

AGENDA ITEM SUMMARY

July 18, 2017

City Council

STAFF

John Stokes, Natural Resources Director
Mark Sears, Natural Areas Manager
Barb Brock, Natural Areas Financial Coordinator

SUBJECT

Second Reading of Ordinance No. 085, 2017, Appropriating Prior Year Reserves in the Natural Areas Fund for the Purpose of Land Conservation, Public Improvements and Related Natural Areas Programming Not Included in the 2017 Adopted City Budget.

EXECUTIVE SUMMARY

This Ordinance, unanimously adopted on First Reading on July 5, 2017, appropriates \$10,790,000 in prior year reserves and unanticipated revenues in the Natural Areas Fund for the purpose of land conservation, construction of public improvements, restoration of wildlife habitat and other Natural Area Department programs to benefit the citizens of Fort Collins.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

ATTACHMENTS

1. First Reading Agenda Item Summary, July 5, 2017 (PDF)
2. Ordinance No. 085, 2017 (PDF)

AGENDA ITEM SUMMARY

July 5, 2017

City Council

STAFF

John Stokes, Natural Resources Director
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SUBJECT

First Reading of Ordinance No. 085, 2017, Appropriating Prior Year Reserves in the Natural Areas Fund for the Purpose of Land Conservation, Public Improvements and Related Natural Areas Programming Not Included in the 2017 Adopted City Budget.

EXECUTIVE SUMMARY

The purpose of this item is to appropriate \$10,790,000 in prior year reserves and unanticipated revenues in the Natural Areas Fund for the purpose of land conservation, construction of public improvements, restoration of wildlife habitat and other Natural Area Department programs to benefit the citizens of Fort Collins.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

Funding for the Natural Areas Department (NAD) for purposes other than capital projects, lapses each year if not spent. Unspent funds need to be appropriated into the following year's budget before they can be used (any unspent funds are characterized at the end of the fiscal year as prior year reserves). Of the total appropriation, \$9,130,088 will be used for land conservation. Over \$9,000,000 in land acquisitions are under negotiation; there is a reasonable likelihood that most of these funds will be spent in 2017.

In addition to prior year reserves and unspent 2016 appropriations, NAD received \$1,241,088 in unanticipated revenues; these funds are being appropriated for the purpose of providing Natural Areas programming not included in the 2017 adopted City Budget.

The funds for NAD come from the following designated sources of revenue, including: the City - Open Space Yes! ¼ Cent sales tax; the Larimer County - Help Preserve Open Space ¼ cent sales tax; and, miscellaneous anticipated and unanticipated revenues. All of these funds are restricted to the purposes of the Natural Areas Department, including unanticipated revenues which consist generally of income from sales tax revenues, easements, leases or grants.

The prior year reserve funds being appropriated in this Ordinance are more specifically described:

| | |
|---------------|---|
| \$ 9,548,912 | Unspent 2016 Budgeted Funds - being reappropriated for same purpose |
| \$ 1,241,088 | Unanticipated Revenues |
| \$ 10,790,000 | Prior Year 2016 Reserves |

The anticipated use of these funds is as follows:

Land Conservation - \$9,130,088 will fund land conservation efforts per the Natural Areas Master Plan (including \$1,030,088 in unanticipated revenue).

Resource Management - \$880,100 in unspent 2016 funds will fund restoration of Udall & Kingfisher Natural Areas, including wetland mitigation and seed.

Public Improvements - \$290,000 will fund:

- ADA parking and trail improvements at Riverbend Ponds Natural Area Cherly Street trailhead
- Drainage improvements at the south parking lot in Soapstone Natural Area
- McMurry Natural Area - Poudre River Bridge repairs and new railing
- A used tandem axle dump truck
- Trail improvements at Goose Hollow Natural Area
- Coyote Ridge Natural Area - additional parking spaces (funded with \$40,000 of unanticipated revenue)

Facility Operations - \$16,000 will fund removal of hazardous trees around the Bobcat Ridge Natural Area ranger house (funded with unanticipated revenue)

Land Management - \$115,000 will fund:

- \$15,000 in administrative costs for Nature in the City
- A utility off trail vehicle for Soapstone
- Repair damages from the 2013 flood at Soapstone Prairie Natural Area (funded with \$50,000 in unanticipated revenue)
- Prairie Dog sylvatic plague management at Soapstone Prairie Natural Area (funded with \$20,000 of unanticipated revenue)

Department Management - \$85,000 will replenish contingency funds that have been spent on an Organizational Assessment and other unanticipated department needs (funded with unanticipated revenue).

White Water Park - \$273,812 in unspent 2016 funds will help fund the restoration of Poudre River.

CITY FINANCIAL IMPACTS

The Ordinance increases 2017 appropriations in the City's Natural Areas Fund by \$10,790,000. The requested appropriation of \$10,790,000 in the Natural Areas Fund represents 2016 appropriations that were unspent and unencumbered at year-end 2016 and unanticipated revenues. These funds are restricted to the purposes of the Natural Areas Department.

BOARD / COMMISSION RECOMMENDATION

At its June 14, 2017 meeting, the Land Conservation and Stewardship Board voted unanimously to recommend that City Council approve the appropriation.

PUBLIC OUTREACH

Natural Areas Funds will be spent in alignment with the Natural Areas Master Plan, which was extensively reviewed by the public prior to its adoption in October 2014.

ATTACHMENTS

1. Land Conservation & Stewardship Board minutes (draft), June 14, 2017 (excerpt) (PDF)

ORDINANCE NO. 085, 2017
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING PRIOR YEAR RESERVES IN THE NATURAL
AREAS FUND FOR THE PURPOSE OF LAND CONSERVATION, PUBLIC
IMPROVEMENTS AND RELATED NATURAL AREAS PROGRAMMING
NOT INCLUDED IN THE 2017 ADOPTED CITY BUDGET

WHEREAS, the City is committed to preserving natural areas and providing educational, interpretive and appropriate recreational opportunities to the public; and

WHEREAS, Natural Areas programming implements open land conservation priorities identified in the City's Comprehensive Plan by purchasing conservation easement interests in key natural areas, community separators, or other open lands; providing stewardship for lands purchased; and developing trails and interpretive features for public use; and

WHEREAS, the Natural Areas Department is funded primarily through the collection of City Open Space - Yes sales and use tax revenue, as well as revenues from the Larimer County Help Preserve Open Space sales and use tax, investment earnings, and other miscellaneous revenues deposited in the Natural Areas Fund; 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; and

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

WHEREAS, City staff has determined that the appropriations as described herein are available and previously unappropriated in the Natural Areas Fund; and

WHEREAS, City staff has recommended the appropriation from prior year reserves in the Natural Areas Fund of a total of \$10,790,000, comprised of \$9,548,912 in unspent and unencumbered appropriations from 2016 and \$1,241,088 in unanticipated revenue and prior year reserves, to be used for acquisition, construction, enhancement and maintenance of trail systems, wildlife habitat and other natural areas to benefit the citizens of the City.

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

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That there is hereby appropriated from prior year reserves in the Natural Areas Fund the sum of TEN MILLION SEVEN HUNDRED NINETY THOUSAND DOLLARS (\$10,790,000) to be used for acquisition, construction, enhancement and maintenance of trail systems, wildlife habitat and other natural areas to benefit the citizens of the City.

Introduced, considered favorably on first reading, and ordered published this 5th day of July, A.D. 2017, and to be presented for final passage on the 18th day of July, A.D. 2017.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 18th day of July, A.D. 2017.

Mayor

ATTEST:

City Clerk