



AGENDA MEMO
1/21/2020 Agenda

TO: Honorable Mayor and City Council

FROM: Thomas W. Tvardzik, Director of Finance

SUBJECT: CONSIDER AND ACT: on Ordinance amending FY2019 Executive Department budget

BACKGROUND:

In FY2019, residential property located at 4236 Lovers Lane was offered for sale. Given its proximity to the "Miracle Mile", City Council determined that a public use and purpose for the property existed, and that the property should be purchased by the City. Council authorized the City Manager to effect the purchase, and appropriated \$670,000 (plus additional costs deemed reasonable and necessary) via Resolution 19-009 for that purpose.

The cash amount paid for the property was \$686,494.95. This reflects the purchase price (including costs and fees) of \$691,322.86, less a credit for taxes incurred by the prior owner (\$4,827.91) prior to the date of sale. The City funded and closed on the property on September 3, 2019. The City paid the property taxes on January 9, 2020.

The authorization and expenditure for this purchase has not yet been reflected in the FY19 budget, as budget amounts can only be amended by ordinance.

The proposed budget amendment would increase General Fund expenditures by \$691,322.86, all within the Executive Department (Department 02). The purchase was funded from General Fund reserves.

RECOMMENDATION:

Approve the ordinance amending the FY2019 budget.

ATTACHMENTS:

Ordinance amending the FY2019 budget
Exhibit "A" to the ordinance, detailing additional expenditures