timely manner in compliance with ARPA.

C. All requests for reimbursement shall be on forms provided and approved by the City and shall be supported by properly executed payrolls, time records, invoices, vouchers, receipts, or other official documentation, as evidence of the nature and propriety of the charges. Only those costs directly related to this Agreement shall be paid. The amount of each request shall be limited to the amount needed for payment of eligible costs.

D. The Subrecipient shall also:

i. Register and maintain an updated profile on the System for Award Management (SAM).

ii. Maintain an effective system of internal fiscal control and accountability for all ARPA funds and all property, services, and equipment procured with ARPA funds, and ensure that the same are used solely for the purposes authorized by this Agreement.

iii. Keep a continuing record of all disbursements by date, check number, amount, vendor, description of items purchased and line item(s) from which the money was expended, as reflected in Subrecipient's accounting records.

iv. Maintain payroll, financial, and expense reimbursement records for a period of six (6) years after receipt of final payment under this Agreement.

v. Permit inspection and audit of its records with respect to all matters authorized by this Agreement by representatives of the City, the Washington State Auditor's Office, and the U.S. Department of Treasury at any time during normal business hours and as often as deemed necessary by such agencies.

vi. Inform the City concerning any funds allocated to the Subrecipient as provided in Section 3(A) that the Subrecipient anticipates will not be expended during the term of this Agreement and permit the reassignment of the same by the City to other Subrecipients or the use by the City in accord with ARPA.

vii. Repay the City any funds in its possession at the time of the termination of this Agreement that have not been expended or obligated under a non-cancellable contract as of the date of termination.

viii. Maintain complete records concerning the receipt and use of all program funds.

E. As required by 2 C.F.R. §200.415(a), any request for reimbursement must include a certification, signed by an official who is authorized to legally bind the Subrecipient, which reads as follows: “By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and that the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false claims or otherwise. (U.S. Code Title 18, Sections 1001 and Title 31, Sections 3729-3730 and 3801-3812).” No reimbursement will be made until the certification is provided.

F. If the City or the U.S. Department of the Treasury determines that any funds were expended by the Subrecipient for unauthorized or ineligible purposes or that the expenditures constitute disallowed costs in any other way, the City may order Subrecipient to repay the same. The Subrecipient shall remit the disallowed amount to the City within thirty (30) days after written notice of the disallowance.

4. Reports.

A. Consistent with 2 C.F.R. §200.328, the Subrecipient shall provide the City with quarterly reports and a close-out report. These reports shall be in a form acceptable to the City and shall include the current status and progress of the Subrecipient in providing the programs and activities described in Attachment A and in expending the total award amount described in Section 3(A) above.

B. Quarterly reports are due to the City no later than fifteen (15) days after the end of each calendar quarter during which this Agreement is effective. Quarterly reports shall be submitted each quarter until submission of the close-out report. The ending dates for each quarter of the program year are March 31, June 30, September 30, and December 31.

C. The close-out report is due fifteen (15) days after the time of performance specified in Section 2 ends. The close-out report shall provide a complete list of expenditures related to this Agreement made by Subrecipient and reimbursed by the City, and may group such expenditures by allocation category, if applicable. The close-out report shall also provide a narrative describing the goals and objectives of the programs and activities funded under this

Agreement and the extent to which such goals and objectives were met or not met by Subrecipient. The close-out report shall contain the certification required by Section 3(D) above.

5. Compliance with Laws. Subrecipient shall comply with all local, state, and Federal laws, rules, regulations, and requirements and all provisions of this Agreement, which includes, but is not limited to, compliance with the provisions of ARPA, the US Treasury Guidance *Interim Final Rule* on the “Coronavirus State and Local Fiscal Recovery Funds,” any permanent final rule adopted by the U.S. Department of the Treasury related to ARPA, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements to Federal Awards, 2 CFR Part 200, including additions and exceptions made by Treasury, Universal Identifier and System for Award Management (SAM), 2 C.F.R. Part 25, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference, Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference, Recipient Integrity and Performance Matters, pursuant to which the award term set forth in 2 C.F.R. Part 200, Appendix XII to Part 200 is hereby incorporated by reference, Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations, and all rules, regulations, guidelines, and circulars promulgated by the various Federal departments, agencies, administrations, and commissions related to the ARPA program.

6. Debarment and Suspension. As required by Executive Order 12549 and implemented at 2 CFR Parts 180 and 3185, Subrecipient and its undersigned signatory certifies, to the best of its knowledge and belief, that neither Subrecipient, nor any of its principals or officers:

A. are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;

B. have within a three-year period preceding entry into the Agreement, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction, or in connection with a violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

C. are presently indicted for or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in subsection (B) of this section; or

D. have within a three-year period preceding entry into the Agreement had one or more public transactions (federal, state, or local) terminated for cause or default.

Subrecipient further agrees that it will not enter into any contract to be funded in whole or in part under this Agreement with any contractor who is ineligible to enter into government contracts for any of the reasons described above and will require all contractors retained by Subrecipient to provide a certification equal to that of Subrecipient above.

7. **Lobbying.** Subrecipient and its undersigned signatory certify, to the best of their knowledge and belief that:

A. No Federal appropriated funds have been paid or will be paid, by or on behalf of Subrecipient or its undersigned signatory, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of a federal contract, the making of a federal grant, the making of a federal loan, the entering into of a cooperative agreement, or the extension, continuation, renewal, amendment, or modification of a federal contract, grant, loan, or cooperative agreement.

B. If any funds other than appropriated Federal funds have been paid or will be paid to any person (other than a regularly employed officer or employee of the Service Provider or its undersigned signatory) for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Subrecipient or its undersigned signatory shall request, complete, and submit U.S. Small Business Administration Standard Form LLL: "Disclosure of Lobbying Activities," in accordance with its instructions.

C. Subrecipient shall require that the following certification be included in the award documents of all subawards of all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and Subrecipients and all recipients of subawards certify and disclose accordingly:

This certification is a material representation of fact upon which reliance was placed when this transaction was entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

8. **Compliance with Non-Discrimination Laws.**

A. During the performance of the Agreement, the Subrecipient, for itself, its subcontractors, subgrantees, assignees, and successors in interest, assures that it currently complies and will in the future comply with the following laws and regulations:

i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. Chapter 21, Subchapter V § 2000d through 2000d-4a) which prohibits exclusion from participation, denial of benefits of, or subject to discrimination under programs and activities receiving federal financial assistance, of any person in the United States on the ground of race, color or national origin.

- ii. Civil Rights Restoration Act of 1987 (Public L. 100-259), which specifies that recipients of federal funds must comply with civil rights laws in all areas, not just in the particular program or activity receiving federal funding.
- iii. Federal-aid Highway Act of 1973 (23 U.S.C. Chapter 3 § 324), which prohibits discrimination on the basis of sex (if work performed by Subrecipient relates to a “federal-aid highway” as defined in 23 U.S.C. § 101).
- iv. Fair Housing Act, Title VIII of the Civil Rights Act of 1964 (42 U.S.C. § 3601 *et seq.*), which protects people from discrimination when they are renting or buying a home, getting a mortgage, seeking housing assistance, or engaging in other housing-related activities.
- v. Americans with Disabilities Act of 1990 (42 U.S.C. Chapter 126 § 12101, *et seq.*), which prohibits discrimination on the basis of disability).
- vi. Rehabilitation Act of 1973 (29 U.S.C. Chapter 16 Subchapter V § 794), which prohibits discrimination on the basis of disability).
- vii. Age Discrimination Act of 1975 (42 U.S.C Chapter 76 § 6101, *et seq.*), which prohibits discrimination on the basis of age).
- viii. 23 CFR Part 200, implementing regulations for Title VI of the Civil Rights Act of 1964.
- ix. 9 CFR Part 21, implementing regulations for nondiscrimination in Federally-assisted transportation programs, if applicable.
- x. 49 CFR Part 26, which provides for participation of disadvantaged businesses in US Department of Transportation financial assistance programs, if applicable.
- xi. RCW Chapter 49.60, the Washington Law Against Discrimination, which prohibits discrimination on the basis of race, color, creed, religion, sex, honorably discharged veteran or military status, sexual orientation, the presence of any sensory, mental, or physical disability, or the use of a trained dog guide or service animal by a person with a disability, or national origin, citizenship or immigration status, or lawful business relationship.
- xii. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations.
- xiii. Executive Order, 13166, Improving Access to Services for Persons with Limited English Proficiency (LEP). Subrecipient agrees to consider the need for language services for LEP persons when conducting programs, services, and activities.
- xiv. Title IX of the Education Amendments of 1972 (20 U.S.C. § 681, *et seq.*) if the work performed by Subrecipient constitutes an education program or activity.

B. In addition, Subrecipient makes the following assurances of compliance with Title VI of the Civil Rights Act of 1964:

i. Subrecipient ensures its current and future compliance with Title VI of the Civil Rights Act of 1964, as amended, which prohibits exclusion from participation, denial of the benefits of, or subjection to discrimination under programs and activities receiving federal financial assistance, of any person in the United States on the ground of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury Title VI regulations at 31 CFR Part 22 and other pertinent executive orders such as Executive Order 13166, directives, circulars, policies, memoranda, and/or guidance documents.

ii. Subrecipient acknowledges that Executive Order 13166, “Improving Access to Services for Persons with Limited English Proficiency,” seeks to improve access to federally assisted programs and activities for individuals who, because of national origin, have Limited English proficiency (LEP). Subrecipient understands that denying a person access to its programs, services, and activities because of LEP is a form of national origin discrimination prohibited under Title VI of the Civil Rights Act of 1964 and the Department of the Treasury’s implementing regulations. Accordingly, Subrecipient shall initiate reasonable steps, or comply with the Department of the Treasury’s directives, to ensure that LEP persons have meaningful access to its programs, services, and activities. Subrecipient understands and agrees that meaningful access may entail providing language assistance services, including oral interpretation and written translation where necessary, to ensure effective communication in the Subrecipient’s programs, services, and activities.

iii. Subrecipient agrees to consider the need for language services for LEP persons when Subrecipient develops applicable budgets and conducts programs, services, and activities. As a resource, the Department of the Treasury has published its LEP guidance at 70 FR 6067.

iv. Subrecipient acknowledges and agrees that compliance with the assurances constitutes a condition of continued receipt of federal financial assistance and is binding upon Subrecipient and Subrecipient’s successors, transferees, and assignees for the period in which such assistance is provided.

v. Subrecipient acknowledges and agrees that it must require any sub-grantees, contractors, subcontractors, successors, transferees, and assignees to comply with assurances 8.B.i through 8.B.iv above. The following provision is expressly included in this Agreement because it is required by ARPA, and Subrecipient agrees to incorporate the following language in every contract or agreement subject to Title VI and its regulations between Subrecipient and Subrecipient’s sub-grantees, contractors, subcontractors, successors, transferees, and assignees:

The subgrantee, contractor, subcontractor, successor, transferee, and assignee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits or, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. 2000d, *et seq.*), as implemented by the Department of the Treasury’s Title VI regulations, 31 CFR Part 22, which are herein incorporated

by reference and made part of this Agreement, Title VI also includes protection to persons with “Limited English Proficiency” in any program or activity receiving federal financial assistance, 42 U.S. C. 2000d, *et seq.*, as implemented by the Department of the Treasury’s Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this contract or agreement.

9. Increasing Seat Belt Use. Pursuant to Executive Order 13403, 62 FR 19217 (Apr. 17, 1997), Subrecipient should (and should encourage its subcontractors and subgrantees to) adopt and enforce on-the-job seat belt policies and programs for employees when operating company-owned, rented or personally owned vehicles.

10. Reducing Text Messaging While Driving. Pursuant to Executive Order 13513, 74 FR 51225 (Oct. 1, 2009), Subrecipient should encourage its employees and subcontractors to adopt and enforce policies that ban text messaging while driving, and Subrecipient should establish workplace safety policies to decrease accidents caused by distracted drivers.

11. Drug-Free Workplace. Subrecipient agrees to comply with the drug-free workplace requirements in subpart B of 2 CFR Part 3186, which adopts the Government-wide Implementation (2 CFR Part 182) of sections 5152-5158 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701, *et seq.*). Subrecipient and its undersigned signatory certify that Subrecipient will or will continue to provide a drug-free workplace by taking actions such as, but not limited to, making a good faith effort, on a continuing basis, to maintain a drug-free workplace; publishing a drug-free workplace statement; taking actions concerning employees who are convicted of violating drug statutes in the workplace; and identifying all known workplaces under the Agreement.

12. Copeland “Anti-Kickback” Act of 1934. Unless exempt under Federal law, all contracts for construction or repair entered into by Subrecipient using funds provided under this Agreement shall include a provision for compliance with the Copeland “Anti-Kickback” Act (18 U.S.C. § 874) and the Department of Labor regulations implementing the same (29 C.F.R., Part 3). The Act and implementing regulations provide that each grantee, subcontractor or subgrantee shall be prohibited from inducing, by any means, any person employed in the construction, completion or repair of a public work, to give up any part of the compensation to which he is otherwise entitled.

13. Political Activities. Subrecipient agrees that no funds provided under this Agreement, nor any personnel while employed in providing programs and activities under this Agreement, shall in any way or to any extent engage in the conduct of political activities.

14. Conflict of Interest.

A. No personnel of Subrecipient shall, prior to the completion of the programs and activities funded by this Agreement, voluntarily or involuntarily acquire any personal interest, direct or indirect, which is incompatible or in conflict with the discharge or fulfillment of his functions or responsibilities with respect to the completion of the work contemplated under this Agreement. Any person who, prior to or after the execution of this Agreement, acquires any

personal interest, involuntarily or voluntarily, shall immediately disclose his or her interest to the City in writing. Thereafter, he or she shall not participate in any action affecting the work under this Agreement unless the City determines that, in light of the personal interest disclosed, his or her participation in any such action would not be contrary to the public interest.

B. To the best of Subrecipient's knowledge and belief, and to the best knowledge and belief of Subrecipient's officers and directors, there are no conflicts of interest in accepting the award of funds under this Agreement. Subrecipient further warrants that to the best of its knowledge and belief, and to the best knowledge and belief of its officers and director, none of its officers, directors, agents, or employees is now engaged in litigation against the City or retained by, providing services for, or otherwise assisting any person engaged in litigation against the City.

C. Subrecipient understands and agrees it must maintain a conflict of interest policy consistent with 2 C.F.R. § 200.318(c) and that such conflict of interest policy is applicable to each activity funded under this award. Subrecipient must disclose in writing to Treasury or the City, as appropriate, any potential conflict of interest affecting the awarded funds in accordance with 2 C.F.R. § 200.112.

