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**CITY OF TEMPE  
REQUEST FOR COUNCIL ACTION****Council Meeting Date: 7/30/2013  
Agenda Item: 5C8**

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**ACTION:** Introduce and hold the first public hearing to adopt an ordinance to transfer a portion of the unencumbered appropriation budget from the Community Development Department as well as other Departments/Offices, as required, to the City Manager's Office, for the economic development functions. The second and final public hearing is scheduled for August 22, 2013. (Ordinance No. 2013.46)

**FISCAL IMPACT:** The transfer of a portion of the unencumbered General Fund appropriation budget from the Community Development Department to the City Manager's Office will be cost neutral to the City. No increase in overall City budget appropriation is being requested. However, additional budget appropriation from other Department/Offices may be required to fully fund the economic development functions.

**RECOMMENDATION:** Adopt Ordinance No. 2013.46.

**BACKGROUND INFORMATION:** On June 20, 2013, the City Manager announced organizational changes to hone efficiency. The merger of the economic development functions into the City Manager's Office is part of the initial phase of restructuring the City organization. The Tempe City Charter, Section 5.08, allows the City Council to transfer part or all of any unencumbered appropriation balance from one department, office or agency, to another, by way of an Ordinance.

The transfers will consist of the budgeted personnel costs for two authorized positions from the Community Development Department as well as related base budget operating expense amounts. The estimated amount of the transfer is approximately \$310,000. Due to the recent reclassification of the Economic Development Director position, additional budget appropriation of approximately \$56,000 will be identified and transferred to fully fund the Economic Development Director position.

**ATTACHMENTS:** Ordinance and Memo

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