

AGENDA ITEM SUMMARY

City Council



STAFF

Katie Donahue, Director, Natural Areas Department
Barb Brock, Financial Analyst II, Natural Areas Department

SUBJECT

First Reading of Ordinance No. 033, 2026, Appropriating Prior Year Reserves in the Natural Areas Fund for the Purpose of Land Conservation, Visitor Amenities, Restoration and Other Related Natural Areas Stewardship Activities not included in the 2026 Adopted City Budget.

EXECUTIVE SUMMARY

The purpose of this item is to appropriate \$6,224,294 in prior year reserves in the Natural Areas Fund. These appropriations are for land conservation, visitor amenities and restoration of wildlife habitat, as well as other Natural Areas Department stewardship activities to benefit the residents of Fort Collins.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

Funding for the Natural Areas Department (NAD) for purposes other than capital projects lapses each year if not spent. Unspent prior year funds and unanticipated revenues need to be appropriated into the following year's budget before they can be used. The purpose of this item is to appropriate \$6,224,294 in unspent funds and unanticipated revenues in the Natural areas Fund to fund land conservation, restoration of wildlife habitat, trails and visitor amenities, special projects and other NAD needs to benefit the residents of Fort Collins.

Of the total appropriation \$5,100,000 will be used for land conservation. Staff anticipate more than \$8,000,000 in conservation opportunities could move forward in 2026, and an additional \$15,000,000 in properties identified as high priorities for conservation. With several land conservation opportunities in negotiation or under contract there is a reasonable likelihood that most of the \$5,100,000 in reappropriation plus the \$4,300,000 allocated through the BFO process will be spent in 2026.

The funds for NAD come from the following designated sources of revenue: the City - Open Space Yes! ¼ Cent sales tax; the Larimer County - Help Preserve Open Space ¼ cent sales tax; and miscellaneous anticipated and unanticipated revenues. All these funds are restricted to the purposes of the NAD, including unanticipated revenues, which consist generally of income from sales tax revenues, sale of easements and leases, and grants. The prior year reserve funds being appropriated in this Ordinance are more specifically described as:

\$5,734,294	Unspent 2025 Budgeted Funds – appropriated for same purpose.
\$ 490,000	Unanticipated Revenues & Unspent Funds – appropriated for new purposes.
\$6,224,294	Total Appropriation from 2025 Prior Year Reserves

The anticipated use of these funds is as follows:

Land Conservation (LC) - \$5,100,000, in unspent land conservation funds for land conservation priorities identified in the 2025 Natural Areas Strategic Framework.

Ecological Stewardship (ES) - \$693,495: \$39,636 to carryover the unspent donation from the West Vine Neighborhood for the restoration of Kestrel Fields, \$108,859 to carryover for deconstruction of structures on recent acquisitions, \$135,000 for Breeding Bird Surveys, improvement of water management infrastructure, grassland health management and monitoring programs, \$410,000 for lifecycle replacement of equipment.

Planning and Special Projects (PSP) - \$150,799: \$130,000 for planning related to onboarding and opening recently acquired natural areas along Dry Creek, Cooper Slough, and the former Hughes Stadium site, \$20,799 in undistributed Enhancement Grant funds from 2025 will be distributed as part of support for Nature in the City community-led habitat projects.

Trails and Visitor Amenities (TVA) - \$80,000 for lifecycle replacement of equipment.

Department Management (DM)- \$200,000: Asset Management Software, we are working with other departments across Community Services and the City to get a new asset management software to track lifecycle and plan for capital replacement of key assets. This was appropriated in 2025 but delayed for RFP until January of 2026.

CITY FINANCIAL IMPACTS

This item increases 2026 appropriations in the City's Natural Areas Fund by \$6,224,294. The requested total appropriation of \$6,224,294 in the Natural Areas Fund represents 2025 appropriations that were unspent and unencumbered at year-end in addition to 2025 unanticipated revenues and new appropriations from the Natural Areas Fund Balance. These funds are restricted to the purposes of the Natural Areas Department.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

The Land Conservation and Stewardship Board met on March 11, 2026.

Member Sears made a motion that the Land Conservation and Stewardship Board recommends that City Council approve the proposed 2026 appropriation of prior year Natural Areas reserves. Member Gooden seconded the motion, the motion was unanimously approved 8-0.

PUBLIC OUTREACH

Natural Areas Funds will be spent in alignment with the Natural Areas Strategic Framework, which was extensively reviewed by the public prior to its adoption in August 2025.

ATTACHMENTS

1. Land Conservation and Stewardship Board Meeting Minutes, March 11, 2026 (draft)
2. Ordinance No. 033, 2026