15. Separate Written Assurances and Certifications. Subrecipient agrees to execute separate written assurances or certifications regarding compliance with Sections 6 – 14 of this Agreement, if required to do so by the City to secure reimbursement from ARPA funds.

16. Protection for Whistleblowers.

A. In accordance with 41 U.S.C. § 4712, Subrecipient may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided in subsection (B) below, information that the employee reasonably believes is evidence of a gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including competition for or negotiation of a contract) or grant.

B. The list of persons or entities referenced in subsection (A) above includes the following:

- i. A member of Congress or a representative of a committee of Congress;
- ii. An Inspector General;
- iii. The Government Accountability Office;
- iv. A U.S. Treasury employee responsible for contract or grant oversight or management;

v. An authorized official of the U.S. Department of Justice or other law enforcement agency;

vi. A court or grand jury; or

vii. A management official or other employee of Subrecipient, the City, a contractor, or subcontractor, who has the responsibility to investigate, discover, or address misconduct.

C. Subrecipient shall inform its employees of the rights and responsibilities provided by this section, in the predominant language of the workforce.

D. Subrecipient shall immediately report any information provided by an employee of Subrecipient pursuant to subsection (A) to the City's Finance Director.

17. Public Records Disclosure.

A. Subrecipient acknowledges that the City is an agency governed by the public disclosure requirements set forth in Washington's Public Records Act, Chapter 42.56 RCW. Subrecipient shall fully cooperate with and assist the City with respect to any request for public records received by the City for any public records generated, produced, created, and/or possessed by Subrecipient and related to the programs or activities undertaken by Subrecipient under this Agreement. Upon written demand by the City, Subrecipient shall furnish the City with full and complete copies of any such records within five (5) business days. Subrecipient shall provide copies of the requested records at no cost to the City.

B. Subrecipient's failure to timely provide such records upon demand shall be deemed a material breach of this Agreement. To the extent that the City incurs any monetary penalties, attorney's fees and/or other expenses as a result of such breach, Subrecipient shall fully indemnify and hold the City harmless from such penalties, fees and/or expenses.

18. Independent Contractor. The City and Subrecipient intend that an independent contractor relationship will be created by this Agreement. The City is interested primarily in the results to be achieved and the implementation and management of the programs and activities that are the subject of this Agreement are the sole responsibility and authority of Subrecipient, subject to compliance with the terms set forth in this Agreement. Subrecipient shall not be deemed to be an employee, servant, or representative of the City for any purpose, and officers, directors, and employees of Subrecipient are not entitled to any of the benefits the City provides for its employees. Subrecipient, as an independent contractor, is solely responsible for its acts, errors, and omissions and those of its officers, employees, servants, subcontractors or representatives during the performance of this Agreement.

19. Indemnification. Subrecipient shall indemnify, hold harmless, and defend the City, its elected and appointed officers, agents, employees and volunteers, from and against any and all claims, demands, suits at law or equity, actions, penalties, loss, damages, or costs, of whatsoever kind or nature, brought against the City arising out of, or in connection with, or incident

to, the execution of this Agreement and/or the Subrecipient's performance or failure to perform under this Agreement, except where such claims, demands, suits, actions, penalties, losses, damages, or costs arise from the sole negligence or sole misconduct of the City. Solely for the purpose of effectuating the indemnification obligations under this Section, and not for the benefit of any third parties (including employees of the parties), Subrecipient specifically and expressly waives any immunity for injuries to its employees that may be granted to it under applicable federal, state or local worker's compensation acts or other employee benefit acts. The parties acknowledge that the foregoing waiver has been specifically and mutually negotiated between the parties.

20. Insurance.

A. The Subrecipient shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Subrecipient, their agents, representatives, employees, or subcontractors. Subrecipient's maintenance of insurance as required by this Agreement shall not be construed to limit the liability of Subrecipient to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

B. Subrecipient shall provide a Certificate of Insurance and additional insured endorsement page(s) evidencing:

i. Automobile Liability insurance with limits no less than \$1,000,000 combined single limit per accident for bodily injury and property damage on all owned, non-owned, hired and leased vehicles. If necessary, the policy shall be endorsed to provide contractual liability coverage.

ii. Commercial general liability insurance written on an ISO occurrence basis form CG 00 01 or equivalent, covering liability arising from premises, operations, property damage, independent contractors, and personal injury and advertising injury, with limits of \$1,000,000 combined single limit per occurrence and \$2,000,000 aggregate.

iii. Worker's Compensation coverage as required by the Industrial Insurance laws of the State of Washington (no additional insured endorsement is required for this coverage).

iv. Professional liability insurance, including "errors and omissions" with limits no less than \$1,000,000 on a claims-made annual aggregate basis – additional insured does not apply to this specific coverage (if applicable to project – required for engineering, architects, and some professional consultants – otherwise this coverage stipulation does not apply).

C. The City, its officers, agents and volunteers shall be named as an additional insured on the insurance policies, except for Professional Liability and Worker's Compensation, as respects work performed by or on behalf of Subrecipient and a copy of the endorsement naming

the City as additional insured shall be attached to the Certificate of Insurance and provided to the City before the programs and activities authorized by this Agreement are undertaken. The City reserves the right to request certified copies of any required insurance policies. Subrecipient's insurance shall be primary insurance with respect to the City and any payment of deductible or self-insured retention shall be the sole responsibility of Subrecipient.

D. Subrecipient's insurance shall contain a clause stating that coverage shall apply separately to each insured against whom claim is made or suit is brought, except with respects to the limits of the insurer's liability. Subrecipient shall provide the City with written notice of any policy cancellation, within five (5) business days of their receipt of such notice.

E. Failure on the part of Subrecipient to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days' notice to Subrecipient to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Subrecipient from the City.

21. Recognition of City and Federal Government. The Subrecipient shall ensure recognition of the role of the City and the U.S. Department of Treasury in providing the programs and activities funded by this Agreement. All activities, facilities and items used pursuant to this Agreement shall be prominently labeled as to the funding source. In addition, the Subrecipient will include the following language in all publications made possible with funds made available under this Agreement in order to recognize the contribution of the City and the U.S. Department of Treasury:

This project is being supported, in whole or in part, by federal award number SLT-1220 awarded to the City of Redmond by the U.S. Department of the Treasury.

22. Copyright. If this Agreement results in any copyrightable material or inventions, the City and the U.S. Department of Treasury are granted a right to a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, the work or materials for governmental purposes.

23. Termination.

A. The City may immediately terminate this Agreement by giving reasonable written notice of termination to Subrecipient for any of the following reasons:

- i. Failure of Subrecipient to fulfill its obligations under this Agreement in a timely and proper manner.
- ii. Failure of Subrecipient to submit reports that are complete and accurate.

iii. Failure of Subrecipient to use the ARPA funds for the stated purposes in this Agreement.

iv. Termination of the ARPA funding by the U.S. government.

B. After receiving written notice of termination, Subrecipient shall incur no new obligations and shall cancel as many outstanding obligations as possible. Subrecipient shall submit a final close-out report within sixty (60) days after receiving written notice of termination. Upon compliance with this section, Subrecipient shall receive reimbursement for all expenses incurred for programs and activities that were satisfactorily performed prior to the effective date of the termination and that were otherwise eligible for reimbursement.

24. Notices. Notices to be provided under this Agreement shall be in writing and sent to the parties at the following addresses:

TO THE CITY:
City of Redmond
15670 NE 85th St,
Redmond, WA 98052

TO THE SUBRECIPIENT:
OneRedmond
8383 158th Ave NE, Suite 225
Redmond, WA 98052

Notice may be given by email or by U.S. mail. If given by email, notice shall be effective upon transmission with a correct email address. If given by U.S. mail, notice shall be effective three days after deposit of the notice in the U.S. mail, postage prepaid, properly addressed to a party as provided in this Section.

25. Waiver. No act of forbearance of failure to insist on Subrecipient's prompt and complete performance of its obligations, either express or implied, shall be construed as a waiver by the City of any of its rights hereunder. No waiver of the right to insist on strict performance by Subrecipient of any specific term of this Agreement shall constitute a waiver of any other specific term.

26. Successors. This Agreement shall be binding on the parties, their successors in interest and assigns.

27. No Third-Party Beneficiaries. This Agreement is intended to be solely for the benefit of the parties and shall not be deemed to confer upon or give to any other person or third party any right, remedy, claim, cause, or action.

28. Governing Law and Jurisdiction. This Agreement shall be governed by the laws of the State of Washington. In the event of any dispute over the terms and conditions or this Agreement or any alleged breach thereof, the exclusive venue and jurisdiction for any litigation arising hereunder shall be the Superior Court of the State of Washington in and for King County, located in Redmond, Washington.

29. Attorney's Fees and Costs. If litigation is instituted by either party over the terms of this Agreement or to redress any breach thereof, the prevailing party in any such litigation shall be entitled to recover its costs and reasonable attorney's fees from the non-prevailing party.

30. Severability. If any section or provision of this Agreement is held to be invalid or unconstitutional by a court of competent jurisdiction, the section or provision shall be deemed several and shall not affect the validity or constitutionality of any other provision or section.

31. Entire Agreement – Amendment. This Agreement and any exhibits thereto constitute the complete understanding of the parties and supersedes all prior discussions, negotiations, proposals, and understandings, written or oral, with respect to the subject matter of this Agreement. This Agreement may be amended only by written instrument executed by both parties.

Executed and effective as of the last date set forth below.

CITY OF _____

SUBRECIPIENT, _____

Mayor
Date: _____

(signature)

(Type or print name)
Title: _____
Date: _____

City of Redmond Small Business Resiliency Grant

From: Kristina Hudson, OneRedmond

To: Philly Marsh, City of Redmond

Date: June 29, 2023

RE: Proposal for Redmond Small Business Resiliency Grant

Background and Research

With the likelihood of limited future grant opportunities for businesses in Redmond, due diligence was conducted to understand how best to leverage this grant opportunity to equitably educate and empower businesses to understand and access programs to strengthen their business.

OneRedmond staff conducted calls with representatives from the cities of Bellevue, Newcastle, and SeaTac which leveraged ARPA funding to support small business needs to understand how their programs were structured. Staff also conducted a call with the Washington State Department of Commerce to learn more about the State Small Business Credit Initiative (SSBCI) that will launch five capital access programs for small businesses. Programs include a Micro and Small Business Loan Fund, a Revenue-based Loan Program, and other programs aimed at broadening access to capital for small businesses. In addition, Commerce's Small Business Resilience Network (SBRN) is also working on a Credit Building Pilot Program to provide capital to build credit for small businesses and entrepreneurs.

Staff learned that access to capital remains a key challenge for many small business owners. This coupled with the lack of understanding and financial education needed to access existing and new loans programs is a key barrier for all businesses, in particular our minority-owned businesses.

The small business grant program provides cash grants along with an introduction to financial education and capacity building programs available to small businesses. This helps to ensure that even after the grant benefit, there will remain a connection to resources and programs to assist. All eligible small businesses can apply regardless of industry.

Eligibility Criteria:

- 10 or fewer FTEs
- Businesses must have been in operation prior to April 2020 (with the same ownership) and must be currently operational.
- Businesses must have minimum gross receipts or sales of \$12,000 in 2019 (or 2020 for businesses that opened in 2020)
- Businesses must have \$4 million or less in annual gross receipts or sales in 2019 (or 2020 for businesses that opened in 2020)
- Business must show financial impact from the COVID-19 pandemic.
- Business must be physically located in the 98052 zip code
- Business must have a valid City of Redmond business license and must currently be in business.
- Businesses must have a valid UBI and EIN/TIN. Tribal member-owned businesses without a UBI may provide alternative business validation such as a license or registration with a federally recognized tribal nation in Washington State.

- Business must generate at least 51% of revenue in Washington state (i.e., be an "in state" business).
- Businesses must have a Unique Entity Identifier (UEI) to receive federal grant funds.
- Business must be independently owned and operated.
- Business must not have permanently closed or intend to permanently close in 2023.
- Business must have expenses that are necessary to continue business operations (i.e. payroll, rent, etc.). Expenses cannot be a federal, state, or local tax, fee, license, or other government revenue.
- Previous grant recipient information– applicants must self-attest to whether they previously received a grant from a city, county, state or private source. Priority will be given to businesses who have been left out of previous opportunities.
- Provide a W-9
- Nonprofits are not eligible for this grant opportunity.

Selection Process

- OneRedmond staff reviews each application as it is received to verify eligibility requirements.
 - Staff will follow up with applicants whose applications are incomplete and work with CBO partners where appropriate to assist in obtaining the required information by the stated deadline.
- Lottery
 - Eligible applicant data will be sent to an external bookkeeping/accounting organization.
 - External organization will inputs applicant names into a system and runs a formula that randomly selects awardees
- If an initial grantee declines the grant, the next number/name on the list will be notified as a grant recipient.

CBO Engagement

OneRedmond will provide funding and technical assistance to applicable Community Based Organizations (CBOs) to market this grant opportunity; to assist in the application process for members of their community; and to develop initial programming with the CBOs focused on an introduction to financial capacity building. Technical assistance may include briefings and trainings with the CBO workgroup on the program, translated materials, and coordination of in-person/one-one-one assistance. CBOs will be selected based on input from the City of Redmond and the common languages spoken in the city.

This grant opportunity provides the opportunity to incentivize business owners to learn more about the financial resources and other mechanisms of funding including loan products available. Experienced business owners who have successfully accessed capital through other financial products will be invited to share their experience and wisdom with participants.

Budget

- 100 cash grants of \$5,000 per grant (\$500,000)
- Administration and program development (\$50,000)
- Community Based Organizations Subcontracts (\$20,000)

Proposed Timeline

Week 1-2	Review program with CBOs and key stake holders Design and develop application Design marketing materials Develop a calendar of key dates
Week 3	Work with CBOs on outreach plan and educational programming Review portal and application with CBOs for any final questions
Week 4-8:	Application is launched and marketing outreach begins Host English webinar and separate in-language CBO programs, and in-person technical assistance sessions As applications are received, they are reviewed and follow up is conducted as needed.
Week 9:	Application closes. Data provided to external consultant for lottery to ID recipients.
Week 10:	Notify awardees and procure documents from grant recipients.
Week 11-12:	Disperse funds.

