

**RESOLUTION NO. 83-20**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF RICHMOND, CALIFORNIA,  
DECLARING A LOCAL FISCAL EMERGENCY IN RESPONSE TO THE  
CORONAVIRUS (COVID-19) PANDEMIC**

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**WHEREAS**, for the past several years the City of Richmond has had an unresolved structural budget deficit; and

**WHEREAS**, each year the City of Richmond has balanced its annual budget with a series of one-time cost cutting and/or revenue measures; and

**WHEREAS**, after balancing the FY 2020-21 budget with a series of one-time cost cutting and/or revenue measures, the City of Richmond has exhausted all of the one-time cost cutting and/or revenue measures available to it for the Fiscal Year; and

**WHEREAS**, in order to provide stability in future years, the structural imbalance in the City's budget must be resolved; and

**WHEREAS**, the City's budgeted General Fund revenues for Fiscal Year 2019-20 are \$176,781,337, and the budgeted General Fund revenues for Fiscal Year 2020-21 are \$165,160,191; and

**WHEREAS**, as a result of impacts from the Coronavirus (COVID-19) pandemic, revenues from local sales tax from restaurants, wineries, bars, eateries, and shopping receipts have decreased from the original adopted Fiscal Year 2019-20 budget projections of \$37.7 million to \$32.1 million; and

**WHEREAS**, as a result of the impacts from COVID-19, revenues from local Transient Occupancy Tax (TOT) also known as hotel tax have decreased from original adopted Fiscal Year 2019-20 budget projections of \$1.9 million to \$1.2 million; and

**WHEREAS**, while the full impact on City revenue resulting from COVID-19 for Fiscal Year 2020-21 is not entirely known, the City projected a loss of approximately \$10 million in General Fund revenue; and

**WHEREAS**, the June 22, 2016, Side Letter to the Memorandum of Understanding ("MOU") between the City and IAFF Local 188 establishes a process by which the MOU may be reopened for negotiations in responses to a City Council declaration of a fiscal emergency;

**NOW, THEREFORE, BE IT RESOLVED**, by the Council of the City of Richmond

1. The City Council hereby finds that the impact of the COVID-19 pandemic, on the City, as summarized in this resolution, is an unanticipated event that has caused a fiscal crisis for the City.
2. The City Council hereby declares that there is a fiscal emergency in the City of Richmond as a result of its longstanding structural budget imbalance that has been exacerbated by the impacts of the COVID-19 pandemic on the City, as summarized in this resolution.
3. The City Council hereby finds that in the interest of the public health of its residents and employees, available resources and budgetary priorities require exigent reappraisal.
4. The City Council hereby finds that the facts set forth in the recitals to this resolution are true and correct and establish the factual basis for the City Council's adoption of this resolution.

5. This Resolution shall take effect immediately upon its adoption.

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I certify that the foregoing resolution was passed and adopted by the Council of the City of Richmond at a regular meeting thereof held July 28, 2020, by the following vote:

AYES: Councilmembers Choi, Johnson, Martinez Myrick, and Willis, Vice Mayor Bates, and Mayor Butt.

NOES: None.

ABSTENTIONS: None.

ABSENT: None.

PAMELA CHRISTIAN  
CLERK OF THE CITY OF RICHMOND  
(SEAL)

Approved:

THOMAS K. BUTT  
Mayor

Approved as to form:

RACHEL SOMMOVILLA  
Interim City Attorney

State of California }  
County of Contra Costa : ss.  
City of Richmond }

I certify that the foregoing is a true copy of **Resolution No. 83-20**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on July 28, 2020.

  
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Pamela Christian, Clerk of the City of Richmond