

Mayor and Council Communication

DATE: 06/27/23

M&C FILE NUMBER: M&C 23-0511

LOG NAME: 02SISTER CITIES ADDITIONAL FUNDING FY2023

SUBJECT

(ALL) Adopt Appropriation Ordinance Reallocating Appropriations in the General Fund to Reduce the Non-Departmental Department Budget by \$50,000.00 and Increase the City Manager's Department Budget by the Same Amount to Provide Budgeted Supplemental Incentive Funding to International Sister Cities Association of Fort Worth, Inc. in Fiscal Year 2023

RECOMMENDATION:

It is recommended that the City Council adopt the attached appropriation ordinance reallocating appropriations in the General Fund by decreasing the Non-Departmental Department budget by \$50,000.00 and increasing the City Manager's Department budget by the same amount, for the purpose of providing an additional \$50,000.00 to Sister Cities based on the organization's additional fundraising efforts, with no net increase to the overall budget.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to reallocate appropriations in the General Fund to support an additional \$50,000.00 payment to International Sister Cities (Sister Cities) in the current fiscal year following the completion of additional fundraising efforts that leveraged public dollars for private investment.

In 2018, the City Council authorized an agreement with Sister Cities to administer the Fort Worth Sister Cities Program, with the agreement having an initial term of one year and four additional renewal options of one year each (M&Cs C-28859 and C-29092). Per the terms of the contract, Sister Cities receives a base annual payment of \$50,000.00 per year.

The Sister Cities program is funded and managed through the City Manager's Office and receives both cash and non-cash support:

- Annual Support - \$50,000.00 (M&C's C-28859 and C-29092) one-year initial term with four annual renewal options.
- Office Space Lease – 5th Floor, City Hall Annex, 908 Monroe Street through January 2024 (since 2014) \$100/year. The lease encompasses 2,678 square feet plus shared space (market value is approximately \$48,000 annually) (M&C L-16176). A subsequent amendment increased the lease term one additional year and re-assigned one office to the Neighborhood Services Department.

The City Manager's Office supports Sister Cities and is interested in finding ways to help leverage the public tax dollars provided to them. To encourage Sister Cities' private fundraising efforts, the Fiscal Year (FY) 2023 adopted General Fund budget included an additional \$50,000.00 to be made available to Sister Cities once they have raised \$50,000.00 above their stated fundraising goals. This outlined arrangement will provide FY2023 funding to Sister Cities in the amount of \$100,000.00 and is intended to encourage Sister Cities to leverage public funds for additional private gifts.

The FY2023 Sister Cities contract renewal included the annual base payment of \$50,000.00; in addition, utilizing its delegated authority under Section 2-9 of the City Code, the City Manager executed an amendment adding "Additional Funds" of up to \$50,000.00, with such money to be provided as a dollar-for-dollar match for any new fundraising Sister Cities did during FY2023.

Sister Cities has secured donations above their stated and published fundraising goals and has submitted documentation reflecting the receipt of additional funds raised from private efforts to the City of Fort Worth for consideration. Adoption of this M&C will adjust appropriations in the General Fund to move the previously appropriated money out of Non-Departmental Department and into the City Manager's budget so that this payment can issue.

About Fort Worth Sister Cities International

Fort Worth Sister Cities strives to cultivate international relationships and understanding among youth, adults, and businesses through educational, leadership, and exchange programs that promote tourism and commerce in the City of Fort Worth and produce economic and public benefits for the entire Fort Worth community. In 2016, Sister Cities International in Washington, D.C. engaged value ideas to conduct an economic impact study, which indicate that the organization and program provide a \$14+ million positive economic impact to the City of Fort Worth on an annual basis.

The organization orchestrates internationally recognized inbound and outbound exchange programs; provides essential instruction for protocol and diplomacy; produces unparalleled youth and educator programs; and conducts trade missions to foster economic development.

Since its inception in 1985, Sister Cities has researched and secured nine international partner cities with similar goals including Reggio, Italy; Trier, Germany; Nagaoka, Japan; Bandung, Indonesia; Budapest, Hungary; Toluca, Mexico; Mbabane, Eswatini; Guiyang, China and this year, Nîmes, France.

Fort Worth is recognized as having the "Best Sister Cities" program in the United States.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the recommendation, funds are available in the current operating budget, as previously appropriated, in the General Fund. Prior to an expenditure being incurred, the City Manager's Department has the responsibility to validate the availability of funds.

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