

ORDINANCE NO. 101, 2026
OF THE COUNCIL OF THE CITY OF FORT COLLINS
MAKING A SUPPLEMENTAL APPROPRIATION OF GRANT FUNDS FROM THE
COLORADO DEPARTMENT OF LOCAL AFFAIRS AND AUTHORIZING TRANSFERS
OF APPROPRIATIONS FOR THE ACCESSORY DWELLING UNIT GRANT
PROGRAM

A. The construction of accessory dwelling units (“ADUs” or “ADU” singular) has been recognized at the national, state, and local level as one way to help address ongoing housing availability and affordability issues.

B. In February 2026, the Colorado Department of Local Affairs (“DOLA”) certified the City as an ADU Supportive Jurisdiction eligible for grant opportunities through DOLA to support ADU construction.

C. On April 21, 2026, City Council adopted Resolution 2026-062 in support of the City’s Accessory Dwelling Unit Program Grant Program application to DOLA.

D. The City has been awarded a \$157,000 grant from the DOLA Accessory Dwelling Unit Grant Program to support the development of at least two pre-approved ADU design plans and the waiver of water tap, sewer tap, linkage, plan review, rezoning, and permit fees for approximately four ADUs. The City is required to provide \$83,000 in matching funds in order to receive the grant.

E. The terms of the DOLA Accessory Dwelling Unit Grant are set forth in the Grant Agreement attached hereto as Exhibit A and incorporated herein by reference (“Grant Agreement”).

F. This appropriation benefits the public health, safety, and welfare of the residents of Fort Collins and serves the public purpose of promoting the availability of attainable housing options.

G. Article V, Section 9 of the City Charter permits City Council, upon recommendation of the City Manager, to make a supplemental appropriation by ordinance at any time during the fiscal year, provided that the total amount of such supplemental appropriation, in combination with all previous appropriations for that fiscal year, do not exceed the current estimate of actual and anticipated revenues and all other funds to be received during the fiscal year.

H. The City Manager has recommended the appropriation described herein and determined that the funds to be appropriated are available and previously unappropriated from the General Fund and that this appropriation will not cause the total amount appropriated in the General Fund to exceed the current estimate of actual and anticipated revenues and all other funds to be received in this Fund during this fiscal year.

I. Article V, Section 10 of the City Charter authorizes City Council, upon recommendation by the City Manager, to transfer by ordinance any unexpended and unencumbered appropriated amount or portion thereof from one fund or capital project to another fund or capital project, provided that the purpose for which the transferred funds are to be expended remains unchanged, the purpose for which the funds were initially appropriated no longer exists, or the proposed transfer is from a fund or capital project in which the amount appropriated exceeds the amount needed to accomplish the purpose specified in the appropriation ordinance.

J. The City Manager has recommended the transfer of \$83,000 from the 2050 Tax Parks Rec Transit OCF Fund to the General Fund and determined that the purpose for which the transferred funds are to be expended remains unchanged.

K. Article V, Section 11 of the City Charter authorizes City Council to designate in the ordinance when appropriating funds for a federal, state or private grant or donation, that such appropriation shall not lapse at the end of the fiscal year in which the appropriation is made, but continue until the earlier of the expiration of the federal, state or private grant or donation or the City's expenditure of all funds received from such grant or donation.

L. City Council wishes to designate the appropriation herein for the DOLA Accessory Dwelling Unit Grant Program as an appropriation that shall not lapse until the earlier of the expiration of the grant (or donation) or the City's expenditure of all funds received from such grant (or donation).

In light of the foregoing recitals, which the Council hereby makes and adopts as determinations and findings, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. Council hereby approves the Grant Agreement and authorizes the City Manager to proceed under the terms and conditions stated therein.

Section 2. There is hereby appropriated from new revenue or other funds in the General Fund the sum of ONE HUNDRED FIFTY-SEVEN THOUSAND DOLLARS (\$157,000) to be expended in the General Fund for the DOLA Accessory Dwelling Unit Grant Program.

Section 3. The unexpended and unencumbered appropriated amount of EIGHTY-THREE THOUSAND DOLLARS (\$83,000) is authorized for transfer from the 2050 Tax Parks Rec Transit OCF Fund to the General Fund and appropriated therein to be expended for the DOLA Accessory Dwelling Unit Grant Program.

Section 4. The appropriation herein for the DOLA Accessory Dwelling Unit Grant Program is hereby designated, as authorized in Article V, Section 11 of the City Charter, as an appropriation that shall not lapse at the end of this fiscal year but continue

until the earlier of the expiration of the grant or the City's expenditure of all funds received from such grant.

Introduced, considered favorably on first reading on July 21, 2026, and approved on second reading for final passage on August 18, 2026.

Mayor

ATTEST:

City Clerk

Effective Date: August 28, 2026

Approving Attorney: Brad Yatabe

Exhibit: Exhibit A - DOLA Accessory Dwelling Unit Grant Agreement