REDMOND SMALL BUSINESS RESILIENCY GRANT PROGRAM

HELPING SMALL BUSINESSES
NEGATIVELY IMPACTED BY COVID-19



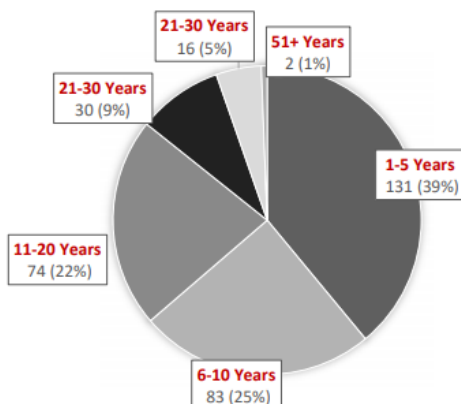
REDMOND 2020 COVID-19 GRANT PROGRAM SERIES

Purpose: To address the needs of Redmond small businesses impacted by the COVID-19 Pandemic, in July 2020, Redmond City Council voted to allocate over \$1.5 million in CARES Act funds to provide grants to small businesses to be distributed by October 31, 2020. In November 2020, a subsequent allocation of an additional \$324,000 CARES Act dollars was made for Phase II of the grant program prioritizing home-based businesses, and for Winterization Reimbursements. This allocation increased the total amount of grants distributed to small businesses to \$1.854 million. The City of Redmond, working in partnership with OneRedmond, developed and executed these three grant programs in accordance with the CARES Act Requirements: The Phase I Resiliency Grant, the Phase II Resiliency Grant, and the Winterization Reimbursement Grant. All combined, a total of 352 grants were distributed to small businesses and non-profit organizations by the end of 2020.

Grant Recipient Summary: Through the online application process, OneRedmond was able to capture information about the companies applying for and receiving the grants. Almost all of the organizations that applied, and met the eligibility criteria, were awarded a grant. A total of 336 grant recipients were awarded grants from \$1,500 to \$10,000. Grant funds were automatically deposited into the bank accounts of the grant recipients or a physical check was mailed to those that decided not to provide banking information.

Grant Program	Recipients	Dollars
Resiliency – Phase I	254	\$1,530,000
Resiliency – Phases II	76	\$228,250
Winterization Reimbursement	22	\$95,950
Total Grants	352	\$1,854,200
Total Recipients	336	

Years in Operation: A relative significant number of businesses were young, with 131 (39%) had been in operation for between 1-5 years. 83 (25%) had been in operation for 6-10 years. 74 (22%)



Years in Operation

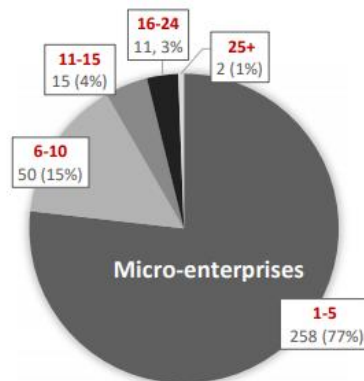
1-5	131	39%
6-10	83	25%
11-20	74	22%
21-30	30	9%
31-50	16	5%
51+	2	1%
	336	100%

businesses had been in operation for between 11-20. 30 (9%) had been in business for 31-50 years, and 16 (6%) had been in operation for over 31 years.

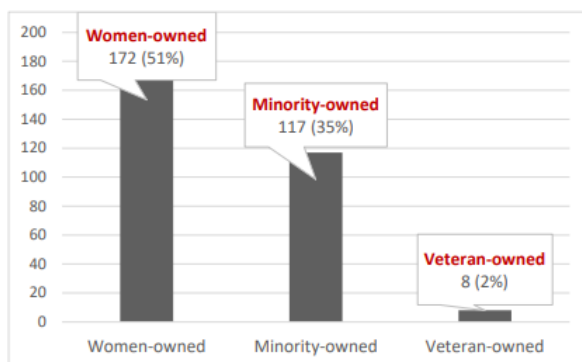
Number of Full-Time Employees: The significant majority of grant awardees, 258 (77%) operated with between 1-5 employees. 50 (15%) organizations employ between 6-10 FTEs, and 8% (28) employ 16 or more FTEs. It should be noted that the Phase 1 and Phase 2 grant criteria stipulated that only organizations with 25 or less FTEs could apply.

Number of
Full Time Employees (FTE)

1-5	258	77%
6-10	50	15%
11-15	15	4%
16-24	11	3%
25+	2	1%
	336	100%



Women/Minority/Veteran – Owned: Interestingly, more than half of all awardees, 172 (51%), were women-owned companies. 117 (35%) were minority-owned and 8 (2%) were Veteran-owned. This data is based solely on the information submitted by the applicants, which was not always complete.



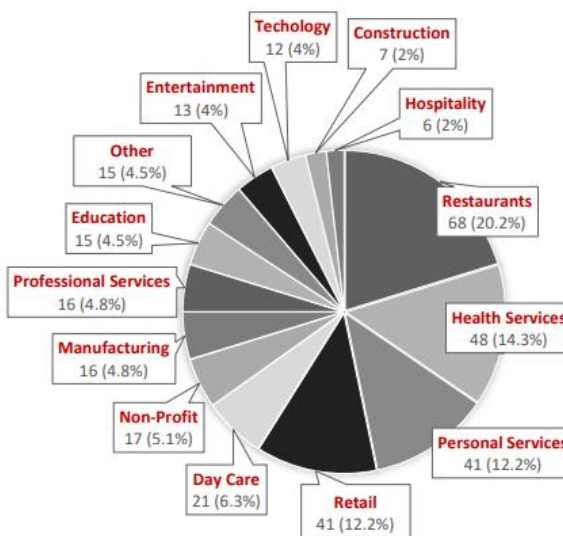
Women | Minority | Veteran-Owned

Women-owned	172	51%
Minority-owned	117	35%
Veteran-owned	8	2%

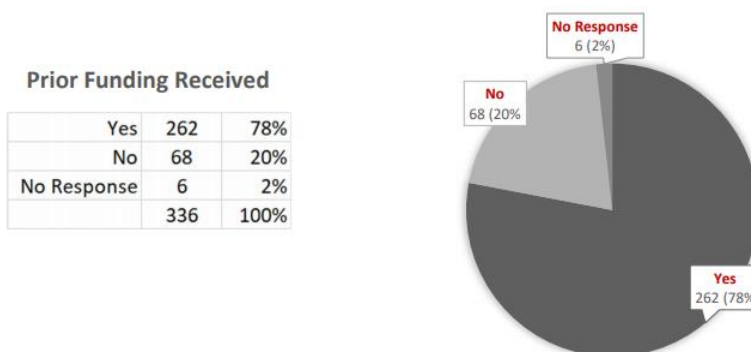
Industry Category: These three grants received applicants across more than 14 different industry sectors. The top five industry sectors that received grants were Restaurants, Health Services, Personal Services, Retail and Daycare establishments. These top five accounted for more than 65% (218) of all grant recipients.

Industry Category

Industry	No.	%
Restaurants	68	20.2%
Health Services	48	14.3%
Personal Services	41	12.2%
Retail	41	12.2%
Day Care	21	6.3%
Non-Profit	17	5.1%
Manufacturing	16	4.8%
Professional Services	16	4.8%
Education	15	4.5%
Other	15	4.5%
Entertainment	13	3.9%
Technology	12	3.6%
Construction	7	2.1%
Hospitality	6	1.8%
	336	100%



Prior Funding Received: 262 (78%) if recipients indicated that prior funding (such as PPP, EIDL or other grant program) had been received, while 68 (20%) said no prior funding support had been received.



Outreach & Marketing: OneRedmond and the City of Redmond launched the Phase I Redmond Small Business Resiliency Grant Program in August 2020 with distribution of a press release to media and our database of 13,000+ contacts in addition to a social media campaign. A direct mail postcard was then mailed to 8,000+ Redmond-based small businesses and non-profits. Interested organizations were directed to the grant webpage with details on the program including an overview of the timeline, eligibility requirements and the online application portal. With limited time to implement Phase II of the Resiliency Grant and the Winterization Reimbursement Grant, a press release, social media posts, and e-newsletter notifications were sent out. In addition, OneRedmond partnered with multi-cultural organizations to reach our local BIPOC SMB owners.

Application Process: A streamlined grant application was created in the WizeHive grant platform for all three grant opportunities. Physical copies of the application were also created. Those applicants who chose to submit a physical copy had their information entered in the system by OneRedmond staff. In addition, OneRedmond offered translation services as needed.

The Resiliency Grant applications focused on the impacts of COVID-19, in addition to plans for recovery and resiliency. An optional Cash Flow & Recovery Plan Template was provided to track both historical and future projections to determine a feel for the overall health of the applying organizations. The Winterization Reimbursement Grant application required submittal of paid invoices for items requested for reimbursement.

OneRedmond hosted webinars on the grant programs that featured updates and presentations by Executive Director Kristina Hudson, Mayor Birney, the grant program's contract-Chief Financial Officer, and our Redmond-based Small Business Development Center (SBDC) Advisor. Over 200 interested representatives participated in the webinars that were recorded and archived on the grant web page. Throughout the application process, the OneRedmond team fielded inquiries from interested organizations in addition to outreaching to contacts a week prior to the deadline to answer any last-minute questions and encourage submissions.

Review Process: A preliminary review of the grant applications was conducted with follow up to confirm and ensure eligibility. Cash Flow & Recovery Plan Worksheets were reviewed and ranked by the grant program's contract-CFO. Applications were then scored based on a pre-established standardized criterion.

This was followed by a review and ranking by a blue-ribbon Grant Review Panel, comprised of local experts and advocates. Reviewers focused on providing qualitative analysis on the applicant's open-ended responses including resiliency plans for operating through 2021. To keep the process fair and unbiased, the names and contact information for the applicants were removed and replaced by a unique identification number. Reviewers were also asked for their overall recommendation on each application in addition to their thoughts on grant award amounts. The Winterization Reimbursement Grant program did not include a judging panel but was vetted by OneRedmond staff for eligibility and required submitted documentation of winterization-related expenditures.

Grant Awards: In order to expedite the delivery of dollars to our small businesses and non-profits, OneRedmond offered ACH deposit for those who were interested in this payment option with over 81% of the grant recipients taking advantage of the opportunity. All grant recipients were given free access to OneRedmond's SBDC Small Business Advisor for further resources and support. In addition, they also received a complimentary one-year membership to OneRedmond which provides them access to cost-savings on a comprehensive suite of health insurance options from top carriers via its partnership with Business Health Trust. Quarterly follow-ups will be performed on all grant recipients to track health of the companies as well as to provide additional advising services as needed.

Program Summary: The City of Redmond's grant programs were the most generous amongst our neighboring municipalities. In 2020, the City of Bellevue gave out \$675,000, and the City of Kirkland gave out \$1,035,000. Redmond is leading the way in small business support.

Financial Resources webinars and advising services have also been a critical component to the health of our small businesses. Top business advising topics include: COVID-19 resources, Financing/Capital, Managing a Business, Marketing/Sales, Buy/Sell Business, and Human Resources/Employee Management.



Memorandum

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-453

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Planning and Community Development	Carol Helland	425-556-2107
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DEPARTMENT STAFF:

Planning and Community Development	Seraphie Allen	Deputy Director
Planning and Community Development	Brooke Buckingham	Human Services Manager
Planning and Community Development	Alaric Bien	Senior Human Services Planner

TITLE:

Approval of Second Amendment to the Joint Interlocal Agreement Regarding the Community Development Block Grant

OVERVIEW STATEMENT:

On July 13, 2023 the US Department of Housing and Urban Development (HUD) notified the King County Housing, Homelessness and Community Development Division that the Interlocal Cooperation Agreements (ICAs) with partner cities needed to be amended to include language related to fair housing and civil rights obligations. The language in the ICAs must reflect what King County is doing in practice.

In the first amendment, which Council approved on August 2, 2023, King County certified that they are annually meeting the required obligations related to fair housing and civil rights. However, HUD rejected the contents of that amendment, and on August 30 notified the County that they are required amend the ICAs with language that meets their requirements by September 28.

The County has worked with HUD's attorneys to ensure that the language in the second amendment satisfies the updated requirements. Like the first amendment, this second amendment is also a technical amendment only; no changes have been made to the substance of the ICA.

☐ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information**

☒ **Provide Direction**

☐ **Approve**

REQUEST RATIONALE:

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-453

Type: Committee Memo

- **Relevant Plans/Policies:**

The City's procurement policy requires Council approval of interlocal agreements with other government entities.

- **Required:**

HUD is requiring this amended language to comply with federal fair housing law.

- **Council Request:**

Approval of the second amendment.

- **Other Key Facts:**

King County certifies annually that we are meeting the required obligations related to fair housing and civil rights. The second amendment is a technical amendment only; no changes have been made to the substance of the ICA.

OUTCOMES:

Redmond's participation in this Interlocal Agreement ensures continued funding for human services programs and eligible capital projects. These investments currently support emergency shelter and affordable housing. If the amendment is not approved, the Consortium will not receive any HUD funding (CDBG, HOME, ESG) for the next three years.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**

N/A

- **Outreach Methods and Results:**

N/A

- **Feedback Summary:**

N/A

BUDGET IMPACT:

Total Cost:

\$237,585

Approved in current biennial budget:

☒ Yes

☐ No

☐ N/A

Budget Offer Number:

0000037

Budget Priority:

0037

Other budget impacts or additional costs:

☐ Yes

☒ No

☐ N/A

If yes, explain:

N/A

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-453

Type: Committee Memo

Funding source(s):

Community Development Block Grant (CDBG)

Budget/Funding Constraints:

Continued funding for the next three years is contingent upon approval of this amendment.

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
8/2/2023	Business Meeting	Approve

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
9/19/2023	Business Meeting	Approve

Time Constraints:

The amendment, signed by all participating cities, must be submitted to HUD by September 28, 2023.

ANTICIPATED RESULT IF NOT APPROVED:

Loss of grant funding.

ATTACHMENTS:

Attachment A: First Amendment to Joint ICA Regarding CDBG - redlined version

Attachment B: Second Amendment to Joint ICA Regarding CDBG

**FIRST AMENDMENT TO THE JOINT INTERLOCAL AGREEMENT
REGARDING THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
BETWEEN THE CITY OF REDMOND AND KING COUNTY**

This First Amendment to the Interlocal Cooperation Agreement Regarding the Community Development Block Grant Program between the City of Redmond and King County (the “First Amendment”) is made by and between the City of Redmond (“the City”), and King County (“the County”), both of which entities being a unit of general local government in the State of Washington and which may be referred to hereinafter individually as a “Party” and collectively as the “Parties.”

