

Policy Briefing Summary

City Council



Regarding:	Resolution to allocate \$7,950,000 of Capital Improvement Program (CIP) Contingency Funds (1 of 2 readings; public hearing on 2nd reading)
Staff Contact(s):	James Freas, Deputy City Manager, John Maddux, City Attorney, Chris Engel, Director of Economic Development
Presenter:	Samuel Sanders, Jr., City Manager
Date of Proposed Action:	October 6, 2025

Issue

The City Manager is requesting an appropriation of funds from the Capital Improvement Program (CIP) Contingency Fund to several one-time expenditures that have not previously been appropriated.

Background / Rule

Per the City's financial fund balance policy, year-end surpluses from the City's General Fund are transferred to the CIP Contingency Fund where they accumulate until appropriated by City Council for expenditure.

Analysis

\$25.1 million was added to the City's CIP Contingency Fund balance at the close of FY 24. The addition was the result of the City's \$22.4 million surplus and \$2.7 million was added per the gainsharing agreement with the school board. The City's CIP Contingency Fund currently has an unallocated balance of \$14.8 million including the funds added at the end of FY 24 and funds which have accumulated from prior years. City Council must approve any expenditures from the CIP contingency fund.

This appropriation is requesting approval to allocate \$7,950,000 for the following uses:

1. **Acquisition of 2000 Holiday Drive** - An amount not to exceed \$6.3M is being requested for the acquisition of 2000 Holiday Drive as approved by Council resolution on October 6, 2025 which authorized the City Manager to execute the agreement and payment of \$100,000 deposit from the Citywide Reserve. A maximum of \$6.2M is being requested to pay the remaining balance of \$6.1 million (\$6.2 million purchase price less the \$100,000 deposit previously paid), up to \$100,000 for closing and any other associated and \$100,000 will be used to reimburse the Citywide reserve for the \$100,000 deposit previously paid. Any unused funds will be returned to the CIP Contingency.
2. **City Environmental and Mobility Policy Plans** - \$1,500,000 is being requested for the commission of these two studies. The studies will be managed by the department of Neighborhood Development Services.
3. **City Hall Renovations - \$150,000** is being requested to fund some minor renovations in the offices of the City Manager, Budget and Grants Management and NDS. The offices are being renovated to add additional work spaces in each of those offices.

Financial Impact

No new funding is being requested. This resolution is requesting an allocation of previously appropriated funds in the CIP Contingency account.

Recommendation

Staff recommends approval of the resolution.

Recommended Motion (if Applicable)

"I move adoption of the attached Resolution to allocate \$7,950,000 of Capital Improvement Program (CIP) Contingency Funds as recommended by the City Manager."

Attachments

1. CIP Contingency Allocation - October 2025
2. CIP Contingency Account History_ September 30, 2025