

# Mayor and Council Communication

DATE: 03/21/23

M&C FILE NUMBER: M&C 23-0192

LOG NAME: 08FINANCIAL EQUITY CONSULTANT FUNDING

**SUBJECT**

(ALL) Adopt Appropriation Ordinance Reallocating Resources in the Amount up to \$405,066.00 for Consultation Services with Urban3, LLC. Related to the Development of a Financial Equity Tool, and Amend the Fiscal Year 2023 Adopted Budget

**RECOMMENDATION:**

It is recommended that the City Council:

1. Adopt the attached appropriation ordinance reallocating appropriations in the Non-Departmental Department of the General Fund by decreasing the General Operating & Maintenance Category in the amount of \$405,066.00 and increasing the Diversity & Inclusion Department General Operating & Maintenance category by the same amount; and
2. Amend the Fiscal Year 2023 Adopted Budget.

**DISCUSSION:**

On October 11, 2022, The City Council adopted Mayor and Council Communication (M&C) 22-0816 authorizing execution of a professional services agreement with Urban3, LLC in an amount not to exceed \$405,066.00 for consultant services with the City’s Department of Diversity and Inclusion to develop and implement a financial Equity Analysis Tool that will assist City officials in making fiscally sound and equitable decisions about infrastructure improvements and land-use. The one-time contract cost was slated to come from the Non-Departmental Department, but missed the July 2022 deadline. Therefore, the request is being made now.

As outlined in M&C 22-0816, the consultant services provided by Urban3, LLC will focus on: (1) establishing a baseline economic analysis for the City focusing on collecting data related to geospatially related revenue streams. This includes, but is not limited to property assessment and parcel data; (2) preparing 3D visualizations that will show fiscal efficiencies and inefficiencies; (3) creating a holistic economic story for the City illustrating tax generation potency of different types of buildings and uses; (4) establishing a framework to plan for the City’s future financial health that can be used to inform potential adjustments to public policy, provide transparency regarding the actual cost of growth and resulting long-term obligation, and inform decisions that create an equitable, healthy, and sustainable fiscal future for Fort Worth; (5) examining state and local tax polices and practices for evidence of systemic algorithmic and human biases; (6) providing City staff, officials, and residents with a comprehensive suite of socio-demographic characteristics enabling a better understanding of intended, and unintended, consequences of policies and practices that may cause or alter current outcomes; (7) training staff to replicate and refresh analysis models; and (8) sharing the analysis to assist City staff with developing policy recommendations to the City Council, City Plan Commission, and other land use-related commissions.

This M&C will reallocate and appropriate funding to the Diversity and Inclusion Department to pay for Urban3, LLC’s consulting services. Funding is budgeted in the Other Contractual Services account of the Non-Departmental General Fund.

The action in this M&C will amend the Fiscal Year 2023 Adopted Budget as approved in connection with Ordinance 25773-09-2022, Section 1, as listed on page 3.

General Fund Department	FY2023 Adopted Budget	Authority	Budget Adjustment	FY2023 Revised Budget
<b>Expenditures</b>				
Non-Departmental	\$370,000.00			\$370,000.00
Separation Pay	\$8,060,037.00			\$8,060,037.00
Employee Recruitment and Retention Fund	\$4,767,575.00			\$4,767,575.00
Fire Contingency Overtime Fund	\$4,000,000.00			\$4,000,000.00
Contractual Services	\$3,465,149.00	M&C 23-0006	(\$125,000.00)	\$2,935,083.00
		This M&C	(\$405,066.00)	
Tuition Reimbursement	\$172,478.00			\$172,478.00
Training Initiative	\$250,000.00			\$250,000.00
Transfer to General Capital Fund (PAYGo)	\$3,617,007.00			\$3,617,007.00

Diversity & Inclusion Department	\$2,435,259.00	This M&C	\$405,066.00	\$2,840,325.00
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**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are available in the current operating budget, as previously appropriated, in the Non-Departmental's General Fund and upon approval of the adoption of the attached appropriation ordinance, funds will be available within the Diversity and Inclusion Department's General Fund. Prior to any expenditure being incurred, the Diversity and Inclusion Department has the responsibility of verifying the availability of funds.

**Submitted for City Manager's Office by:** Fernando Costa 6122

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**Additional Information Contact:**