RECITALS

- A. On October 18, 2014, pursuant to Ch. 39.34 RCW, the Parties entered that certain Interlocal Cooperation Agreement Regarding the Community Development Block Grant Program (the “Agreement”).
- B. As acknowledged by the Agreement, the area encompassed by unincorporated King County and all participating cities has been designated by the United States Department of Housing and Urban Development (“HUD”) as an urban county for the purpose of receiving Community Development Block Grant (“CDGB”) funds, as administered under the Housing and Community Development Act of 1974 (the “Act”).
- C. Signatory jurisdictions to the Agreement are CDBG Consortium Partners for purposes of the Agreement and the Act.
- D. Under the Agreement and pursuant to the Act, King County is responsible to the federal government for all activities undertaken with CDBG funds and for ensuring that all CDBG assurances and certifications King County is required to submit to HUD under the Annual Action Plan are met.
- E. Urban counties are periodically required to requalify for their entitlement status under CDGB and related federal programs.
- F. Under Notice CPD-23-02, issued by HUD April 10, 2023, and setting forth instructions for continuing qualification for participating urban counties in the CDBG program for Fiscal Years 2024-2026, all existing urban counties are required to have incorporated in their cooperation agreements certain required language regarding fair housing and civil rights obligations.
- G. The Agreement does not contain all the required language regarding fair housing and civil rights obligations.

- H. Under Notice CPD-23-02, urban counties have the option of drafting a separate amendment to their existing cooperation agreements with signatory jurisdictions that include the required language rather than drafting a new cooperation agreement that contains the provisions.
- I. The purpose of this First Amendment is to expressly state the required language regarding fair housing and civil rights obligations and to memorialize the attendant obligations as though set forth in the Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the terms, conditions and mutual covenants set forth herein, the Parties agree to amend the Agreement as follows:

- 1. The foregoing recitals are true and correct in all respects and are incorporated hereby as if fully set forth herein.
- 2. Section I of the Agreement is hereby amended and restated in its entirety as follows:

“The County and City agree to cooperate to undertake, or assist in undertaking, community renewal and lower-income housing assistance activities, funded from annual CDBG, ESG and HOME Program funds from federal fiscal years 2024, 2025 and 2026 appropriations, from recaptured funds and from any program income generated from the expenditure of such funds. These activities include the provision of decent housing, homeless assistance, and a suitable living environment and economic development opportunities, principally for persons with very low to moderate incomes. The County and City shall ~~(i)~~ take all actions necessary to assure compliance with the County’s certification under Section 104(b) of Title I of the Housing and Community Development Act of 1974, ~~(ii)~~ and assure ~~that all CDBG-the~~ grants will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964, the implementing regulations at 24 CFR part 1, and the Fair Housing Act, and the implementing regulations at 24 CFR part 100, and will ~~(iii)~~ affirmatively furthering fair housing. See 24 CFR § 91.225(a) and Affirmatively Furthering Fair Housing Definitions and Certifications (86 FR 30779, June 10, 2021), as defined and in accordance with 24 CFR 5.151 and 5.152, and the implementing regulations at 24 CFR part 8, 24 CFR part 35 and 24 CFR part 146.” The City and County shall comply with section 109 of Title I of the Housing and Community Development Act of 1974, and the implementing regulations at 24 CFR part 6, which incorporates Section 504 of the Rehabilitation Act of 1973, and the implementing regulations at 24 CFR part 8, Title II of the Americans with Disabilities Act, and the implementing regulations at 28 CFR part 35, the Age Discrimination Act of 1975, and the implementing regulation at 24 CFR part 146, and Section 3 of the Housing and Urban Development Act of 1968 and all other applicable laws.”

3. The First Amendment is hereby null and void.

3.4. Except as specifically provided for in this First Amendment, all other provisions of the Agreement shall remain unchanged and in full force and effect.

4.5. Any capitalized terms not defined in this First Amendment shall have the meanings given them in the Agreement.

5.6. This First Amendment shall be effective as of the date it has been executed by both Parties.

6.7. This First Amendment may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

[SIGNATURE BLOCKS ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this First Amendment to the Agreement as of the date set forth below their signatures.

City of Redmond

King County

Name:

For King County Executive

Date:

Title:

By: Simon P. Foster
Title: Division Director
Housing, Homelessness and Community
Development
Department of Community and Human
Services

Attest: _____

Name:

Title:

Approved as to Form:

Approved as to Form:

[name], City Attorney

Ryan W. Ridings, King County Senior Deputy
Prosecuting Attorney

**SECOND AMENDMENT TO THE JOINT INTERLOCAL AGREEMENT
REGARDING THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
BETWEEN THE CITY OF REDMOND AND KING COUNTY**

This Second Amendment to the Joint Interlocal Cooperation Agreement Regarding the Community Development Block Grant Program between the City of Redmond and King County (the “First Amendment”) is made by and between the City of Redmond (“the City”), and King County (“the County”), both of which entities being a unit of general local government in the State of Washington and which may be referred to hereinafter individually as a “Party” and collectively as the “Parties.”

RECITALS

- A. On [October 19, 2014], pursuant to Ch. 39.34 RCW, the Parties entered that certain Joint Interlocal Cooperation Agreement Regarding the Community Development Block Grant Program (the “Agreement”), subsequently amended by that certain First Amendment to the Interlocal Cooperation Agreement Regarding the Community Development Block Grant Program (the “First Amendment”).
- B. As acknowledged by the Agreement, the area encompassed by unincorporated King County and all participating cities has been designated by the United States Department of Housing and Urban Development (“HUD”) as an urban county for the purpose of receiving Community Development Block Grant (“CDGB”) funds, as administered under the Housing and Community Development Act of 1974 (the “Act”).
- C. Signatory jurisdictions to the Agreement are CDBG Consortium Partners for purposes of the Agreement and the Act.
- D. Under the Agreement and pursuant to the Act, King County is responsible to the federal government for all activities undertaken with CDBG funds and for ensuring that all CDBG assurances and certifications King County is required to submit to HUD under the Annual Action Plan are met.
- E. Urban counties are periodically required to requalify for their entitlement status under CDGB and related federal programs.
- F. Under Notice CPD-23-02, issued by HUD April 10, 2023, and setting forth instructions for continuing qualification for participating urban counties in the CDBG program for Fiscal Years 2024-2026, all existing urban counties are required to have incorporated in their cooperation agreements certain required language regarding fair housing and civil rights obligations.

- G. The Agreement does not contain all the required language regarding fair housing and civil rights obligations and the First Amendment contained certain material omissions in incorporating such required language.
- H. Under Notice CPD-23-02, urban counties have the option of drafting a separate amendment to their existing cooperation agreements with signatory jurisdictions that include the required language rather than drafting a new cooperation agreement that contains the provisions.
- I. The purpose of this Second Amendment is to expressly state the required language regarding fair housing and civil rights obligations and to memorialize the attendant obligations as though set forth in the Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the terms, conditions and mutual covenants set forth herein, the Parties agree to amend the Agreement as follows:

1. The foregoing recitals are true and correct in all respects and are incorporated hereby as if fully set forth herein.
2. Section I of the Agreement is hereby amended and restated in its entirety as follows:

“The County and City agree to cooperate to undertake, or assist in undertaking, community renewal and lower-income housing assistance activities, funded from annual CDBG, ESG and HOME Program funds from federal fiscal years 2024, 2025 and 2026 appropriations, from recaptured funds and from any program income generated from the expenditure of such funds. These activities include the provision of decent housing, homeless assistance, and a suitable living environment and economic development opportunities, principally for persons with very low to moderate incomes. The County and City shall take all actions necessary to assure compliance with the urban county's certification under section 104(b) of Title I of the Housing and Community Development Act of 1974, and assure the grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964, and the implementing regulations at 24 CFR part 1, and the Fair Housing Act, and the implementing regulations at 24 CFR part 100, and will affirmatively further fair housing. See 24 CFR § 91.225(a) and Affirmatively Furthering Fair Housing Definitions and Certifications (86 FR 30779, June 10, 2021), at 24 CFR 5.151 and 5.152. The City and County shall comply with section 109 of Title I of the Housing and Community Development Act of 1974, and the implementing regulations at 24 CFR part 6, which incorporates Section 504 of the Rehabilitation Act of 1973, and the implementing regulations at 24 CFR part 8, Title II of the Americans with Disabilities Act, and the implementing regulations at 28 CFR part 35, the Age Discrimination Act of 1975, and the

14 implementing regulation at 24 CFR part 146, and Section 3 of the Housing and Urban Development Act of 1968 and all other applicable laws.”

3. The First Amendment is hereby null and void.
4. Except as specifically provided for in this Second Amendment, all other provisions of the Agreement shall remain unchanged and in full force and effect.
5. Any capitalized terms not defined in this Second Amendment shall have the meanings given them in the Agreement.
6. This Second Amendment shall be effective as of the date it has been executed by both Parties.
7. This Second Amendment may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

[SIGNATURE BLOCKS ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Second Amendment to the Agreement as of the date set forth below their signatures.

City of Redmond

King County

Name:

For King County Executive

Date:

Title:

By: Simon Foster
Title: Division Director
Housing and Community Development
Department of Community and Human
Services

Attest: _____

Name:

Title:

Approved as to Form:

Approved as to Form:

[name], City Attorney

Ryan W. Ridings, King County Senior Deputy
Prosecuting Attorney



Memorandum

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-424

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Finance	Kelley Cochran	425-556-2748
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DEPARTMENT STAFF:

Finance	Haritha Narra	Financial Planning Manager
Finance	Marissa Flynn	Senior Financial Analyst

TITLE:

2023-2024 Budget Adjustment #1

OVERVIEW STATEMENT:

Ordinance No. XXXX: An Ordinance amending Ordinance No. 3110 by adjusting the City's 2023-2024 Biennial Budget to true-up beginning fund balances. In the first year of each biennium, budgeted beginning fund balances are reconciled with the actual beginning fund balances for each fund. A budget adjustment is required to formally recognize the difference in each fund. The budget adjustment included in this ordinance formally recognizes these differences in the Capital Investment, Utility, Special Revenue, Internal Service and Debt Service Funds and the sub-funds of the General Fund.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information**

☒ **Provide Direction**

☐ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
Fiscal Policies
- **Required:**
RCW 35A.33.120 Funds-Limitations on expenditures-Transfers and adjustments.
- **Council Request:**
N/A
- **Other Key Facts:**
N/A

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-424

Type: Committee Memo

OUTCOMES:

This budget adjustment is necessary sync anticipated funding sources with actual results.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
N/A
- **Outreach Methods and Results:**
N/A
- **Feedback Summary:**
N/A

BUDGET IMPACT:

Total Cost:

\$64,313,856

Approved in current biennial budget:

☐ Yes

☒ No

☐ N/A

Budget Offer Number:

N/A

Budget Priority:

N/A

Other budget impacts or additional costs:

☐ Yes

☒ No

☐ N/A

If yes, explain:

N/A

Funding source(s):

N/A

Budget/Funding Constraints:

N/A

☒ Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
N/A	N/A	N/A

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
10/3/2023	Business Meeting	Approve

Time Constraints:

All budget adjustments for the 2023-2024 biennium must be approved no later than December 31, 2024.

ANTICIPATED RESULT IF NOT APPROVED:

The City's financial records would not be aligned with actual results.

ATTACHMENTS:

Attachment A: Ordinance: 2023-2024 Budget Adjustment #1

Exhibit 1: Summary of 2023-2024 Budget Adjustment #1

NON-CODE ORDINANCE

ATTACHMENT A

**CITY OF REDMOND
ORDINANCE NO. _____**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF REDMOND, WASHINGTON, AMENDING ORDINANCE NO.
3110 BY MAKING ADJUSTMENTS TO
THE CITY'S 2023-2024 BIENNIAL BUDGET, IN
EXHIBIT 1.

WHEREAS, the Finance Director has identified the need to make certain revisions to the 2023-2024 biennial City budget; and

WHEREAS, the City Council has reviewed the proposed adjustments to the budget and has determined that they should be made.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Ordinance No. 3110 adopting the 2023-2024 biennial budget, passed by the City Council on December 6, 2022, is hereby amended to recognize the appropriation of the difference between actual and budgeted beginning fund balances.

Section 2. Severability. If any section, sentence, clause, or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause, or phrase of this ordinance.

Section 3. Effective date. This ordinance shall take effect five (5) days after passage and publication of an approved summary thereof consisting of the title.

ADOPTED by the Redmond City Council this 3rd day of October, 2023.

CITY OF REDMOND

ANGELA BIRNEY, MAYOR

ATTEST:

CHERYL D. XANTHOS, CMC, CITY CLERK (SEAL)

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By: _____

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
SIGNED BY THE MAYOR:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO.: _____

EXHIBIT 1

Summary of 2023-2024 Budget Adjustments

Fund Number	Fund Name	2023-2024 Adopted Budget (Ord 3110)	#1 Beginning Fund Balances Adjustment	Revised 2023-2024 Budget
100	General Fund	\$ 281,104,253	\$ -	\$ 281,104,253
011	Arts Activity	750,907	167,399	918,306
012	Parks Maintenance & Operations	4,448,771	108,377	4,557,148
013	Community Events	1,243,403	82,869	1,326,272
019	Human Services Grant Fund	5,253,344	898,757	6,152,101
020	Fire Equipment Reserve	5,970,809	2,200,627	8,171,436
021	Operating Reserve	7,846,892	(36,629)	7,810,263
025	COVID Recovery Fund	9,564,843	-	9,564,843
027	Capital Replacement Reserve	7,142,453	175,610	7,318,063
030	Business Tax	13,876,976	2,971,216	16,848,192
031	Real Property Fund	3,249,341	(45,582)	3,203,759
035	Public Safety Levy Fund	14,739,784	347,287	15,087,071
037	Parks Levy Fund	860,173	215,392	1,075,565
095	Parks Maintenance Projects	4,750,277	161,588	4,911,865
096	Transportation Maintenance Project	22,275,672	4,832,177	27,107,849
099	General Governmental Maint	18,759,606	3,391,818	22,151,424
110	Recreation Activity	6,217,816	193,920	6,411,736
115	Development Review	13,897,625	(240,066)	13,657,559
117	Cable Access Fund	110,817	(25,183)	85,634
118	Operating Grants	2,193,435	91,280	2,284,715
122	Advanced Life Support	24,151,007	(2,174,992)	21,976,015
124	Fire Donations Fund	13,235,300	79,274	13,314,574
125	Real Estate Excise Tax	26,774,993	928,700	27,703,693
126	Drug Enforcement	2,877,556	1,640	2,879,195
131	Tourism (Hotel/Motel Tax)	12,411,777	27,452	12,439,229
140	Solid Waste Recycling	36,272,683	97,052	36,369,734
233	Non-Voted GO Bonds - Parks	23,099,429	27,314	23,126,743
315	Parks Capital Projects	29,972,230	6,880,139	36,852,369
316	Transportation Capital Project	36,210,483	20,029,027	56,239,510
319	General Governmental Capital	11,819,599	(1,432,374)	10,387,225
361	CFD 2014-1	99,813,367	-	99,813,367
362	CFD 2016-1	26,889,421	-	26,889,421
401	Water/Wastewater	28,246,939	1,597,113	29,844,052
402	UPD - Water/Wastewater	9,009,947	(55,091)	8,954,856
403	Water/Wastewater Capital Proj	50,251,965	5,982,759	56,234,724
404	Wastewater Capital Project	16,941,052	2,636,299	19,577,352
405	Stormwater Management	6,512,893	2,881,803	9,394,697
406	Stormwater Management Capital	37,693,286	6,525,524	44,218,809
407	UPD - Capital Projects	24,811,599	854,619	25,666,218
408	UPD Wastewater Capital Project	22,992,704	169,459	23,162,163
501	Fleet Maintenance	38,638,622	(393,250)	38,245,372
510	Insurance Claims & Reserves	6,266,082	648,044	6,914,127
511	Medical Self Insurance	29,497,945	759,163	30,257,109
512	Worker's Compensation	1,046,810	1,112,668	2,159,478
520	Information Technology	117,794	1,640,655	1,758,449
		\$ 1,039,812,676	\$ 64,313,856	\$ 1,104,126,534

Notes:

Ordinance #3110 establishing the 2023-2024 budget was approved by Council on December 6, 2022.



