

DATE: July 19, 2011
STAFF: Ken Waido

AGENDA ITEM SUMMARY
FORT COLLINS CITY COUNCIL

14

SUBJECT

First Reading of Ordinance No. 090, 2011, Appropriating General Fund Prior Year Reserves for the Affordable Housing Fund and Land Bank Program.

EXECUTIVE SUMMARY

City Council authorized expenditures in 2010 for Affordable Housing and the Land Bank Program. All of the authorized expenditures were not spent in 2010 because the projects for which the dollars were originally appropriated could not be completed during 2010. Reappropriation of \$295,821 is necessary for completion of the projects in 2011. These unexpended monies lapsed into the General Fund balance at the end of 2010 and reflect no change in Council policies.

BACKGROUND / DISCUSSION

The following items have historically been included in the Ordinance Appropriating Prior Year Reserves, but were inadvertently omitted when this ordinance (Ordinance No. 042, 2011) was considered by Council on April 19, 2011.

Money from the City's Affordable Housing Fund (AHF) was not approved for allocation to various agencies by the City Council until completion of the fall cycle of the competitive process in November 2010. In many cases, the City's funding represents the first dollars committed to specific projects, then agencies seek additional funding from sources such as the Colorado Division of Housing, the Colorado Housing Finance Authority, or the Federal Home Loan Bank. City funds are not given final commitment nor are contracts signed until the City is reasonably assured the projects have the necessary financial support to be completed. Therefore, the affordable housing funds in the amount of \$284,382 for these agencies need to be re-appropriated to fulfill the City's commitment to provide funding for their specific projects.

The Land Bank Program is a self-sustaining program in that rental income from the Land Bank properties provides a source of funds for routine maintenance and/or necessary or emergency repairs. The repairs and maintenance of these properties could not be completed by year-end. Staff is requesting that the unspent funds in the amount of \$11,439 be re-appropriated back into the Land Bank Program so that the repairs and maintenance can be completed as needed.

FINANCIAL / ECONOMIC IMPACTS

This Ordinance increases 2011 appropriations by \$295,821 in the General Fund. This appropriation represents the amounts budgeted in 2010 that could not be spent or encumbered at year-end. The appropriations are from General Fund 2010 prior year reserves.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

ORDINANCE NO. 090, 2011
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING PRIOR YEAR RESERVES IN THE GENERAL FUND FOR THE
AFFORDABLE HOUSING AND LAND BANK PROGRAMS

WHEREAS, the City Council allocated Affordable Housing funds to various agencies during the fall cycle of the competitive process in November 2010; and

WHEREAS, Affordable Housing appropriations that were not expended at the end of 2010 lapsed into the General Fund reserves and City staff recommends that the City Council appropriate those funds to fulfill the City's commitment to provide for the Affordable Housing program projects; and

WHEREAS, unexpended appropriations for Land Bank property repairs and maintenance also lapsed at the end of 2010 into General Fund reserves and need to be appropriated into 2011 so the repairs can be completed as needed; and

WHEREAS, Article V, Section 11 of the City Charter requires that all appropriations unexpended or unencumbered at the end of the fiscal year lapse to the applicable general or special fund, except that appropriations for capital projects and federal or state grants do not lapse until the completion of the capital project or until the expiration of the federal or state grant; and

WHEREAS, Article V, Section 9, of the City Charter permits the City Council to appropriate by ordinance at any time during the fiscal year such funds for expenditure as may be available from reserves accumulated in prior years, notwithstanding that such reserves were not previously appropriated.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS that there is hereby appropriated for expenditure from prior year reserves in the General Fund the sum of TWO HUNDRED NINETY-FIVE THOUSAND EIGHT HUNDRED TWENTY-ONE DOLLARS (\$295,821) for the following purposes:

Affordable Housing Program	\$ 284,382
Land Bank Program	11,439

Introduced, considered favorably on first reading, and ordered published this 19th day of July, A.D. 2011, and to be presented for final passage on the 16th day of August, A.D. 2011.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 16th day of August, A.D. 2011.

Mayor

ATTEST:

City Clerk