

July 17, 2017

## **CITY COUNCIL AGENDA MEMORANDUM**

### **SUBJECT**

Ordinance amending Ordinance 6333 adopted on December 5, 2016, as previously amended, to increase the biennial appropriation to the 2017-2018 Housing Fund (Fund 1900) by \$27,474 pursuant to funding authorized by the ARCH Executive Board Action Resolution 2017-1 to provide expenditure authority for an increase in ARCH specific staffing which is fully supported by ARCH revenues; and authorizing administrative officials to administer and expend funds from Fund 1900 for the purposes state herein.

### **FISCAL IMPACT**

This Ordinance makes necessary budget adjustments to the 2017-2018 Housing Fund (Fund 1900) to fund staffing needs identified and supported by ARCH Revenues.

This action also authorizes up to 0.25 FTE. The 0.25 FTE increase, effective April 15, will increase Housing Fund expenditures by \$11,338 in 2017 and \$16,316 in 2018, and is directly offset by contributions from other ARCH member cities.

The City of Bellevue contributes to ARCH staffing through an in-kind donation of the ARCH Program Manager, while other cities fully fund the remainder of the ARCH staff. This appropriation adjustment will not affect the City of Bellevue's contribution to ARCH and has been anticipated by other participating cities within the 2017 ARCH administrative budget.

### **STAFF CONTACTS**

Mac Cummins, Director, Planning and Community Development, 452-6191

Dan Stroh, Planning Director, 452-5255

Arthur Sullivan, ARCH Program Manager, 861-3677

Janet Lewine, Associate Planner, 452-4884

*Department of Planning and Community Development*

### **POLICY CONSIDERATION**

Pursuant to RCW 35A.34.200(d), the expenditure in the final budget shall constitute the City's appropriations for the fiscal biennium.

Under provisions of State law and the City's operating procedures, the operating budget may be amended by an ordinance that amends the original budget and states the sources of funding for the incremental appropriations.

ARCH Interlocal Agreement: The ARCH Administering Agency provides administrative support services on behalf of ARCH and acts as the Fiscal Agent for ARCH. The City of Bellevue is the designated Administering Agency for ARCH (Res. 8123, 7/19/2010).

## **BACKGROUND**

Council is asked to approve an increase Housing Fund appropriation by \$11,338 in 2017 and \$16,316 in 2018 directly offset by contributions from other ARCH member cities. This action will authorize an increase in ARCH specific staffing up to 0.25 FTE, effective April 15.

As the Administering Agency for ARCH, the city authorizes ARCH administrative FTE counts and appropriates associated costs in the city Housing Fund and the ARCH Program Manager in the General Fund. The Housing Fund also holds the City of Bellevue's affordable housing contributions until which time the funds are authorized for use. Authorized ARCH Housing Trust Fund projects are funded by Bellevue and other ARCH member cities' contributions to the ARCH Trust Fund (Fund 6950). The City of Bellevue contributes to ARCH staffing through an in-kind donation of the ARCH Program Manager, while other cities fully fund the remainder of the ARCH staff.

At the presentation of the ARCH 2017 budget to Council earlier this year (April 3 Res. 9250), the cost increase associated with the 0.25 FTE increase was anticipated in the overall ARCH administrative budget and calculations of other member cities 2017 contributions. Official action by the ARCH Executive Board to approve moving forward with the administrative steps to increase the ARCH administrative position from 0.75 to 1.0 FTE, however, did not occur until final ARCH Executive budget approval on April 13 (ARCH Executive Board Resolution 2017-1, attached). The executive board resolution shows a commitment by other ARCH member cities to fully fund this increased cost of ARCH staffing and does not impact the city's contribution to ARCH. While this action is fully funded by other ARCH member jurisdictions, as the Administering Agency for ARCH, the city appropriates funding for ARCH administrative FTEs in the Housing Fund. The update to appropriation and FTE count is the final step needed to implement the ARCH budget moving forward.

## **EFFECTIVE DATE**

If approved, this Ordinance becomes effective on July 27, 2017.

## **OPTIONS**

1. Adopt the Ordinance amending Ordinance 6333 adopted on December 5, 2016, as previously amended, to increase the biennial appropriation to the 2017-2018 Housing Fund (Fund 1900) by \$27,474 pursuant to funding authorized by the ARCH Executive Board Action Resolution 2017-1 to provide expenditure authority for an increase in ARCH specific staffing which is fully supported by ARCH revenues; and authorizing administrative officials to administer and expend funds from Fund 1900 for the purposes state herein.
2. Do not adopt the Ordinance and provide alternative direction to staff.

## **RECOMMENDATION**

Option 1

**MOTION**

Move to adopt Ordinance No. 6358 amending Ordinance 6333 adopted on December 5, 2016, as previously amended, to increase the biennial appropriation to the 2017-2018 Housing Fund (Fund 1900) by \$27,474 pursuant to funding authorized by the ARCH Executive Board Action Resolution 2017-1 to provide expenditure authority for an increase in ARCH specific staffing which is fully supported by ARCH revenues; and authorizing administrative officials to administer and expend funds from Fund 1900 for the purposes state herein.

**ATTACHMENTS**

- A. ARCH Resolution 2017-1 ARCH Administrative Position
  - B. 2017 ARCH Administrative Budget
- Proposed Ordinance No. 6358

**AVAILABLE IN COUNCIL DOCUMENT LIBRARY**

N/A