Memorandum

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-341

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Finance	Kelley Cochran	425-556-2748
---------	----------------	--------------

DEPARTMENT STAFF:

Finance	Haritha Narra	Finance Manager
Finance	Marissa Flynn	Senior Financial Analyst

TITLE:

2023-2024 Budget Adjustment #2

OVERVIEW STATEMENT:

Ordinance No. XXXX: An Ordinance amending Ordinance No. 3110 and XXXX by making adjustments to the City's 2023-2024 Biennial Budget to recognize new and increased revenue sources, appropriate funds for projects and programs previously approved by the Council, and make minor corrections identified throughout the biennium.

General Fund (100): \$966,750

(a) Port of Seattle Economic Development Grant - \$120,000

On May 17, 2022, Council accepted a grant from the Port of Seattle to support 100 + small businesses impacted by COVID-19. The program initiated in Spring of 2020, was to learn about small business challenges, concerns, and solutions around impacts due to redevelopment and potential displacement. The grant was not expended in 2022 and must be carried forward into 2023.

(b) Bureau of Justice Assistance (BJA) Body-worn Camera Grant - \$170,000

On April 5, 2022, Council accepted the (BJA) grant to aid in the purchase and implementation of the body-worn camera program. The grant includes a 1:1 match which is already budgeted in the Police Department's Professional Standards division. This grant was not expended in 2022 and must be carried forward to 2023.

(c) Sound Transit Fire Training - \$580,000

On February 27, 2023, the Mayor signed a joint agreement with Bellevue, Mercer Island, and Sound Transit for Sound Transit to provide funding to the cities for training and equipment related to Sound Transit operations. The intent of this agreement is to fund 5-7 years of training and equipment purchases.

(d) EMT Class Instructors - \$30,650

Redmond Fire Department staff instructed EMT Classes for the Bellevue Fire Department which is fully

reimbursed by the City of Bellevue. The revenue needs to be recognized to support the training expenditures.

(e) Monticello Street Sweeping - \$65,000

Targeted street sweeping was budgeted in the Stormwater Management Fund (405) to improve water quality in the Monticello Basin. It has been determined that the best approach to complete the work is through utilization of the City's Streets division which is budgeted in the General Fund (100). This change requires the street sweeping budget to be moved from Fund 405 to Fund 100 as well as a transfer from Fund 405 to Fund 100 to provide the funding.

(f) Transfer and Interfund Overhead Clean-Up - \$1,100

Each biennium the City budgets inter-fund overhead charges to ensure that departments and funds pay for the appropriate overhead expenditures. This item is a housekeeping adjustment to ensure that budgeted overhead revenue match budgeted overhead expenditures and impacts the General Fund (\$1,100 increase), General Government Maintenance Fund (\$19,590 increase), Fleet Fund (\$12,552 increase), and Insurance Claims & Reserves Fund (\$1,100 decrease). The net impact of this adjustment is an increase to the City's revenue budget of \$32,242.

Transportation Major Maintenance Fund (096): \$(2,500,000)

(g) NE 70th Street Improvements (Redmond Way to 180th Ave NE) Project - \$(2,500,000)

The NE 70th at 180th project and an associated grant were budgeted in the Transportation Maintenance Project Fund (096) and need to be moved to the Transportation Capital Investment Program Fund (316). The budget impact is at the fund level and there is no net increase to the Citywide or project budget.

General Government Major Maintenance Fund (099): \$569,590

(f) Transfer and Interfund Overhead Clean-Up - \$19,590

Each biennium the City budgets inter-fund overhead charges to ensure that departments and funds pay for the appropriate overhead expenditures. This item is a housekeeping adjustment to ensure that budgeted overhead revenue match budgeted overhead expenditures. See item (f) in the General Fund (100) for more information.

(h) High Performing Buildings Project - \$550,000

The High Performing Buildings project was budgeted in the General Government Capital Investment Program Fund (319). However, it was discovered that this work cannot be capitalized and must be moved to the General Government Major Maintenance Fund (099). The budget impact is at the fund level and there is no net increase to the Citywide budget.

Parks Capital Improvement Program Fund (315): \$39,401

(i) King County Easement for Lake Hills - \$39,401

The King County Wastewater Treatment Division plans to construct the Lake Hills Trunk (LHT) Sewer Upgrade Project to replace the existing regional sewer line serving Redmond and Bellevue for over 50 years. King County needs to locate a portion of the line on City property on the east side of the Sammamish River within the Sammamish River Trail between Redmond Way and the Redmond Central Connector and has offered to pay the City \$39,401 for a 2,734 sq. ft. utility easement. Council authorized sale of the easement on June 20, 2023.

Transportation Capital Investment Program Fund (316): \$4,270,000

(g) NE 70th Street Improvements (Redmond Way to 180th Ave NE) Project - \$2,500,000

Project expenditures and grant revenue currently budgeted in the Transportation Major Maintenance Fund (096) will be moved to the Transportation Capital Investment Program Fund (316). See item (h) in the Transportation Capital Investment Program Fund for more information.

(j) Transportation Improvement Board (TIB) Bel-Red Road Buffered Bike Lanes Grant - \$650,000

On June 20, 2023, Council accepted the TIB grant to supplant local funds allocated in the current budget with the goal of creating a safer bicycle facility on Bel-Red Road that connects to West Lake Sammamish Parkway and is a key route to a city center and light rail. The local match required is 22% and is already budgeted in the CIP.

(k) 132nd Signal Improvement Project - \$1,120,000

In 2021 Microsoft contributed to the 132nd Signal Improvement project which the City receipted into the Transportation Major Maintenance Fund (096). In 2023-2024 the project expenditures were appropriately budgeted in the Transportation Capital Investment Program Fund (316) so Microsoft's contribution must be moved to Fund 316 as well. The budget impact is at the fund level and there is no net increase to the Citywide budget.

General Government Capital Investment Program Fund (319): \$(550,000)**(h) High Performing Buildings Project - \$(550,000)**

The High Performing Buildings project was budgeted in the General Government Capital Investment Program Fund (319). However, it was discovered that this work cannot be capitalized and must be moved to the General Government Major Maintenance Fund (099). The budget impact is at the fund level and there is no net increase to the Citywide budget.

Stormwater Management Fund (405): \$181,000**(l) Stormwater Capacity Grant- \$25,000**

On March 15, 2022, Council accepted a grant from the Washington State Department of Ecology in the amount of \$50,000 to support the Municipal Stormwater Permit implementation. The Department of Ecology has offered an amendment to the earlier grant award in the amount of \$25,000. No match is required by the City.

(m) NE 40th Street Trunk Project Monitoring - \$156,000

The NE 40th Street Trunk Monitoring project requires post-completion monitoring, which is funded by the Community Facility District (2016-1), costing \$78,000 per year. The addition requires a budgeted transfer from the Community Facilities District (2016-1) Fund (362) to the Stormwater Management Fund (405).

Fleet Maintenance Fund (501): \$12,552**(f) Transfer and Interfund Overhead Clean-Up - \$12,552**

Each biennium the City budgets inter-fund overhead charges to ensure that departments and funds pay for the appropriate overhead expenditures. This item is a housekeeping adjustment to ensure that budgeted overhead revenue match budgeted overhead expenditures. See item (f) in the General Fund (100) section for more

information.

Insurance Claims and Reserves Fund (510): \$(1,000)**(f) Transfer and Interfund Overhead Clean-Up - \$(1,000)**

Each biennium the City budgets inter-fund overhead charges to ensure that departments and funds pay for the appropriate overhead expenditures. This item is a housekeeping adjustment to ensure that budgeted overhead revenue match budgeted overhead expenditures. See item (f) in the General Fund (100) section for more information.

Information Technology Fund (520): \$150,000**(n) Tyler Cashiering Software Subscription - \$90,000**

Tyler cashiering is the receipting platform used for all payments the City receives aside from payments for Parks programs and rentals, and development-related permits. Subscription for this was originally terminated because the project team believed it would be replaced by another solution. The City was unable to identify and implement another suitable solution and will need to continue using Tyler Cashiering for the time being. The subscription will be funded from the non-departmental budget.

(o) Electronic Business Machines - \$60,000

To implement business process changes made during the D365 system implementation monthly payments for copier leases have been centralized within the Technology and Information Services (TIS) Department. The change requires a budgeted transfer from Fund 100 to Fund 520. The budget impact is at the fund level and there is no net increase to the Citywide budget.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information**

☒ **Provide Direction**

☐ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
Fiscal Policies
- **Required:**
RCW 35A.33.120 Funds-Limitations on expenditures-Transfers and adjustments.
- **Council Request:**
N/A
- **Other Key Facts:**
N/A

OUTCOMES:

This budget adjustment is necessary to align City financial records to account for Council decisions and corrections to the existing budget.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-341

Type: Committee Memo

- **Timeline (previous or planned):**
N/A
- **Outreach Methods and Results:**
N/A
- **Feedback Summary:**
N/A

BUDGET IMPACT:

Total Cost:

\$3,138,293

Approved in current biennial budget:

☐ Yes

☒ No

☐ N/A

Budget Offer Number:

N/A

Budget Priority:

N/A

Other budget impacts or additional costs:

☐ Yes

☒ No

☐ N/A

If yes, explain:

N/A

Funding source(s):

N/A

Budget/Funding Constraints:

N/A

☒ Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
N/A	N/A	N/A

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
10/3/2023	Business Meeting	Approve

Time Constraints:

All budget adjustments for the 2023-2024 biennium must be approved no later than December 31, 2024.

ANTICIPATED RESULT IF NOT APPROVED:

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-341

Type: Committee Memo

The adopted budget would not align City financial records with decisions made and corrections between budgeted funds.

ATTACHMENTS:

Attachment A: Ordinance: 2023-2024 Budget Adjustment #2

Exhibit 1: Summary of 2023-2024 Budget Adjustments #1-2

NON-CODE ORDINANCE

ATTACHMENT A

**CITY OF REDMOND
ORDINANCE NO. _____**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF REDMOND, WASHINGTON, AMENDING ORDINANCE NO.
3110 BY MAKING ADJUSTMENTS TO
THE CITY'S 2023-2024 BIENNIAL BUDGET, IN
EXHIBIT 1.

WHEREAS, the Finance Director has identified the need to make certain revisions to the 2023-2024 biennial City budget; and

WHEREAS, the City Council has reviewed the proposed adjustments to the budget and has determined that they should be made.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Ordinance No. 3110 adopting the 2023-2024 biennial budget, passed by the City Council on December 6, 2022, and Ordinance No. XXXX amending the 2023-2024 biennial budget, is hereby amended to recognize new and increased revenue sources, appropriate funds for projects and programs previously approved by Council, and make minor corrections identified throughout the biennium.

Section 2. Severability. If any section, sentence, clause, or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause, or phrase of this ordinance.

Section 3. Effective date. This ordinance shall take effect five (5) days after passage and publication of an approved summary thereof consisting of the title.

ADOPTED by the Redmond City Council this 3rd day of October,
2023.

