

AGENDA ITEM SUMMARY
FORT COLLINS CITY COUNCIL

ITEM NUMBER: 10

DATE: June 1, 2004

STAFF: Alan Krcmarik

SUBJECT

Second Reading of Ordinance No. 081, 2004, Appropriating Unanticipated Revenue in the General Fund to be Returned to the Fort Collins Housing Authority to Fund Affordable Housing Related Activities.

RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

EXECUTIVE SUMMARY

The Fort Collins Housing Authority ("Authority") made a payment to the City from its 2004 budget for the sum of \$10,682 as a "Payment in Lieu of Taxes" ("PILOT") for public services and facilities. The Authority annually requests that the City refund the money to fund sorely needed affordable housing related activities and to attend to the low-income housing needs of Fort Collins residents. Ordinance No. 081, 2004, was unanimously adopted on First Reading on May 18, 2004.

ORDINANCE NO. 081, 2004
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING UNANTICIPATED REVENUE IN THE GENERAL FUND
TO BE RETURNED TO THE FORT COLLINS HOUSING AUTHORITY
TO FUND AFFORDABLE HOUSING RELATED ACTIVITIES

WHEREAS, the City has received a payment from the Fort Collins Housing Authority ("Authority") of \$10,682 as their 2004 payment in lieu of taxes ("PILOT"); and

WHEREAS, the Authority has requested that the 2004 PILOT payment be appropriated by the Council for expenditure by the Authority to fund affordable housing related activities and to attend to the housing needs of low-income Fort Collins residents; and

WHEREAS, said payment of \$10,682 was not projected as a revenue source in the 2004 City budget; and

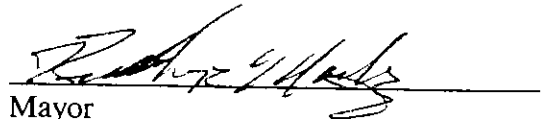
WHEREAS, the City Council has determined that the provision of affordable housing serves an important public purpose and is an appropriate use of these funds; and

WHEREAS, Article V, Section 9 of the Charter of the City of Fort Collins permits the City Council to make supplemental appropriations by ordinance at any time during the fiscal year, provided that the total amount of such supplemental appropriations, in combination with all previous appropriations for that fiscal year, does not exceed the current estimate of actual and anticipated revenues to be received during the fiscal year; and

WHEREAS, City staff has determined that the appropriation of the Authority PILOT payment as described herein will not cause the total amount appropriated in the General Fund to exceed the current estimate of actual and anticipated revenues to be received in that fund during any fiscal year.

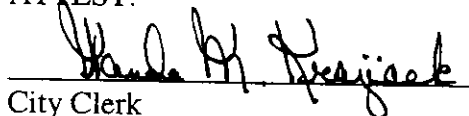
NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS that there is hereby appropriated from unanticipated revenue in the General Fund the sum of TEN THOUSAND SIX HUNDRED AND EIGHTY-TWO DOLLARS (\$10,682) to be returned to the Authority to fund affordable housing related activities for Fort Collins residents consistent with the Federal Department of Housing and Urban Development guidelines.

Introduced and considered favorably on first reading and ordered published this 18th day of May, A.D. 2004, and to be presented for final passage on the 1st day of June, A.D. 2004.



Mayor

ATTEST:



City Clerk

Passed and adopted on final reading this 1st day of June, A.D. 2004.

Mayor

ATTEST:

City Clerk

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 10

DATE: May 18, 2004

STAFF: Alan Krcmarik

SUBJECT

First Reading of Ordinance No. 081, 2004, Appropriating Unanticipated Revenue in the General Fund to be Returned to the Fort Collins Housing Authority to Fund Affordable Housing Related Activities.

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RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

FINANCIAL IMPACT

The City received unanticipated revenue from the Fort Collins Housing Authority in the amount of \$10,682 as a 2004 payment for public services and facilities. The revenue was placed in the General Fund. This Ordinance will return the funds to the Housing Authority to be used for affordable housing and related activities.

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EXECUTIVE SUMMARY

The Fort Collins Housing Authority ("Authority") made a payment to the City from its 2004 budget for the sum of \$10,682 as a "Payment in Lieu of Taxes" ("PILOT") for public services and facilities. The Authority annually requests that the City refund the money to fund sorely needed affordable housing related activities and to attend to the low-income housing needs of Fort Collins residents.

Resolution 1992-093 reinstated the requirement that the Authority make annual PILOT payments to the City. The City may spend the PILOT revenues as it deems appropriate in accordance with law, including remitting the funds to the Authority if the Council determines that such remittal serves a valid public purpose. The Council has remitted the PILOT payment to the Authority annually since 1992.

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BACKGROUND

On December 16, 1971, the City and the Authority entered into a Cooperative Agreement which provided that the Authority must make annual PILOT payments to the City for the public services and facilities furnished by the City. In 1986, upon request of the Authority, the City Council adopted a Resolution which relieved the Authority of its obligation to make the PILOT payments. Based on that Resolution, the Authority did not make PILOT payments from 1987 through 1990.

The Authority also received a refund from the City of PILOT payments for the years 1984, 1985 and 1986.

In 1992, the City Council approved a change in the Cooperative Agreement to reinstate the requirement that the Authority pay the annual PILOT payment. The change was done to clarify that PILOT payments are owed to the City and to avoid the possibility that the Department of Housing and Urban Development ("HUD") might require the Authority to return the PILOT payments to the federal government. Since that time, the City has refunded the annual PILOT payments to the Housing Authority.

Staff recommends that the 2004 PILOT payment of \$10,682 be appropriated as unanticipated revenue in the General Fund and remitted to the Authority with the recommendation that the Authority use the funds in the manner consistent with HUD guidelines. The intended use for the funds is affordable housing and related activities.

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