



Legislation Details (With Text)

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Type: Ordinance **Status:** Passed

File created: 7/13/2021 **In control:** Economic Development Committee

On agenda: 7/26/2021 **Final action:** 7/28/2021

Title: To authorize the Director of the Department of Development to enter into an event support contract with Red, White & BOOM, Inc. for the purpose of planning, promoting and executing Red, White & BOOM! 2022; to authorize the transfer of \$150,000.00 within the General Fund; to authorize the expenditure of \$150,000.00 from the General Fund; and to declare an emergency (\$150,000.00)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Ord 2031-2021 Legislation Template

Date	Ver.	Action By	Action	Result
7/28/2021	1	CITY CLERK	Attest	
7/27/2021	1	MAYOR	Signed	
7/26/2021	1	Columbus City Council	Approved	Pass
7/26/2021	1	COUNCIL PRESIDENT	Signed	

BACKGROUND: This legislation authorizes the Director of the Department of Development to enter into contract with Red, White & BOOM, Inc. to assist in mitigating the financial losses associated with the cancellation of Red, White & BOOM! in 2020 and 2021, and to help defray the costs associated with organizing, promoting and executing Red, White & BOOM! 2022.

Since its inception in 1981, Red, White and BOOM! has grown to be the largest Independence Day Celebration in the Midwest and has become an open, inclusive and FREE experience for hundreds of thousands of people from across Columbus and central Ohio. Historically, the day-long event attracts nearly a half million people to downtown Columbus, making it the largest single-day event in the city. It is a tradition that celebrates the diversity of our community, while honoring military veterans and those who serve our city, state and nation. Red, White & BOOM! generates more than \$10 million in economic impact to central Ohio annually, and has generated more than \$150 million over the last 20 years.

Red, White & BOOM! is presented by a nonprofit 501 (c) 3 organization, 92% privately funded with a volunteer board of directors. In 2020, Red, White & BOOM! was forced to cancel due to COVID-19 restrictions, but through creative planning, careful financial management and the support of presenting sponsors, the organization remained viable into 2021. The event was positioned to return and celebrate its 40th anniversary in 2021, but lingering public health concerns forced a delay, and after careful consideration the board of directors determined the best course of action was to postpone until 2022.

The City of Columbus has consistently provided financial support and served as an annual event sponsor for Red, White and BOOM! However, in 2020, the City was forced to reduce its financial support for the event. While the nonprofit organizers were able to remain solvent despite cancelling the event in 2020, ongoing operating expenses and loss of revenue from the event for two consecutive years threatens the organization’s ability to present Red, White & BOOM! in

2022 and beyond.

This legislation authorizes the Department of Development to enter into contract with Red, White & BOOM!, Inc. to provide one-time COVID-19 relief to mitigate financial losses associated with the cancellation of the event in 2020 and 2021, and to position the nonprofit organization to raise the additional private funds required to present the event in 2022.

It should be noted that in addition to serving as an event sponsor, the City of Columbus has, in the past, absorbed certain additional costs associated with presenting the event, most notably police and fire overtime required to maintain public safety. The Department of Public Service and Department of Recreation and Parks also incur costs in excess of fees charged to the event sponsor. Because Red, White & BOOM! did not occur in 2020 or 2021, the City of Columbus is likely to realize a net cost savings in excess of the direct financial support provided through this legislation, while assuring the viability of the nonprofit and the event itself in the immediate future.

The services included in this non-for-profit service contract cannot be provided by existing city employees because these services are beyond the City's current staffing capacity to provide.

Contract Compliance: Vendor number is 004781 and contract compliance is pending.

Fiscal Impact: This legislation authorizes the transfer and expenditure of \$150,000.00 within and from the General Fund with Red, White & BOOM, Inc. for the purpose of mitigating the financial losses associated with the cancellation of Red, White & BOOM! in 2020 and 2021, and to help defray the costs associated with organizing, promoting and executing Red, White & BOOM! 2022. Funding in the amount of \$150,000.00 is budgeted and available within the 2021 General Fund Budget.

Emergency action is requested so that financial support can be provided immediately and planning for Red, White,& Boom! 2022 can commence without delay.

To authorize the Director of the Department of Development to enter into an event support contract with Red, White & BOOM, Inc. for the purpose of planning, promoting and executing Red, White & BOOM! 2022; to authorize the transfer of \$150,000.00 within the General Fund; to authorize the expenditure of \$150,000.00 from the General Fund; and to declare an emergency (\$150,000.00)

WHEREAS, since its inception in 1981, Red, White and BOOM! has grown to be the largest Independence Day Celebration in the Midwest and has become an open, inclusive and FREE experience for hundreds of thousands of people from across Columbus and central Ohio; and

WHEREAS, in 2020, Red, White & BOOM! was forced to cancel due to COVID-19 restrictions, but through creative planning, careful financial management and the support of presenting sponsors, the organization remained viable into 2021; and

WHEREAS, the event was positioned to return and celebrate its 40th anniversary in 2021, but lingering public health concerns forced a delay, and after careful consideration the board of directors determined the best course of action was to postpone until 2022; and

WHEREAS, the City of Columbus has consistently provided financial support and served as an annual event sponsor for Red, White and BOOM! However, in 2020, the City was forced to reduce its financial support for the event; and

WHEREAS, while the nonprofit organizers were able to remain solvent despite cancelling the event in 2020, ongoing operating expenses and loss of revenue from the event for two consecutive years threatens the organization's ability to

present Red, White & BOOM! in 2022 and beyond; and

WHEREAS, this event support contract is needed to assist in mitigating the financial losses associated with the cancellation of Red, White & BOOM! in 2020 and 2021, and to help defray the costs associated with organizing, promoting and executing Red, White & BOOM! 2022; and

WHEREAS, the services included in this non-for-profit service contract cannot be provided by existing city employees because these services are beyond the City's current staffing capacity to provide; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to authorize the Director to enter into an event support contract with Red, White & BOOM, Inc. so that financial support can be provided immediately and planning for Red, White,& Boom! 2022 can commence without delay, for the preservation of the public health, peace, property, safety, and welfare; **NOW, THEREFORE**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Director of the Department of Development is hereby authorized to enter into an event support contract with Red, White & BOOM, Inc. for the purpose of planning, promoting and executing Red, White & BOOM! 2022.

SECTION 2. That the transfer of \$150,000.00, or so much thereof as may be needed, is hereby authorized within Fund 1000 General Fund, from Dept-Div 4501, Object Class 10 - Transfers Out to Dept-Div 4401 Administration, Object Class 03 - Contractual Services per the account codes in the attachment to this ordinance.

See Attached File: Ord 2031-2021 Legislation Template.xls

SECTION 3. That the expenditure of up to \$150,000.00, or so much thereof as may be needed pursuant to the action authorized in SECTION 1, is hereby authorized in the General Fund 1000, in Object Class 03 - Contractual Services, per the accounting codes in the attachment to this ordinance.

See Attached File: Ord 2031-2021 Legislation Template.xls

SECTION 4. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

SECTION 5. That this contract was awarded in accordance with the relevant provisions of Columbus City Code Chapter 329 relating to awarding not-for-profit service contracts exceeding fifty thousand dollars (\$50,000.00).

SECTION 6. That the monies appropriated in the foregoing Sections shall be paid upon the order of the Department of Public Safety, and that no order shall be drawn or money paid except by voucher, the form of which shall be approved by the City Auditor

SECTION 7. That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications.

SECTION 8. That for the reasons stated in the preamble hereto, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.