CITY OF REDMOND

ANGELA BIRNEY, MAYOR

ATTEST:

CHERYL D. XANTHOS, CMC, CITY CLERK (SEAL)

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By: _____

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
SIGNED BY THE MAYOR:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO.: _____

EXHIBIT 1

Summary of 2023-2024 Budget Adjustments

Fund Number	Fund Name	2023-2024 Adopted Budget (Ord 3110)	#1 Beginning Fund Balances Adjustment	#2(a) Port of Seattle Economic Development Grant	#2(b) Bureau of Justice		#2(c) Sound Transit Fire Training	#2(d) EMT Class Instructors	#2(e) Monticello Street Sweeping
					Assistance Body Worn Camera Grant				
100	General Fund	\$ 281,104,253	\$ -	\$ 120,000	\$ 170,000		\$ 580,000	\$ 30,650	\$ 65,000
011	Arts Activity	750,907	167,399	-	-		-	-	-
012	Parks Maintenance & Operations	4,448,771	108,377	-	-		-	-	-
013	Community Events	1,243,403	82,869	-	-		-	-	-
019	Human Services Grant Fund	5,253,344	898,757	-	-		-	-	-
020	Fire Equipment Reserve	5,970,809	2,200,627	-	-		-	-	-
021	Operating Reserve	7,846,892	(36,629)	-	-		-	-	-
025	COVID Recovery Fund	9,564,843	-	-	-		-	-	-
027	Capital Replacement Reserve	7,142,453	175,610	-	-		-	-	-
030	Business Tax	13,876,976	2,971,216	-	-		-	-	-
031	Real Property Fund	3,249,341	(45,582)	-	-		-	-	-
035	Public Safety Levy Fund	14,739,784	347,287	-	-		-	-	-
037	Parks Levy Fund	860,173	215,392	-	-		-	-	-
095	Parks Maintenance Projects	4,750,277	161,588	-	-		-	-	-
096	Transportation Maintenance Project	22,275,672	4,832,177	-	-		-	-	-
099	General Governmental Maint	18,759,606	3,391,818	-	-		-	-	-
110	Recreation Activity	6,217,816	193,920	-	-		-	-	-
115	Development Review	13,897,625	(240,066)	-	-		-	-	-
117	Cable Access Fund	110,817	(25,183)	-	-		-	-	-
118	Operating Grants	2,193,435	91,280	-	-		-	-	-
122	Advanced Life Support	24,151,007	(2,174,992)	-	-		-	-	-
124	Fire Donations Fund	13,235,300	79,274	-	-		-	-	-
125	Real Estate Excise Tax	26,774,993	928,700	-	-		-	-	-
126	Drug Enforcement	2,877,556	1,640	-	-		-	-	-
131	Tourism (Hotel/Motel Tax)	12,411,777	27,452	-	-		-	-	-
140	Solid Waste Recycling	36,272,683	97,052	-	-		-	-	-
233	Non-Voted GO Bonds - Parks	23,099,429	27,314	-	-		-	-	-
315	Parks Capital Projects	29,972,230	6,880,139	-	-		-	-	-
316	Transportation Capital Project	36,210,483	20,029,027	-	-		-	-	-
319	General Governmental Capital	11,819,599	(1,432,374)	-	-		-	-	-
361	CFD 2014-1	99,813,367	-	-	-		-	-	-
362	CFD 2016-1	26,889,421	-	-	-		-	-	-
401	Water/Wastewater	28,246,939	1,597,113	-	-		-	-	-
402	UPD - Water/Wastewater	9,009,947	(55,091)	-	-		-	-	-
403	Water/Wastewater Capital Proj	50,251,965	5,982,759	-	-		-	-	-
404	Wastewater Capital Project	16,941,052	2,636,299	-	-		-	-	-
405	Stormwater Management	6,512,893	2,881,803	-	-		-	-	-
406	Stormwater Management Capital	37,693,286	6,525,524	-	-		-	-	-
407	UPD - Capital Projects	24,811,599	854,619	-	-		-	-	-
408	UPD Wastewater Capital Project	22,992,704	169,459	-	-		-	-	-
501	Fleet Maintenance	38,638,622	(393,250)	-	-		-	-	-
510	Insurance Claims & Reserves	6,266,082	648,044	-	-		-	-	-
511	Medical Self Insurance	29,497,945	759,163	-	-		-	-	-
512	Worker's Compensation	1,046,810	1,112,668	-	-		-	-	-
520	Information Technology	117,794	1,640,655	-	-		-	-	-
		\$ 1,039,812,676	\$ 64,313,856	\$ 120,000	\$ 170,000		\$ 580,000	\$ 30,650	\$ 65,000

Notes:

Ordinance #3110 establishing the 2023-2024 budget was approved by Council on December 6, 2022.

EXHIBIT 1

Summary of 2023-2024 Budget Adjustments

Fund Number	Fund Name	#2(f) Transfer & Interfund Overhead Up	Clean-	#2(g) NE 70th Street Improvements (Redmond Way to 180th Ave NE)	#2(h) High Performing Buildings	#2(i) King County Easement for Lakehills	#2(j) Bel-Red Cycle Grant	#2(k) 132nd Signal	#2(l) Stormwater Capacity Grant
100	General Fund	\$	1,100	\$	-	\$	-	\$	-
011	Arts Activity		-		-		-		-
012	Parks Maintenance & Operations		-		-		-		-
013	Community Events		-		-		-		-
019	Human Services Grant Fund		-		-		-		-
020	Fire Equipment Reserve		-		-		-		-
021	Operating Reserve		-		-		-		-
025	COVID Recovery Fund		-		-		-		-
027	Capital Replacement Reserve		-		-		-		-
030	Business Tax		-		-		-		-
031	Real Property Fund		-		-		-		-
035	Public Safety Levy Fund		-		-		-		-
037	Parks Levy Fund		-		-		-		-
095	Parks Maintenance Projects		-		-		-		-
096	Transportation Maintenance Project		-	(2,500,000)	-		-		-
099	General Governmental Maint		19,590	-	550,000	-	-	-	-
110	Recreation Activity		-	-	-	-	-	-	-
115	Development Review		-	-	-	-	-	-	-
117	Cable Access Fund		-	-	-	-	-	-	-
118	Operating Grants		-	-	-	-	-	-	-
122	Advanced Life Support		-	-	-	-	-	-	-
124	Fire Donations Fund		-	-	-	-	-	-	-
125	Real Estate Excise Tax		-	-	-	-	-	-	-
126	Drug Enforcement		-	-	-	-	-	-	-
131	Tourism (Hotel/Motel Tax)		-	-	-	-	-	-	-
140	Solid Waste Recycling		-	-	-	-	-	-	-
233	Non-Voted GO Bonds - Parks		-	-	-	-	-	-	-
315	Parks Capital Projects		-	-	-	39,401	-	-	-
316	Transportation Capital Project		-	2,500,000	-	-	650,000	1,120,000	-
319	General Governmental Capital		-	-	(550,000)	-	-	-	-
361	CFD 2014-1		-	-	-	-	-	-	-
362	CFD 2016-1		-	-	-	-	-	-	-
401	Water/Wastewater		-	-	-	-	-	-	-
402	UPD - Water/Wastewater		-	-	-	-	-	-	-
403	Water/Wastewater Capital Proj		-	-	-	-	-	-	-
404	Wastewater Capital Project		-	-	-	-	-	-	-
405	Stormwater Management		-	-	-	-	-	-	25,000
406	Stormwater Management Capital		-	-	-	-	-	-	-
407	UPD - Capital Projects		-	-	-	-	-	-	-
408	UPD Wastewater Capital Project		-	-	-	-	-	-	-
501	Fleet Maintenance		12,552	-	-	-	-	-	-
510	Insurance Claims & Reserves		(1,000)	-	-	-	-	-	-
511	Medical Self Insurance		-	-	-	-	-	-	-
512	Worker's Compensation		-	-	-	-	-	-	-
520	Information Technology		-	-	-	-	-	-	-
		\$	32,242	\$	-	\$	39,401	\$	650,000
					-			\$	1,120,000
								\$	25,000

Notes:

Ordinance #3110 establishing the 2023-2024 budget was approved by Council on December 6, 2022.

EXHIBIT 1

Summary of 2023-2024 Budget Adjustments

Fund Number	Fund Name	#2(m) NE 40th St Trunk	#2(n) Tyler Cashiering	#2(o) Electronic Business Machines	Revised 2023-2024 Budget
100	General Fund	\$ -	\$ -	\$ -	\$ 282,071,003
011	Arts Activity	-	-	-	918,306
012	Parks Maintenance & Operations	-	-	-	4,557,148
013	Community Events	-	-	-	1,326,272
019	Human Services Grant Fund	-	-	-	6,152,101
020	Fire Equipment Reserve	-	-	-	8,171,436
021	Operating Reserve	-	-	-	7,810,263
025	COVID Recovery Fund	-	-	-	9,564,843
027	Capital Replacement Reserve	-	-	-	7,318,063
030	Business Tax	-	-	-	16,848,192
031	Real Property Fund	-	-	-	3,203,759
035	Public Safety Levy Fund	-	-	-	15,087,071
037	Parks Levy Fund	-	-	-	1,075,565
095	Parks Maintenance Projects	-	-	-	4,911,865
096	Transportation Maintenance Project	-	-	-	24,607,849
099	General Governmental Maint	-	-	-	22,721,014
110	Recreation Activity	-	-	-	6,411,736
115	Development Review	-	-	-	13,657,559
117	Cable Access Fund	-	-	-	85,634
118	Operating Grants	-	-	-	2,284,715
122	Advanced Life Support	-	-	-	21,976,015
124	Fire Donations Fund	-	-	-	13,314,574
125	Real Estate Excise Tax	-	-	-	27,703,693
126	Drug Enforcement	-	-	-	2,879,195
131	Tourism (Hotel/Motel Tax)	-	-	-	12,439,229
140	Solid Waste Recycling	-	-	-	36,369,734
233	Non-Voted GO Bonds - Parks	-	-	-	23,126,743
315	Parks Capital Projects	-	-	-	36,891,770
316	Transportation Capital Project	-	-	-	60,509,510
319	General Governmental Capital	-	-	-	9,837,225
361	CFD 2014-1	-	-	-	99,813,367
362	CFD 2016-1	-	-	-	26,889,421
401	Water/Wastewater	-	-	-	29,844,052
402	UPD - Water/Wastewater	-	-	-	8,954,856
403	Water/Wastewater Capital Proj	-	-	-	56,234,724
404	Wastewater Capital Project	-	-	-	19,577,352
405	Stormwater Management	156,000	-	-	9,575,697
406	Stormwater Management Capital	-	-	-	44,218,809
407	UPD - Capital Projects	-	-	-	25,666,218
408	UPD Wastewater Capital Project	-	-	-	23,162,163
501	Fleet Maintenance	-	-	-	38,257,924
510	Insurance Claims & Reserves	-	-	-	6,913,127
511	Medical Self Insurance	-	-	-	30,257,109
512	Worker's Compensation	-	-	-	2,159,478
520	Information Technology	-	90,000	60,000	1,908,449
		\$ 156,000	\$ 90,000	\$ 60,000	\$ 1,107,264,827

Notes:

Ordinance #3110 establishing the 2023-2024 budget was approved by Council on December 6, 2022.



Memorandum

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-423

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Finance	Kelley Cochran	425-556-2189
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DEPARTMENT STAFF:

Finance	Marissa Flynn	Sr. Financial Analyst
Finance	Haritha Narra	Financial Planning Manager

TITLE:

2nd Quarter 2023 Overtime Report

OVERVIEW STATEMENT:

For Council's review in Attachment A is the Quarterly Overtime Report that provides data from January 1, 2023 through June 30, 2023.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☒ **Receive Information**

☐ **Provide Direction**

☐ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
N/A
- **Required:**
N/A
- **Council Request:**
N/A
- **Other Key Facts:**
N/A

OUTCOMES:

Key highlights from the Quarterly Overtime Report include the following:

- **Citywide** overtime costs total \$2.91 million and are 9.9% ahead of budget expectations.
- **Total Salaries**, including regular salaries and overtime, are trending 1.2% or \$2.15 million under budget.
- **Fire Department** overtime costs total \$2.09 million and are trending 8.2% ahead of budget expectations primarily driven by firefighter backfill while new recruits attend the Fire Academy.
- **Police Department** overtime costs total \$572 thousand and are trending 17.5% ahead of budget expectations primarily driven by significant position vacancies resulting in regular salary savings of \$1.02 million.
- **All Other Departments'** overtime costs total \$252 thousand and are trending 10.9% ahead of budget expectations, primarily due to increased Right of Way (ROW) inspection workload.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
N/A
- **Outreach Methods and Results:**
N/A
- **Feedback Summary:**
N/A

BUDGET IMPACT:

Total Cost:

N/A

Approved in current biennial budget:

☐ Yes

☐ No

☒ N/A

Budget Offer Number:

N/A

Budget Priority:

Healthy and Sustainable, Safe and Resilient, Strategic and Responsive, and Vibrant and Connected

Other budget impacts or additional costs:

☐ Yes

☐ No

☒ N/A

If yes, explain:

N/A

Funding source(s):

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-423

Type: Committee Memo

N/A

Budget/Funding Constraints:

N/A

☐ Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
N/A	Item has not been presented to Council	N/A

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:

N/A

ANTICIPATED RESULT IF NOT APPROVED:

N/A

ATTACHMENTS:

Attachment A: 2nd Quarter 2023 Overtime Report

Quarterly Overtime Report January 1, 2023 Through June 30, 2023

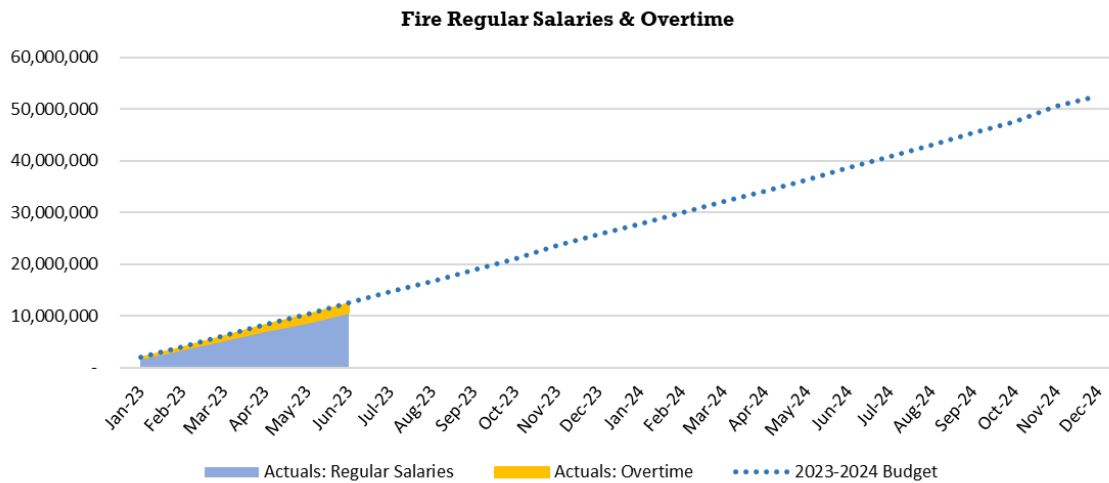
Citywide overtime costs total \$2.91 million through the second quarter of 2023 and are trending 9.9% ahead of budget expectations. Total salaries, including regular salaries, and overtime, are trending 1.2% or \$2.15 million under budget. Excluding overtime costs that are fully reimbursable (i.e., Police Flagging and Fire Prevention), citywide overtime costs are 7.1% ahead of budget. A brief summary by department follows.

