



Legislation Text

File #: 24-062, **Version:** 2

Ordinance No. 24-13 amending Ordinance No. 23-65 (2024 Budget Appropriation Ordinance) for a supplemental appropriation to the General Fund in an amount not to exceed \$2,600,000 in order to purchase real estate as part of the Nevada Avenue Reconstruction transportation projects, which will be fully reimbursed by the Pikes Peak Rural Transportation Authority (PPRTA) in 2025, per the Intergovernmental Agreement (IGA)

Presenter:

Charae McDaniel, Chief Financial Officer
Gayle Sturdivant, Acting Public Works Director
Chris Fiandaca, City Budget Manager

Summary:

The attached ordinance is a supplemental appropriation to the General Fund in order to purchase real estate needed to move forward with the Nevada Avenue Reconstruction transportation projects. The required General Fund amount needed for the transaction will not exceed \$2.6 million for all associated property acquisition costs, which will be fully reimbursed by PPRTA in 2025 per the Intergovernmental Agreement that is being presented to City Council for approval concurrently with this item. The PPRTA 3 authorization includes funding for this project. Colorado Springs Utilities (Utilities) has also provided funding for these PPRTA projects and the funding will assist with the property acquisition.

Background:

At the general election held on November 2, 2004, voters approved a ballot question authorizing a 1% sales and use tax on certain transactions within the boundaries of PPRTA with 55% of the net revenue thereof designated for specific regional roadway capital improvements, through December 31, 2014.

At the general election held on November 6, 2012, voters approved a ballot question authorizing an extension of the PPRTA tax until December 31, 2024 to fund certain regional transportation capital improvements (PPRTA 2 authorization).

At the general election held on November 8, 2022, voters approved a ballot question authorizing an extension of the PPRTA tax until December 31, 2034 to fund certain regional transportation capital improvements (PPRTA 3 authorization).

Proceeds of the PPRTA Tax are to be distributed to fund capital projects, maintenance projects, and transit services, the distribution of which is detailed in separate IGAs between PPRTA and its member governments, to include the City.

Public Works and the Real Estate Services departments report the property to be acquired has appraised for \$3.1 million and will be sold for that value. This appropriation and funding provided by

Utilities will cover the property cost and ancillary expenses to close and record the transaction.

Previous Council Action:

On November 28, 2023, City Council approved the original 2024 Budget per Ordinance No. 23-65.

The related IGA with PPRTA for reimbursement is being presented to City Council for approval concurrently with this item.

Financial Implications:

The source of funds for the General Fund supplemental appropriation not to exceed \$2,600,000 is the General Fund unrestricted fund balance. The City and General Fund will be fully reimbursed by PPRTA in 2025. The PPRTA reimbursement up to \$2,600,000 will be recognized as revenue in 2024, therefore there is zero impact to the 2024 General Fund unrestricted fund balance.

City Council Appointed Board/Commission/Committee Recommendation:

This supplemental appropriation will be discussed with City Council Budget Committee on February 13, 2024. Due to the time sensitivity of the transaction, this item was not presented to the City Council Budget Committee prior to the February 12, 2024 Council Work Session.

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Approve Ordinance No. 24-13 amending Ordinance No. 23-65 (2024 Budget Appropriation Ordinance) for a supplemental appropriation to the General Fund in an amount not to exceed \$2,600,000 in order to purchase real estate as part of the Nevada Avenue Reconstruction transportation projects, which will be fully reimbursed by the Pikes Peak Rural Transportation Authority (PPRTA) in 2025, per the Intergovernmental Agreement (IGA)

An ordinance amending Ordinance No. 23-65 (2024 Budget Appropriation Ordinance) for a supplemental appropriation to the General Fund in an amount not to exceed \$2,600,000 in order to purchase real estate as part of the Nevada Avenue Reconstruction transportation projects, which will be fully reimbursed by the Pikes Peak Rural Transportation Authority (PPRTA) in 2025, per the Intergovernmental Agreement (IGA)