

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 24

DATE: February 21, 2006

STAFF: Ann Turnquist
Steve Engemoen

SUBJECT

First Reading of Ordinance No. 028, 2006, Appropriating Unanticipated Revenue in the Sales and Use Tax Fund From the Proceeds of a Dedicated 0.25 Cent Sales and Use Tax Approved by the Voters for Transfer to the Capital Projects Fund, the Transit Services fund, and the Cultural Services and Facilities Fund to be Used for Projects Identified in the Building on Basics Capital Improvement Program.

RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

FINANCIAL IMPACT

This Ordinance implements the first year of BOB projects including the following allocations:

1.	Harmony - Seneca to College	\$3,000,000
2.	Fort Collins Museum/DSC Joint Facility Design	\$ 750,000
3.	Timberline - Drake to Prospect, Right-of-Way Acquisition	\$ 400,000
4.	Replacement Buses Transit Fleet	\$ 150,000
5.	Pedestrian Plan and ADA Improvements, Continuation	\$ 300,000
6.	Lincoln Center, Cultural Facilities Plan	\$ 150,000
7.	Intersection Improvements and Traffic Signals	<u>\$ 275,000</u>
		\$5,025,000

EXECUTIVE SUMMARY

In November 2005, voters approved the renewal of the City's sales and use tax funded capital program known as Building on Basics ("BOB"). The proceeds from the BOB package were not appropriated in the 2006-2007 Budget process because the success of the measure was not known at the time of Council's consideration of the Budget ordinances. This ordinance appropriates funds from the Sales and Use Tax Fund allocation for BOB to the projects which will receive funding in 2006.

BACKGROUND

On January 10, 2006, Council and staff met in work session to discuss the proposed schedule for completion of the capital improvement projects funded through the BOB sales and use tax program. Staff presented Council with a cash flow scenario which proposed to fund two high priority projects during the 2006-2007 Budget period—Harmony Road, Seneca to College Avenue and the Museum, Discovery Science Center ("DSC") joint facility. Council was supportive of the priorities for the first two years of the program and directed staff to proceed with implementing the first two years of the program to include the Harmony Road and Museum/DSC.

Council also discussed the tentative schedule for other major projects included in the BOB package, including North College Improvements and Lincoln Center Renovations. Council asked staff to continue to review the schedule for these projects, including gathering input from both the Downtown and North College businesses. Staff has met to review alternatives for the projects in 2008-2015 and will provide additional information and alternatives to City Council at a later date. A work session will be scheduled if needed. This issue will be pursued separately from the appropriations for the 2006 Budget because these projects will not be implemented until the 2008-2009 Budget cycle.

ATTACHMENTS

- Preliminary Cash Flow Analysis and Project Schedule, Building on Basics 2005-February 14, 2006

**7 Years O&M Final Project List
Preliminary Cash Flow Analysis and Project Schedule
Building on Basics 2005--February 14, 2006**

