

RESOLUTION 98-172  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
APPROVING THE EXPENDITURE OF CITY FUNDS TO DEFRAY THE  
COSTS OF ATTORNEYS FEES FOR THE FORT COLLINS HOUSING AUTHORITY

WHEREAS, pursuant to the provisions of state statute, the City has heretofore established the Fort Collins Housing Authority (“Housing Authority”) for the purpose of providing safe, sanitary and affordable dwelling accommodations for low income residents of the City; and

WHEREAS, the provision of affordable housing serves an important public purpose for the City, and the City has a vital interest in the stability and ongoing existence of the Housing Authority; and

WHEREAS, the Housing Authority has recently been involved in litigation in the Federal District Court for the District of Colorado in which a judgment has been entered by the trial court against the Housing Authority, its executive director and one of its commissioners; and

WHEREAS, the Housing Authority has incurred extraordinary expenses related to such litigation including, but not limited to, attorneys’ fees and costs; and

WHEREAS, the Housing Authority has filed a Notice of Appeal of the judgment entered against the Housing Authority and may pursue such appeal, thereby incurring additional attorneys’ fees and costs; and

WHEREAS, the Housing Authority is in a state of transition, by reason of the City Council’s recent appointment of itself as the new Board of Commissioners and of certain members of City staff to operate and advise the Housing Authority, and the ongoing operations of the Housing Authority, as well as its response to the judgment entered in the above-referenced civil action, may require the services of special legal counsel; and

WHEREAS, it is anticipated that the operating revenues of the Housing Authority may be insufficient to cover the attorneys’ fees previously incurred in connection with the litigation and to be incurred by the Housing Authority with regard to the above-referenced matters; and

WHEREAS, the City Manager believes that sufficient general fund revenues exist, pursuant to previous appropriations, to assist the Housing Authority in defraying such legal costs; and

WHEREAS, the City Council believes that it would be in the public interest to provide, within certain limitations, such financial assistance for the above-referenced purposes as the City Manager may deem appropriate.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

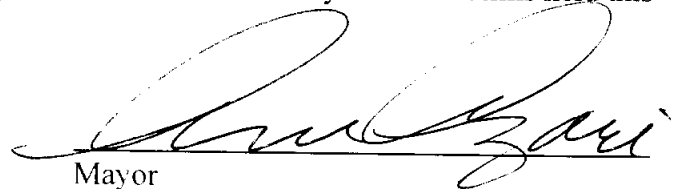
Section 1. That the City Manager is hereby authorized to expend up to the amount of \$104,000 in 1998 and \$100,000 in 1999 from previously appropriated General Fund revenues for the purpose of defraying the legal fees and related costs of the Fort Collins Housing Authority.

Section 2. That the City Manager is hereby authorized to exercise his discretion, in consultation with the City Attorney, the Financial Officer of the City and such officers and employees of the Housing Authority as he may deem appropriate, to determine the amount and kind of fees and costs to be paid pursuant to this authorization; provided, however, that the City Manager shall inform the Council, in advance, of any expenditures to be made pursuant to this Resolution, within such period of time as would permit the Council to formally review and reconsider any such expenditure if it so chooses.

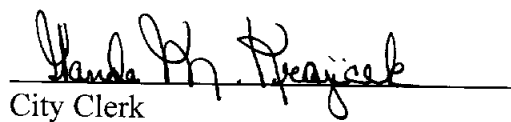
Section 3. That in no event shall the revenues authorized for expenditure pursuant to this Resolution be used to satisfy any portion of the judgment entered against the Housing Authority or its executive director in Civil Action No. 97K1995.

Section 4. That the City Manager is hereby directed to investigate the legal and financial feasibility of the Housing Authority repaying all or a portion of the legal fees and related costs advanced by the City and report back to the City Council with regard to such possibility within sixty (60) days from the date of adoption of this Resolution.

Passed and adopted at a regular meeting of the Council of the City of Fort Collins held this 15th day of December, A.D. 1998.

  
Mayor

ATTEST:

  
City Clerk