

AGENDA ITEM SUMMARY

City Council



STAFF

Sue Beck-Ferkiss, Social Policy and Housing Programs Manager
Joanne Cech, Fiscal Recovery Manager

SUBJECT

First Reading of Ordinance No. 104, 2026, Authorizing Transfer of Previously Appropriated American Rescue Plan Act Funds for Purchase of a Property to Expand the Land Bank Program.

EXECUTIVE SUMMARY

The purpose of this item is to transfer previously appropriated Federal American Rescue Plan Act Funding ("ARPA") funds for the expansion of the Land Bank Program to purchase a comparable parcel of land at a different location than originally planned and pay some pre-development costs.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

The Fort Collins Affordable Housing Land Bank Program is the City's only long-term affordable housing incentive. Land is purchased for the purpose of preserving locations throughout the City for future development of affordable housing. Not only does this ensure good distribution of affordable housing now and in the future, but it locks in today's price for tomorrow's development, which often allows the land's appreciation to be used as subsidy in the ultimate development.

The City received \$28,100,000 from the U.S. Department of Treasury under ARPA's State and Local Fiscal Recovery Fund. ARPA funds had to be obligated by the end of 2024 and must be spent by the end of 2026. A 2024 Memorandum of Understanding between the City Manager and the Director of the Social Sustainability Department, now named Housing and Community Vitality, agreed that \$1,000,000 of ARPA funds would be made available for the expansion of the Affordable Housing Land Bank Program.

Offer 31.20 from the 2023-2024 Budget set aside \$1,000,000 of ARPA funding for the expansion of the Land Bank Program. It referred to exercising a specific option to purchase five acres in northeast Fort Collins in a planned development. However, due to factors beyond the City's control, this option cannot be exercised at this time. This transfer of previously appropriated funds will allow staff to purchase an alternative site that meets the Land Bank Program's criterion that the property must be located in the City. Staff has located an appropriate alternative site in northwest Fort Collins and is seeking authorization to use the ARPA funds to purchase this comparable property and to pay for due diligence and some pre-development costs.

CITY FINANCIAL IMPACTS

The prior appropriation was for the same amount, \$1,000,000, and, if the transfer is authorized, will be used to acquire property that the City's Affordable Housing Land Bank Program will own. Because federal ARPA funds will be used for this purchase, the City must follow ARPA compliance requirements which are already in place. The ARPA Recovery Administration team is involved in this purchase to ensure compliance.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

The Affordable Housing Board was informed about this transaction.

PUBLIC OUTREACH

None.

ATTACHMENTS / LINKS

1. 2024 Memorandum of Understanding
2. Ordinance No. 104, 2026