14-Feb-06		(In thousands)																	Total (Constant dollars)	
	Unfunded Cost	Annual Additional O&M	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Cash Flow:																				
Library Technology	\$ 5,950	\$ -			\$ 744	\$ 744	\$ 744	\$ 744	\$ 744	\$ 744	\$ 744	\$ 742								\$ 5,950
Center Joint Facility	\$ 6,000	\$ 200	750	5,250		\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200								\$ 7,400
Lincoln Center Renovation/Cultural Faci	\$ 5,000	\$ 24	\$ 150			\$ 2,350	\$ 2,500		\$ 24	\$ 24	\$ 24	\$ 24	\$ 24	\$ 24	\$ 24					\$ 5,168
Park Upgrades and Enhancements	\$ 1,525	\$ 45				\$ 275						\$ 1,250								\$ 1,525
<i>Park Upgrades and Enhancements O&M</i>																				
Fort Collins Senior Center Expansion	\$ 4,000	\$ 50							\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45					\$ 315
Police Services CAD Replacement Project	\$ 600	\$ 219			\$ 219	\$ 219	\$ 219	\$ 819	\$ 219	\$ 219	\$ 219									\$ 2,133
Harmony - Seneca to College	\$ 3,969	\$ 19	\$ 3,000	\$ 19	\$ 988	\$ 19	\$ 19	\$ 19	\$ 19	\$ 19										\$ 4,102
Intersection Improvements and Traffic Signals (including Harmony/College)	\$ 11,000	\$ 5	\$ 275		2325	\$ 1,500	\$ 400	\$ 400	\$ 3,100	\$ 780		\$ 2,220								\$ 11,000
<i>Intersections O&M</i>																				
North College Avenue Improvements	\$ 4,000	\$ 6			\$ 400		\$ 1,000	\$ 2,600		\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 4,042
Timberline - Drake to Prospect	\$ 4,856	\$ 16	\$ 400							600	3,200	656	16	16	16	16	16	16	16	\$ 4,968
Replacement Buses Transit Fleet	\$ 923	\$ -	\$ 150	\$ 150	\$ 150	\$ 150		\$ 323												\$ 923
Fort Collins Bicycle Program Plan Implementation	\$ 1,000	\$ -			\$ 125	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125								\$ 1,000
Pedestrian Plan and ADA Improvements, Continuation	\$ 3,000	\$ 50	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300								\$ 3,000
<i>Pedestrian Plan and ADA Improvements O&M</i>																				
			\$ 7	\$ 14	\$ 21	\$ 28	\$ 35	\$ 42	\$ 50	\$ 42	\$ 35	\$ 28	\$ 21	\$ 14	\$ 13					\$ 350
Total Expenditure			\$ 5,025	\$ 5,731	\$ 5,270	\$ 5,908	\$ 5,540	\$ 5,570	\$ 5,173	\$ 5,117	\$ 6,555	\$ 5,653	\$ 169	\$ 162	\$ 155	\$ 85	\$ 66	\$ 66	\$ 16	\$ 56,261
Annual Balance:			\$ 108	\$ (131)	\$ 330	\$ (308)	\$ 60	\$ 30	\$ 427	\$ 483	\$ (955)	\$ (53)	\$ 298	\$ (162)	\$ (155)	\$ (85)	\$ (66)	\$ (66)	\$ (16)	
Running Balance:			\$ 108	\$ (23)	\$ 307	\$ (1)	\$ 59	\$ 89	\$ 516	\$ 999	\$ 44	\$ (9)	\$ 289	\$ 127	\$ (28)	\$ (113)	\$ (179)	\$ (245)	\$ (261)	
Total	\$ 51,823	\$ 634																		\$ 56,261

**Grand Total: Capital +
7 yrs. O&M: \$ 56,261**

Totals revenue projections are in constant 2005 dollars and do not include interest/investment earnings

Notes:

Library Technology and Ped Plan have a flat dollar allocation per year

Museum/DSC design would begin in 2006, with construction in 2007

Lincoln Center renovation/Cultural Funding is split between the two aspects of the project

Senior Center is scheduled late in process

Police CAD has existing funding sources for capital available now and through existing funding stream (\$1.6 m partner funding, and \$200k from existing budget) so O&M can start in 2008, but City Capital is scheduled for 2011.

Harmony and intersection would occur in 2006-2007 with some existing funding that would be repaid to the General Fund in 2008. The Harmony/College intersection would be completed as a separate project in 2008

ORDINANCE NO. 028, 2006
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING UNANTICIPATED REVENUE IN THE SALES AND USE TAX FUND
FROM THE PROCEEDS OF A DEDICATED 0.25 SALES AND USE TAX APPROVED BY
THE VOTERS FOR TRANSFER TO THE CAPITAL PROJECTS FUND, THE TRANSIT
SERVICES FUND, AND THE CULTURAL SERVICES AND FACILITIES FUND
TO BE USED ON PROJECTS IDENTIFIED IN THE BUILDING ON BASICS CAPITAL
IMPROVEMENT PROGRAM

WHEREAS, in 2003, City Council and staff began pursuing a 10-year capital program to provide funding for some of the City's general capital needs, and to replace the Building Community Choices - Community Enhancement Projects program that began in 1998 and was due to expire on December 31, 2005; and

WHEREAS, the aforementioned program became known as the Building on Basics 2005 Capital Improvement Program ("BOB"); and

WHEREAS, with over \$550 million in unfunded or partially funded capital needs identified in the City's 10-year Capital Inventory, the goal of BOB was to develop a plan to provide funding for the City's highest priority projects; and

WHEREAS, a list of projects was developed, including the operation and maintenance needs for those projects, through a series of meetings soliciting public input, input from City boards and commissions, and City Council Work Sessions; and