Fire Department

Overtime costs total \$2.09 million and are trending 8.2% ahead of budget expectations primarily due to the following:

- *Fire Suppression* is trending \$286,000 or 13.4% ahead of budget expectations.
 - The Fire Department Overtime can be attributed to the following:
 - The Fire Department has six vacancies which are being filled by new recruits. Fire Fighter recruits are paid while attending the Fire Academy, and since they are not yet working on the line, overtime is required to meet minimum staffing levels.
 - Line personnel from participating Eastside Metro Training Group (EMTG) agencies, including Redmond, serve as trainers and are unavailable to serve on the line when working in this capacity, thereby requiring overtime backfill.
 - The Fire Department is actively working to minimize overtime expenses for the remainder of the biennium while ensuring proper staffing levels. We are currently in negotiations with the bargaining unit to find efficiencies.
- *Advanced Life Support (ALS) Levy*: ALS overtime is trending \$19,000 or 0.6% ahead of budget. There have been \$437,000 in reimbursable overtime costs related to ALS operations, the Mobile Integrated Health Program, and firefighters enrolled in the University of Washington/Harborview Medical Center Paramedic Training Program.
- *Development Revenues*: Fire Prevention overtime is trending \$56,000 or 56% ahead of budget. There have been \$81,000 in reimbursable overtime costs related to after-hours work performed by Fire Prevention.
- *Light/Modified Duty and Long-Term Leave*: Several Fire personnel are serving on light or modified duty mainly due to injuries. While these staff continue to support Department work, their unavailability for line service contributes to higher overtime costs.

Looking at regular salaries and overtime together, total costs are 25.2% of budget relative to a 25.0% target through Q2 2023 (see the following graph and table).



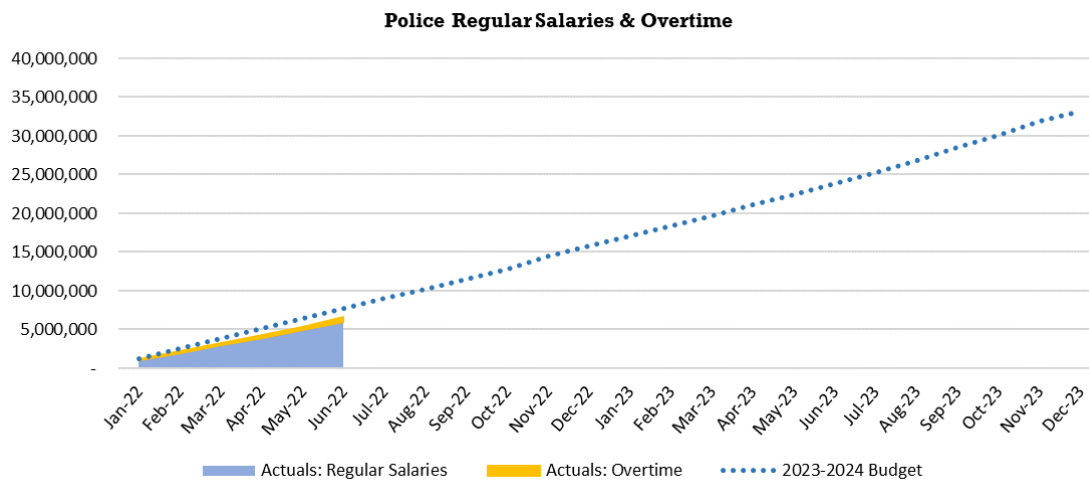
Fire Department	2023-2024 Budget	2023-2024 Actual	% Spent	% Over (Under) Expected	\$ Over (Under) Expected
Regular Salaries	\$ 46,254,125	\$ 11,136,921	24.1%	-0.9%	\$ (426,610)
Overtime Salaries	6,301,563	2,089,727	33.2%	8.2%	514,337
Total Salaries	\$ 52,555,688	\$ 13,226,648	25.2%	0.2%	\$ 87,726

Police Department

Overtime costs total \$572,000 and are trending 17.5% ahead of budget expectations due to significant position vacancies resulting in regular salary savings of \$1.02 million.

- Police overtime is also offset by flagging revenues of \$160,000.

Looking at regular salaries and overtime together, total costs are 22.6% of budget relative to a 25.0% target through Q2 2023 (see the following graph and table).



	2023-2024	2023-2024		% Over (Under)	\$ Over (Under)
Police Department	Budget	Actual	% Spent	Expected	Expected
Regular Salaries	\$ 31,833,436	\$ 6,939,965	21.8%	-3.2%	\$ (1,018,394)
Overtime Salaries	1,346,000	572,266	42.5%	17.5%	235,766
Total Salaries	\$ 33,179,436	\$ 7,512,231	22.6%	-2.4%	\$ (782,628)

All Other Departments

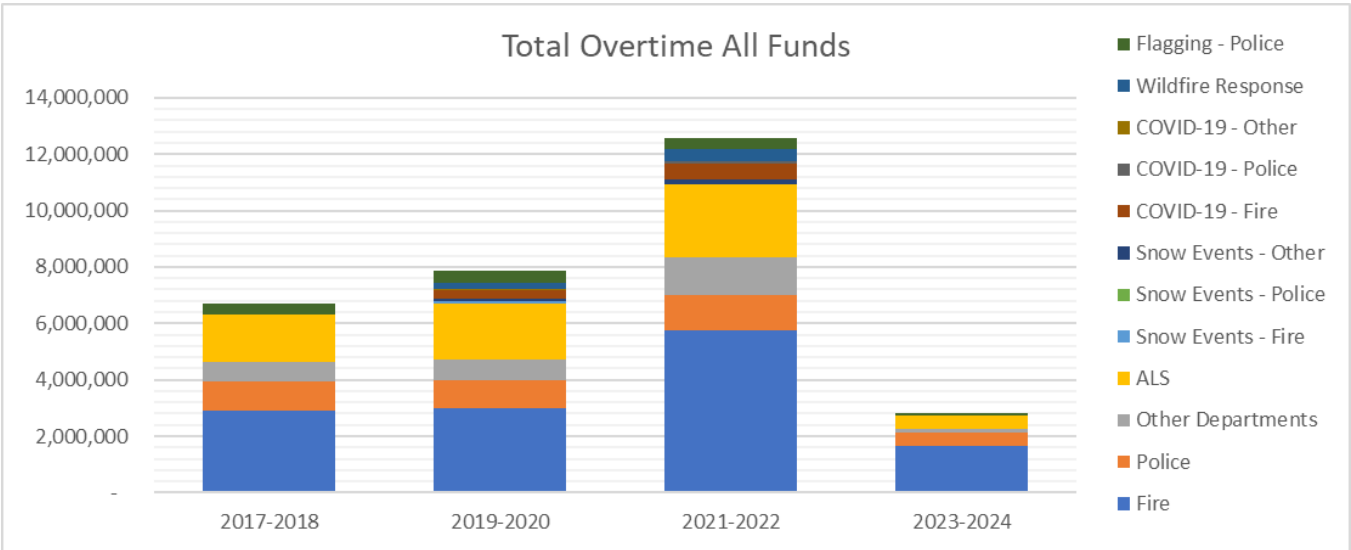
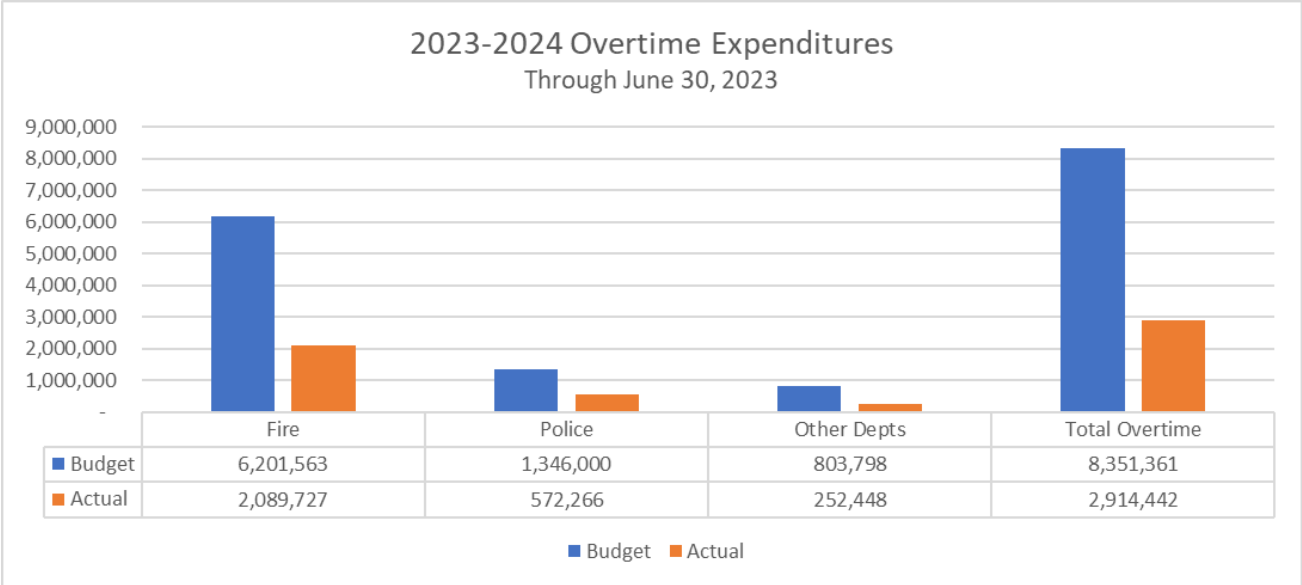
Overtime costs for all other departments total \$252,000 and are trending 10.9% ahead of budget expectations. Looking at regular salaries and overtime together, total costs are 23.5% of budget relative to a 25.0% target through Q2 2023 (see the following table).

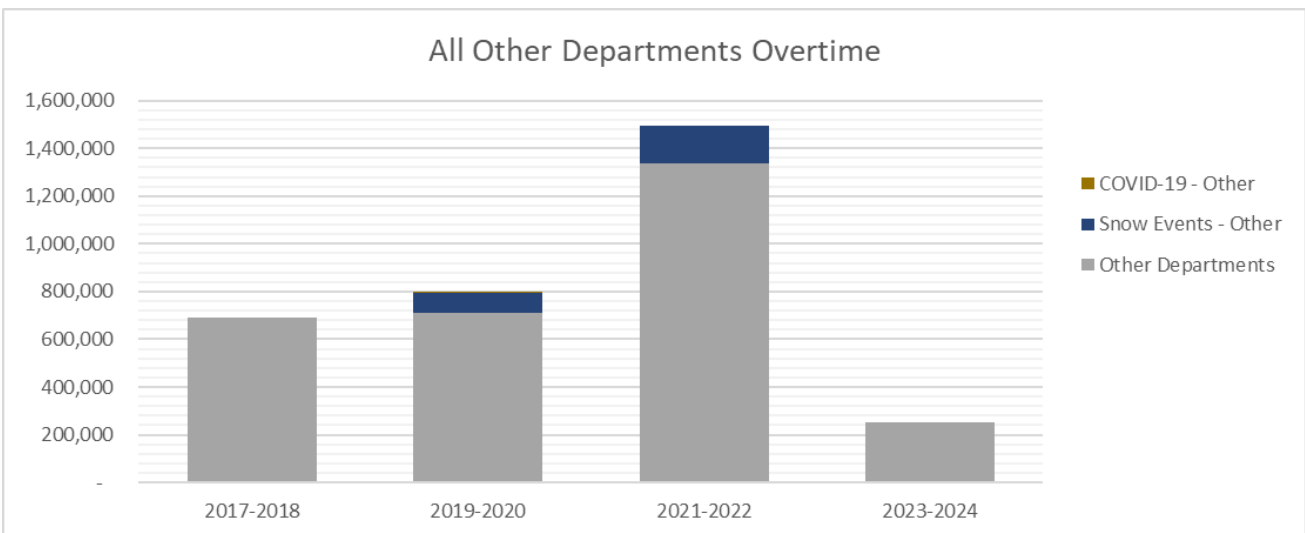
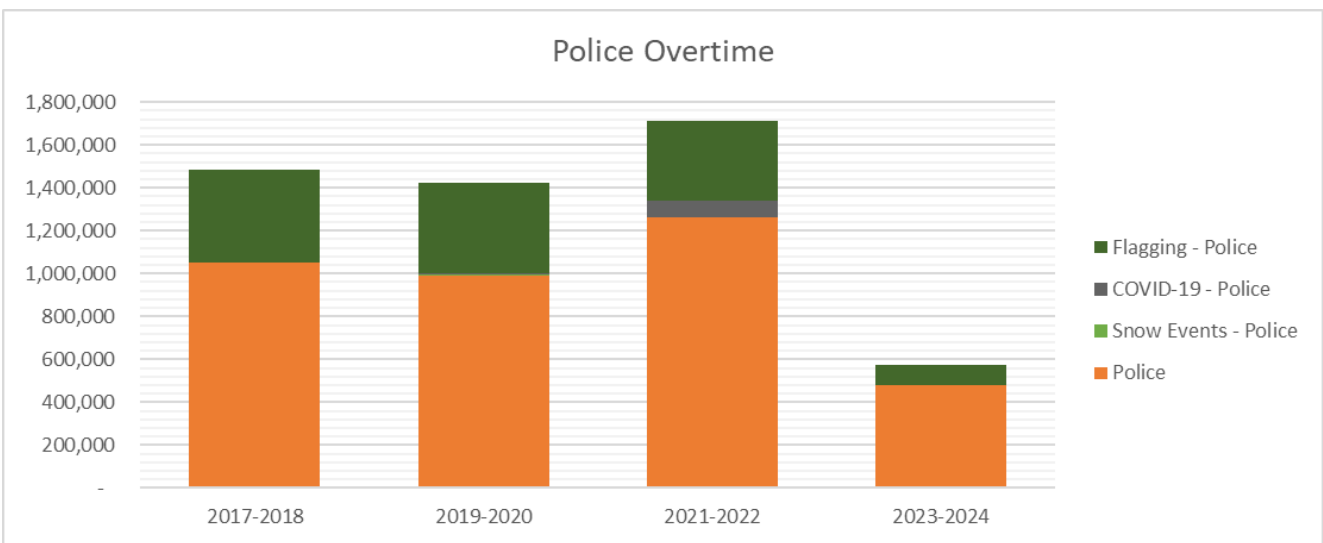
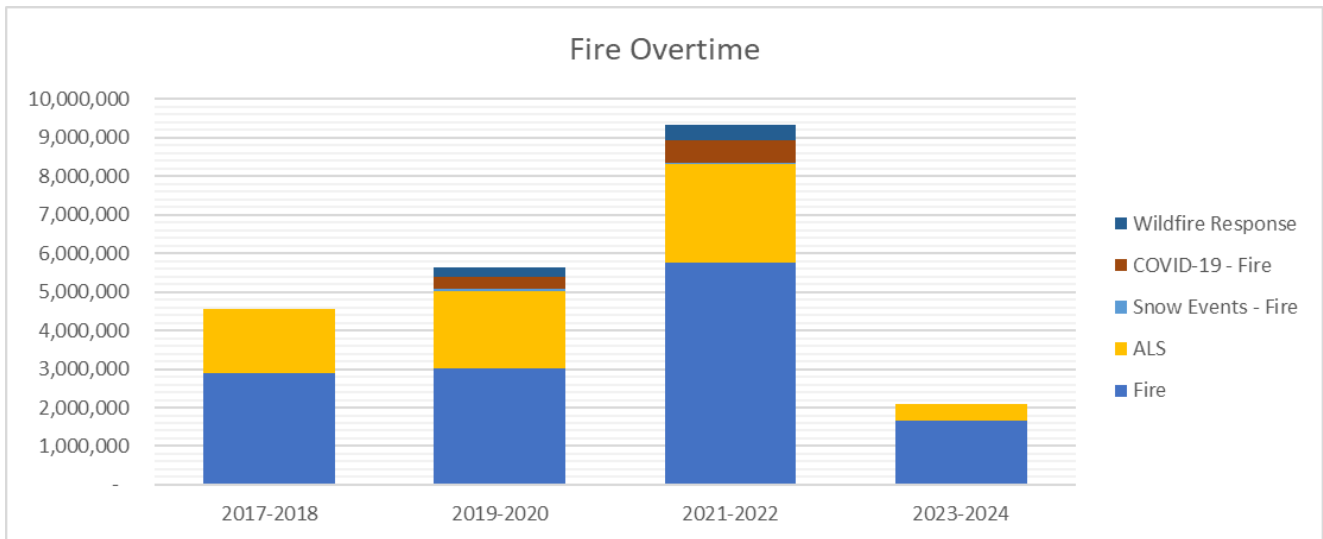
	2023-2024	2023-2024		% Over (Under)	\$ Over (Under)
All Other Departments	Budget	Actual	% Spent	Expected	Expected
Regular Salaries	\$ 98,017,874	\$ 22,968,876	23.4%	-1.6%	\$ (1,535,592)
Overtime Salaries	703,798	252,448	35.9%	10.9%	76,499
Total Salaries	\$ 98,721,672	\$ 23,221,325	23.5%	-1.5%	\$ (1,459,093)

