



Agenda Statement

File #: RES 23-0027 **Version:** 1
Type: Resolution **Status:** Agenda Ready
File created: 4/24/2023 **In control:** City Council
On agenda: 5/3/2023 **Final action:**
Title: #23-27 - Amending the 2023 Budget by Transferring \$2,793,800 from the Valdez Housing Improvement Authority Fund and Appropriating \$800,000 to the Housing Incentive Program, and \$1,993,800 to the Development Incentive Program

Sponsors:

Indexes:

Code sections:

Attachments: 1. #23-27 - Transfer of Funds from Housing Improvement Authority, 2. RES 21-34 Establishing Council Priorities for the 2022 City Operating Budget, 3. 12-28-2015 VHIA Lisa Von Bargen Memo

Date	Ver.	Action By	Action	Result
5/3/2023	1	City Council		

ITEM TITLE:

#23-xx - Amending the 2023 Budget by Transferring \$2,793,800 from the Valdez Housing Improvement Authority Fund and Appropriating \$800,000 to the Housing Incentive Program, and \$1,993,800 to the Development Incentive Program

SUBMITTED BY: Mark Detter, City Manager

FISCAL NOTES:

Expenditure Required: \$2,793,800

Unencumbered Balance: \$2,793,800

Funding Source: Valdez Housing Improvement Authority (VHIA) Fund

RECOMMENDATION:

Approve

SUMMARY STATEMENT:

The Valdez Housing Improvement Authority (VHIA) Fund was established with the Adoption of the 2016 Budget with Resolution #15-55 by City Manager Ragsdale. Owing to turnover in multiple positions including the City Manager, no funds have been expended and there have been no budgeted expenses in the VHIA Fund since the conclusion of the 2017 Calendar Fiscal Year.

The 2022 Budget Parameters Resolution #21-34 referenced VHIA in the following way:

Valdez Housing (“VHIA”) Fund - Management proposed additional appropriations in support of Council’s emphasis on the pursuit of new/additional housing development. The preliminary budget will reflect appropriation of accumulated VHIA housing fund balances of approximately \$2.8MM, plus additional transfers of previously appropriated land-development reserves, toward specific housing development programming. The source fund and/or department for this programming is yet to be determined. Council expressed support for this appropriation, and acknowledges that it represents a deduction from accumulated savings.

The City Manager, in conjunction with the Economic Diversification Commission, the Planning and Zoning Commission, and staff; has identified two Housing Initiatives as “specific housing development programming” as outlined by the 2022 Budget Parameters Resolution.

This Resolution adds \$800,000 to the \$10,000 per Dwelling Housing Incentive Activity within the Land Development Reserve.

- The total Housing Incentive Program funding will be \$1,000,000 representing 100 Dwelling Units.
- Awards are reviewed and approved by City Manager, where procurement policy allows.

This Resolution adds \$1,993,800 to the Development Incentive Activity within the Land Development Reserve.

- The total Development Incentive Program funding will be \$3,748,375 and will be distributed based on scoring criteria.
- All awards will be presented for review and approval by City Council.