WHEREAS, City Council, on August 16, 2005, adopted Resolution 2005-092, Submitting to the Registered Electors of the City an Ordinance Extending the Existing Twenty-Five Hundredths Percent (0.25%) "Community Enhancement" Capital Projects Sales and Use Tax on all Taxable Items Except Food for a Period of Ten Years for the Purpose of Obtaining Revenue for Certain "Building on Basics" Capital Projects and Related Operation and Maintenance; and

WHEREAS, at a municipal election on November 1, 2005, City residents approved the extension, through December 31, 2015, of the 0.25 cent sales and use tax, approved by voters in 1997, for the Building Community Choices - Community Enhancements capital projects, provided that the revenues from the extended 0.25 cent are used to pay for the costs of planning, design, right-of-way acquisition, construction, and at least seven (7) years of operation and maintenance of the following capital projects as part of the BOB program:

- Intersection Improvements and Traffic Signals (Including Harmony/College);
- Timberline Road - Drake Road to Prospect Road;
- Harmony Road - Seneca Street To College Avenue;
- Lincoln Center Renovation and Cultural Facilities Plan;
- Park Upgrades and Enhancements;
- Fort Collins Senior Center Improvements;

- Fort Collins Museum/Discovery Science Center Joint Facility;
- Fort Collins Bicycle Program Access Implementation;
- Pedestrian Plan and Disability Improvements;
- North College Avenue Improvements Phase 2 - Vine Drive to Conifer Street;
- Transit Fleet Vehicle Replacement;
- Library Technology; and
- Police Services Computer Aided Dispatch, Records and Jail Management System Replacement Project.

WHEREAS, on January 10, 2006, City Council and staff met in a work session to discuss proposals for scheduling of these projects, funded through the proceeds from the BOB program; and

WHEREAS, City Council directed staff to proceed with implementing the first two years (2006-2007) of the program that included funding for two high priority projects: Harmony Road - Seneca Street to College Avenue, and the Museum/Discovery Science Center Joint Facility; and

WHEREAS, the following appropriations are requested in 2006 for implementation of the first year of the BOB program:

• Harmony Road - Seneca Street to College Avenue	\$ 3,000,000
• Fort Collins Museum/Discovery Science Center Joint Facility	750,000
• Timberline Road - Drake Road to Prospect Road (ROW Acquisition)	400,000
• Transit Fleet Vehicle Replacement	150,000
• Pedestrian Plan and Disability Access Improvements	300,000
• Lincoln Center Cultural Facilities Plan	150,000
• Intersection Improvements and Traffic Signals	<u>275,000</u>
Total	\$ 5,025,000

WHEREAS, Article V, Section 9, of the Charter of the City of Fort Collins (the "Charter") 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 proceeds from the quarter-cent sales and use tax dedicated to funding capital projects identified in the BOB program, as referenced above, will not cause the total amount appropriated in the relevant funds to exceed the current estimate of actual and anticipated revenues to be received during any fiscal year.

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

Section 1. That there is hereby appropriated from unanticipated revenue in the Sales and Use Tax Fund, the sum of FOUR MILLION SEVEN HUNDRED TWENTY-FIVE THOUSAND

DOLLARS (\$4,725,000) for transfer to the Building on Basics Capital Projects Fund and appropriated therein, as follows:

Harmony Road - Senaca Street to College Avenue	\$ 3,000,000
Fort Collins Museum/Discovery Science Center Joint Facility	750,000
Timberline Road - Drake Road to Prospect Road (ROW Acquisition)	400,000
Pedestrian Plan and Disability Access Improvements	300,000
Intersection Improvements and Traffic Signals	<u>275,000</u>
Total	\$ 4,725,000

to be used to for the projects as described within the Building on Basics Capital Improvement Program.

Section 2. That there is hereby appropriated from unanticipated revenue in the Sales and Use Tax Fund, the sum of ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000) for transfer to the Transit Services Fund and appropriated therein to be used for the replacement of transit vehicles at the end of their useful lives.

Section 3. That there is hereby appropriated from unanticipated revenue in the Sales and Use Tax Fund, the sum of ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000) for transfer to the Cultural Services and Facilities Fund and appropriated therein to be used for a cultural facilities plan to guide the development of future cultural facilities, such as a new performing arts center or downtown amphitheater.

Introduced, considered favorably on first reading, and ordered published this 21st day of February, A.D. 2006, and to be presented for final passage on the 7th day of March, A.D. 2006.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 7th day of March, A.D. 2006.

Mayor

ATTEST:

City Clerk