



DENVER
THE MILE HIGH CITY

**Acquisition of 4330 48th Avenue
and**

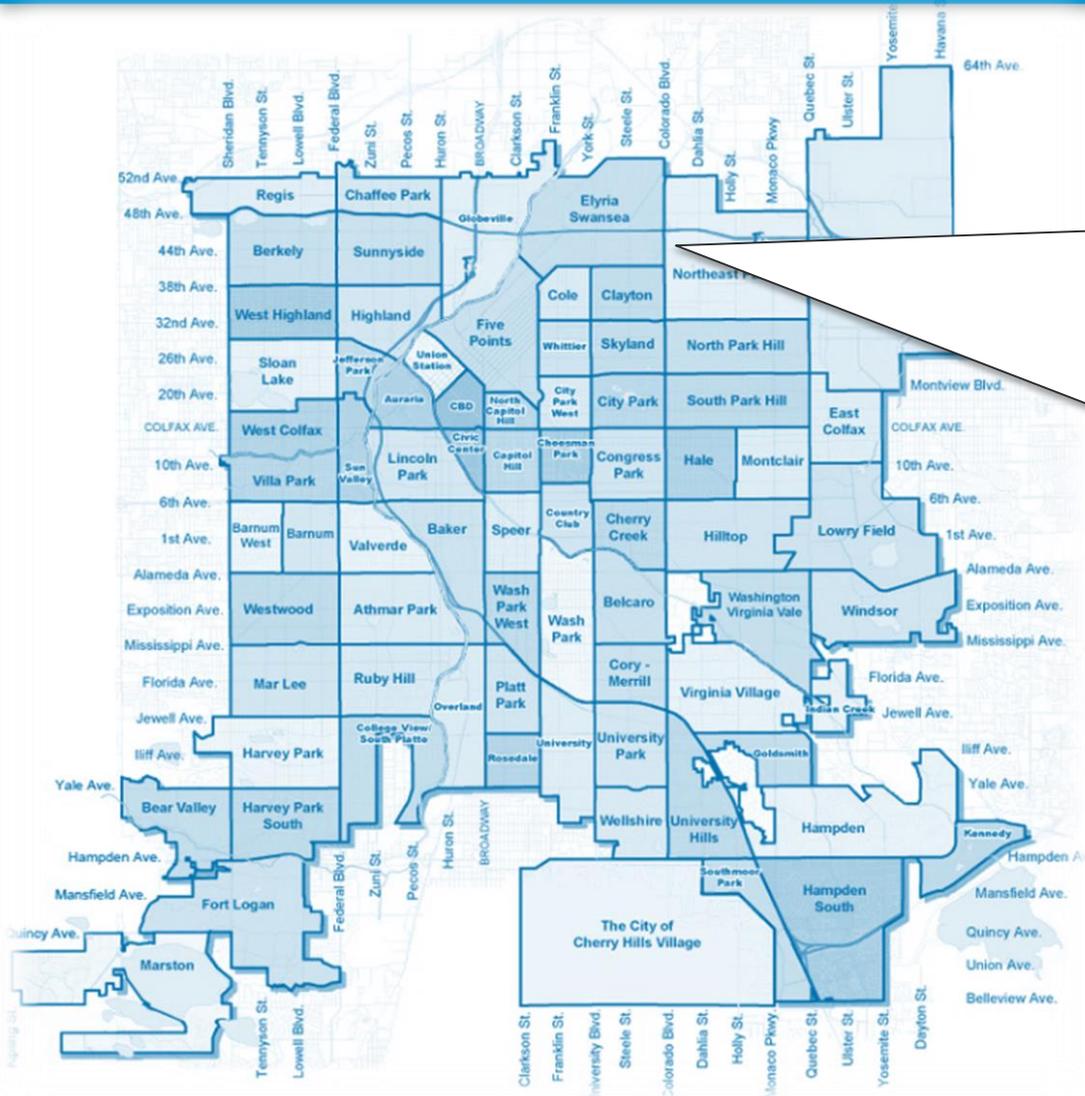
2017 Supplemental Request

Finance & Governance Committee

January 3, 2017

**Real Estate / Budget and Management
Office / Human Services**

Additional Overflow Shelter Space



4330 48th Avenue
Council District 8

46,000 square feet of warehouse and office space on 2.69 acre parcel. Awaiting approval of purchase and sale agreement and supplemental funding.

- Supplemental appropriation for \$4.6 million to fund the acquisition of 4330 48th Avenue.
 - Companion request for City Council to approve the purchase and sale agreement between city and seller.
- Space intended for use as overflow shelter facility.
 - Provides urgently needed additional overflow capacity.
- Funded by three different sources—Homeless Services Fund, General Fund, Human Services Fund.



General Fund Contingency, Human Services Fund Balance, and Homeless Services Fund Balance

2017 General Fund Contingency Budget: \$25,965,000

- Held for contingencies, appropriated through supplemental budget request.
- A supplemental is for unforeseen expenses and other unbudgeted, difficult-to-anticipate expenses.
- \$25,965,000 or 100% of 2017 contingency currently remains unspent.

Unrestricted Human Services Fund Balance : \$14,144,724

- Held to make up for human services funding shortfalls.
- The counter-cyclical nature of human services funding at the federal and national level has proven that funding reductions occur at the same time that the demand is at its greatest.
 - In the wake of the economic recession of the late 2000s, the department needed to lay off staff at the same time that its welfare rolls were peaking.
- The local portion of human services spending is funded by the human services property tax mill levy. For 2016 property taxes payable in 2017, that levy is 3.835 mills.

Homeless Services Fund:

- Non appropriated portion of this SRF.
- Will not decrease services planned for 2017.

Total Supplemental Request: \$4,600,000

- \$2,000,000 from Homeless Services Fund balance
- \$1,600,000 from General Fund contingency
- \$1,000,000 from Human Services Fund balance

If approved...

- General Fund contingency will stand at \$24,365,000 or 93.8% of the original 2017 contingency budget.
- Human Services fund balance will stand at \$13,144,724 million.
- Homeless Services Fund balance will stand at approximately \$4,300,000 of which \$3,500,000 is reserved for the Solutions Center.

QUESTIONS?