- *Public Works Department* overtime costs total \$348,000 and are trending 9.6% ahead of budget expectations. Looking at regular salaries and overtime together, total costs are 24.0% of budget, relative to a 25.0% target through Q2 2023, due to:
 - The Right of Way (ROW) inspection workload has been in excess of what can be completed in a regular work week and there have been a significant number of night work inspection requirements.
- *Parks and Recreation Department* overtime costs total \$32,000 and are trending 7.2% ahead of budget expectations but are offset by vacancy savings. Looking at regular salaries and overtime together, total costs are 23.2% of budget, relative to a 25.0% target through Q21 2023.
- *Planning Department* overtime costs total \$24,000 and are 9.8% below budget expectations. Looking at regular salaries and overtime together, total costs are 22.3% of budget, relative to a 25.0% target through Q2 2023. It should be noted that after-hours inspections are reimbursed by development services customers.

Citywide Overtime Statistics

(2023-2024 Biennium)







Memorandum

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-463

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Finance	Kelley Cochran	425-556-2748
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DEPARTMENT STAFF:

Finance	Haritha Narra	Finance Manager
Finance	Kelly Hsi	Senior Financial Analyst

TITLE:

2023 Development Services User Fee Study Update

OVERVIEW STATEMENT:

Inform Council on the upcoming Development User Fee study preliminary results presentation on September 26, 2023.

☐ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information**

☒ **Provide Direction**

☐ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
N/A
- **Required:**
N/A
- **Council Request:**
N/A
- **Other Key Facts:**
N/A

OUTCOMES:

Council will be updated with the preliminary results of the Development User Fee Study that include:

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-463

Type: Committee Memo

- Cost of service methodology
- Fee Structure
- Review and update of fees
- Policy recommendation
- Comparison of fees with neighboring jurisdictions
- Feedback from Stakeholder engagement
- Credit Card Fee and Policy Recommendation
- Technology Fee Recommendation

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
July through September 2023
- **Outreach Methods and Results:**
Stakeholder meetings and engagement: OneRedmond and Master Builders Association
- **Feedback Summary:**
To be provided with recommendations informed by the study

BUDGET IMPACT:

Total Cost: N/A

Approved in current biennial budget: ☐ Yes ☐ No ☒ N/A

Budget Offer Number:

N/A

Budget Priority:

Strategic & Responsive

Other budget impacts or additional costs: ☐ Yes ☐ No ☒ N/A

If yes, explain:

N/A

Funding source(s):

N/A

Budget/Funding Constraints:

N/A

☐ Additional budget details attached.

COUNCIL REVIEW:

Previous Contact(s)

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-463

Type: Committee Memo

Date	Meeting	Requested Action
4/11/2023	Committee of the Whole - Finance, Administration, and Communications	Provide Direction
4/18/2023	Business Meeting	Approve

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
9/26/2023	Study Session	Receive Information
10/10/2023	Study Session	Provide Direction
10/17/2023	Business Meeting	Approve

Time Constraints:

N/A

ANTICIPATED RESULT IF NOT APPROVED:

N/A

ATTACHMENTS:

N/A



Memorandum

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-437

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Human Resources	Cathryn Laird	425-556-2125
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DEPARTMENT STAFF:

Human Resources	Nicole Bruce	Benefits Program Manager
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TITLE:

Benefits Update - Potential RedMed Plan Changes for 2024

OVERVIEW STATEMENT:

The Red-Med Plan is the self-insured medical plan that is provided by the City for employees, spouses, state registered domestic partners, and eligible dependents. Periodically, the City's third-party administrator and broker recommend plan changes. In addition to ensuring that the Plan is legally compliant, these recommendations address evolving treatment options and protocols, as well as other issues and benefit clarifications that these parties deem necessary. Proposed changes in benefits are reviewed and discussed with the Employee Benefits Advisory Committee (EBAC) and any recommendations will be brought forward to Council for their approval.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☒ **Provide Direction** ☐ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
Any changes to Red-Med benefits are incorporated into a Summary Plan Description, which is the definitive description of the benefits that are covered by Red-Med. The Summary Plan Description for the Self-Insured Employee Health Benefits Plan, was adopted by Resolution No. 913 and last amended by Resolution No. 1537.
- **Required:**
The City of Redmond Personnel Manual, Section 1.40, requires Council approval of changes in the plan that increase benefits to employees.
- **Council Request:**
N/A
- **Other Key Facts:**

Date: 9/12/2023

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 23-437

Type: Committee Memo

These changes are negotiated with bargaining units before they are incorporated into the Summary Plan Description as plan amendments.

OUTCOMES:

The Red-Med changes being considered for 2024 are being considered to align the Plan with recent changes in the law. Two recommendations are being looked at to keep our plan limits in line with the market and member utilization.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**

EBAC meetings are held monthly and discussions regarding 2024 plan changes were/are to be discussed at the following meetings:

- July 26, 2023
- August 23, 2023
- September 27, 2023 (Vote)

- **Outreach Methods and Results:**

EBAC meetings are held on a monthly basis and discussion around plan changes occur annually with a vote regarding recommendations to Council occurring at the September meeting.

- **Feedback Summary:**

Feedback from this outreach will occur through a vote on recommendations. This vote will occur at the September 27, 2023 EBAC meeting and will be included on Exhibit 1.

BUDGET IMPACT:

Total Cost:

N/A

Approved in current biennial budget:

☐ Yes

☐ No

☒ N/A

Budget Offer Number:

N/A

Budget Priority:

Responsible Government

Other budget impacts or additional costs:

☒ Yes

☐ No

☐ N/A

If yes, explain:

The plan changes are anticipated to have an increase in plan costs of \$13.83 PEPM (per employee per month) which is approximately \$102,800 per year. These costs are paid for out of the City's medical self-insurance fund and will stay within the costs of the plan that were approved in the budget. The overall increase in costs is less than 1% of the health plan budget. These impacts are individually outlined in Exhibit 1. We will continue to monitor the costs related to the changes and reassess as necessary.

Funding source(s):

Medical Self-Insurance Fund (511)

Date: 9/12/2023

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Budget/Funding Constraints:

N/A

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

N/A

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
10/3/2023	Business Meeting	Approve

Time Constraints:

In order for Plan Changes to take effect at the beginning of a new plan year (January 1, 2024), the recommendations will need to be approved at the October 3, 2023, meeting to allow for appropriate lead time for the Benefits Plan Administrator to make adjustments for an effective date of January 1, 2024.

ANTICIPATED RESULT IF NOT APPROVED:

Our plan could be out of compliance with the latest law changes, and valuable programs offered by Premera would not be able to be utilized by members of the Red-Med Plan.

ATTACHMENTS:

Attachment A: Draft Resolution Amending the Red-Med Plan

Exhibit 1: 2024 Plan Change Summary

**CITY OF REDMOND
RESOLUTION NO. XXXX**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF REDMOND, WASHINGTON, ADOPTING A REVISED
SUMMARY PLAN DESCRIPTION FOR THE CITY OF
REDMOND SELF-INSURED MEDICAL PLAN

WHEREAS, the City Council desires that the City of Redmond maintain a self-insured employee healthcare program that is fiscally sound and legally compliant; and

WHEREAS, since adoption of the City's self-insured employee healthcare program, the City has approved and adopted amendments that are reflected in the Summary Plan Description for the healthcare program; and

WHEREAS, the City Council desires to update the Summary Plan Description to incorporate changes deemed necessary by the third-party administrator, Premera, to clarify benefits and to address evolving treatment options, protocols and other issues; and

WHEREAS, City of Redmond Personnel Manual, Section 1.40, requires Council approval of changes in the medical plan that add or delete benefits to employees.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DO RESOLVE AS FOLLOWS.

Section 1. Adoption of Changes. The Summary Plan Description for the Self-Insured Employee Health Benefits Plan,

adopted by Resolution No. 913 and amended by Resolution No. 1537 and referenced in Section 8.30 of the City of Redmond Personnel Manual, is hereby amended to include those benefit changes set forth in Exhibit 1 to this Resolution and incorporated herein by this reference as if set forth in full.

Section 2. Implementation. The Mayor is authorized and directed to implement the changes adopted in Section 1 and execute any contracts and/or agreements to do so.

Section 3. Effective Date of Benefit Changes. The effective date of the benefits adopted by this resolution shall be January 1, 2024.

Section 4. Conflicts -- Severability. If any provision of this resolution conflicts with any provision of the City of Redmond Personnel Manual or any other resolution or policy of the City of Redmond, the provisions of this resolution shall govern. If any section, sentence, clause or phrase of this resolution should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this resolution.

Section 5. Effective Date. This resolution shall take effect upon adoption of the Redmond City Council.

ADOPTED by the Redmond City Council this ____ day of
_____, 2023.

CITY OF REDMOND

Angela Birney, MAYOR

ATTEST/AUTHENTICATED:

CITY CLERK, CHERYL XANTHOS

(SEAL)

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
RESOLUTION NO. _____

**Summary of 2024 Benefit Recommendations/Modifications
Proposed for Redmond Medical Plan**

Source	Type of Change	Effective Date	Description	Purpose	Cost Impact	EBAC Recommendation	HR Recommendation
Legal Change	Benefit Enhancement - Medical Plan	January 1, 2024	Increase Hearing Aid Benefit to \$3000 per ear every 36 months	Hearing Aids are currently covered up to a total of \$1800 every 4 years after deductible and co-insurance. WA House Bill 1222 required the proposed coverage beginning January 1, 2024. Although we are a self-insured plan and are not required to adopt this law change, our plan has historically adopted state and federal mandates.	Increasing the hearing aid benefit will increase the medical plan costs by \$2.88 PEPM (per employee per month). The annual increase would be approximately \$2,200 from employee contributions and \$17,300 from City contributions for a total of \$19,500 per year to the cost of the plan.	TBD	TBD
Legal Change	Benefit Enhancement - Medical Plan	January 1, 2024	Cover MRI Cancer Screenings in full for Supplemental and Diagnostic breast examinations	MRI Cancer Screenings are covered under the plan, but claims apply to deductibles and cost shares. WA Senate Bill 5396 requires this procedure to be covered in full beginning January 1, 2024. Although we are a self-insured plan and are not required to adopt this law change, our plan has historically adopted state and federal mandates.	Covering this procedure in full will increase the medical plan costs by \$1.82 PEPM (per employee per month). The annual increase would be approximately \$1,400 from employee contributions and \$10,600 from City contributions for a total of \$12,000 per year to the cost of the plan.	TBD	TBD
Legal Change	Benefit Enhancement - Medical Plan	January 1, 2024	Cover termination of pregnancy in full	Termination of pregnancy is covered under the plan, but claims apply to deductibles and cost shares. WA Senate Bill 5242 requires this procedure to be covered in full beginning January 1, 2024. Although we are a self-insured plan and are not required to adopt this law change, our plan has historically adopted state and federal mandates.	Covering this procedure in full will increase the medical plan costs by \$.25 PEPM (per employee per month). The annual increase would be approximately \$200 from employee contributions and \$1,400 from City contributions for a total of \$1,600 per year to the cost of the plan.	TBD	TBD
Union Request	Benefit Enhancement - Dental Plan	January 1, 2024	Increase Dental annual maximum to \$3,000	<p>The annual dental maximum would increase from \$2,500 to \$3000. The median for this benefit among benchmark plans is \$1,500 and none of Gallagher's book of business for medium sized employers in Washington have a dental maximum currently above \$2,500 and only 7% of their book of business is at that amount.</p> <p>Of our dental plan members who utilize the benefit, 9.34% reach the annual maximum.</p>	Increasing the maximum to \$3,000 would increase the dental plan costs by \$6.26 PEPM (per employee per month). The annual increase would be approximately \$5,600 from employee contributions and \$43,500 from City contributions for a total of \$49,100 per year to the cost of the plan. The last year the annual maximum was increased was in 2018.	TBD	TBD

Union Request	Benefit Enhancement - Vision Plan	January 1, 2024	Increase Vision Hardware maximum to \$400	<p>The annual vision hardware maximum would increase from \$300 to \$400. The median for this benefit among benchmark plans is \$150 and of Gallagher's book of business for medium sized employers in Washington only 3% of their book has an amount over \$250 per year.</p> <p>Of our vision plan members who utilize the hardware benefit, 70.9% reach the maximum.</p>	<p>Increasing the maximum to \$400 would increase the vision plan costs by \$2.26 PEPM (per employee per month). The annual increase would be approximately \$2,300 from employee contributions and \$18,300 from City contributions for a total of \$20,600 per year to the cost of the plan. The last year the annual maximum was increased was in 2018.</p>	TBD	TBD
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