

**Meeting Date:** 8/30/2016

**Report Type:** Consent

**Report ID:** 2016-00910

**Title:** Amend the FY2016/17 Approved Budget to Authorize the Appropriation of Unspent Program Resources from FY2015/16

**Location:** Districts 4 and 6

**Recommendation:** 1) Pass a Resolution authorizing the City Manager or City Manager's designee to increase the Citywide and Community Support expenditure budget by \$1.64 million and decrease the General Fund available fund balance by a like amount for the acquisition of 408 J Street; and 2) pass a Resolution authorizing the City Manager or City Manager's designee to increase the Homeless Housing Initiative (I02000200) expenditure budget by \$600,000 and decrease the General Fund available fund balance by a like amount for the expansion of the Saint John's Program for Real Change.

**Contact:** Emily Halcon, Homeless Services Coordinator, (916) 808-7896, Office of the City Manager; Leslie Fritzsche, Senior Economic Development Project Manager, (916) 808-5450, Economic Development Department

**Presenter:** None

**Department:** City Manager / Economic Development

**Division:** Executive Office

**Dept ID:** 02001011

**Attachments:**

- 1-Description/Analysis
- 2-Resolution 408 J Street
- 3-Resolution Saint Johns

---

### **City Attorney Review**

Approved as to Form  
Michael Benner  
8/24/2016 3:27:20 PM

### **Approvals/Acknowledgements**

Department Director or Designee: Howard Chan - 8/23/2016 8:19:26 PM

## Description/Analysis

**Issue Detail:** The City Council previously approved funding for the acquisition of 408 J Street (\$1.64 million) and the expansion of the Saint John's Program for Real Change (\$600,000) with funding from the FY2015/16 budget. The funds for these projects were not spent in FY2015/2016 as originally envisioned. Given Council's intent to complete these projects, this report recommends funding the programs in FY2016/17 with an appropriation from General Fund fund balance. As the funds were not spent during the FY2015/16, these resources will be available at the close of FY2015/16 year-end to cover these appropriations in FY2016/17.

**Policy Considerations:** The actions outlined are consistent with previous Council budget approvals.

**Economic Impacts:** There are no direct economic impacts from the action outlined in this report.

**Environmental Considerations:** These budget actions are considered a government fiscal activity and therefore are exempt from environmental review under section 15378(b)(4) of the CEQA Guidelines.

**Sustainability:** Not applicable.

**Rationale for Recommendation:** These budget actions were previously approved by Council. This report requests the funds be taken from the FY 2016/2017 budget to coincide with when the funds for the projects will be spent.

**Financial Considerations:** The FY2015/16 Approved Budget included funding for:

- Acquisition of 408 J Street and Execution of Compensation Agreements \$1.64 Million (Arco Arena Debt Service Fund 4010)
- Saint John's Program for Change - \$600,000 (General Funds)

The funding for these programs was not spent in FY2015/16. Given the time sensitivity of these projects, this report recommends funding the programs in FY2016/17 with an appropriation from General Fund fund balance. As the funds were not spent during the fiscal year, these resources will be available at the close of FY2015/16 year-end to cover these appropriations in FY2016/17.

**Local Business Enterprise (LBE):** Not applicable.

# **RESOLUTION NO. 2016 -**

**Adopted by the Sacramento City Council**

On date of

## **AMEND THE FY2016/17 APPROVED BUDGET TO AUTHORIZE THE APPROPRIATION OF UNSPENT PROGRAM RESOURCES FROM FY2015/16**

### **BACKGROUND**

- A. On September 1, 2015, the City Council authorized the allocation of \$1.64 million for the purchase of RASA-owned property at 408 J Street.
- B. The 408 J Street property was included in the Property Conveyance Agreement with SBH Real Estate Group, LLC (SBH) as a property to be transferred to SBH as part of the City's contribution to the Golden 1 Center.
- C. Since the transfer of the property to SBH will not occur until Fall 2016, the City's acquisition was delayed to coincide with the subsequent transfer to SBH. Thus the funds for the acquisition were not expended in FY2015/16 as originally envisioned and the funds were returned to fund balance at year-end close.
- D. Available FY2015/16 resources will be used to replenish the General Fund fund balance.

### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The City Council hereby increases the Citywide and Community Support expenditure budget by \$1.64 million and decreases the General Fund available fund balance by \$1.64 million for the acquisition of 408 J Street.

# **RESOLUTION NO. 2016 -**

**Adopted by the Sacramento City Council**

On date of

## **AMEND THE FY2016/17 APPROVED BUDGET TO AUTHORIZE THE APPROPRIATION OF UNSPENT PROGRAM RESOURCES FROM FY2015/16**

### **BACKGROUND**

- A. Saint John's Program for Real Change (Saint John's) has operated in Sacramento for thirty years, providing shelter and services for impoverished women and children.
- B. On November 17, 2015, the City Council committed \$600,000 to provide a forgivable loan to Saint John's for the expansion of their existing facility.
- C. Due to challenges in closing the senior loan from the Federal Home Loan Bank, Saint John's was unable to close on the City's funding agreement in FY2015/16 and the funds were returned to fund balance at year-end close.
- D. Available FY2015/16 resources will be used to replenish the General Fund fund balance.

### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The City Council hereby increases the Homeless Housing Initiative (10200200) expenditure budget by \$600,000 and decreases the General Fund available fund balance by a like amount for the expansion of the Saint John's Program for Real Change.