SPONSORED BY: COUNCIL MEMBER LINDSEY

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. <u>CR-49</u> Series of 2006

Series of 2006

A RESOLUTION DIRECTING THAT _____ PERCENT OF THE NET REVENUE FROM THE ADMINISTRATIVE CITATION PROCESS BE DEPOSITED IN A SEPARATE "CITY BEAUTIFICATION FUND" FOR CERTAIN ENUMERATED USES

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN. COLORADO, THAT:

<u>Section 1</u>. A separate fund entitled "City Beautification Fund" shall be established within the City's general fund for the purposes set forth in this Resolution.

<u>Section 2</u>. _____ percent of the net revenue received by the City from the City's Administrative Citation Process shall be paid into the City Beautification Fund, which shall be used to carry out any of the following purposes:

- 1. Payment of abatement costs incurred by the City in abating nuisance violations
- 2. City beautification projects
- 3. Community rehabilitation projects
- 4. Contributions to the Northglenn Neighborhood Development Corporation revolving loan fund or capital fund
- 5. Contributions to the Northglenn Emergency Loan Fund
- 6. Contributions to the Northglenn Emergency Grant Fund
- 7. Other purposes approved by the Northglenn City Council

<u>Section 3</u>. For the purposes of this Resolution, "net revenue" means the total revenue received by the City from the administrative citation process fines and fees less the costs of administering the administrative citation process, which shall include expenses such as the hearing officer and clerk compensation, materials and supplies, notification and postage expenses.

<u>Section 4.</u> All disbursements from the City Beautification Fund shall be subject to approval by the City Council.

DATED at Northglenn, Colorado, this _____ day of ______, 2006.

KATHLEEN M. NOVAK Mayor ATTEST:

DIANA L. LENTZ, CMC City Clerk

APPROVED AS TO FORM:

City Attorney



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<u>CITY OF NORTHGLENN</u> <u>MEMORANDUM</u>

TO: MAYOR AND CITY COUNCIL

FROM: HERBERT C. PHILLIPS, CITY ATTORNEY COREY Y. HOFFMANN, CITY ATTORNEY JEFF PARKER, ESQ.

DATE: MARCH 2, 2006

RE: CITY BEAUTIFICATION FUND

During the February 16, 2006 City Council work session, the Housing Task Force was directed to draft a proposed resolution allocating a percentage of the revenue received from the administrative citation process to the Northglenn Neighborhood Development Corporation and to the City emergency loan and grant programs. The work session discussion regarding this issue was relatively brief, and City Council left the details up to the Task Force.

A draft of the proposed resolution is attached. However, we have drafted this memorandum to inform City Council that there is more than one method of establishing such a payment process.

<u>Direct transfer</u>. City Council may direct that a certain percentage of the revenue be directly allocated to specified purposes, such as the NNDC revolving fund, or the City emergency grant and loan funds. As revenue is received from the administrative citation process, it would go into the City's general fund and then be paid to the designated entities, funds, or projects.

March 2, 2006 Page 2

The benefit of this process is that City Council will have allocated the uses of the money up front, and no additional approvals will be required. The funds will automatically be transferred to serve the enumerated purposes.

<u>Separate Fund</u>. Instead of specifying the uses for the funds up front, City Council may establish a separate fund. The revenues could be deposited into this fund, which could be used for any number of purposes approved by City Council. The money in this fund could then be withdrawn as needed for the enumerated purposes, subject to approval by City Council. The attached resolution is an example of such a process.

The benefit of this process is that is provides greater flexibility regarding the uses of the money. Further, City Council has more control of the fund dollars, because all uses are subject to its approval.

<u>Resolution versus Ordinance</u>. Either of the above-mentioned methods can be accomplished with a resolution or ordinance. As stated, we have attached a resolution, because it was requested by City Council. Nevertheless, there are benefits and drawbacks to resolutions and ordinances. An ordinance is of a more permanent nature, and will require more formal proceedings to alter its provisions. A resolution will give City Council more flexibility to change the funding scheme. In choosing the means to accomplish the fund allocation, City Council should consider how often it may want to revisit the issue, and whether it would like this scheme to continue for a sustained period.

<u>Budget and Appropriation Process</u>. City Council may also opt to not establish any funding scheme in advance, and leave any transfers of revenues received from the administrative citation process to the normal budgetary process. In such a situation, revenues would be deposited in the general fund, and any uses would be subject to the appropriation process. Of course, this scheme offers the greatest flexibility for uses of the funds. On the other hand, it does not offer the same level of certainty as a predetermined funding scheme.

As always, if you have any questions or concerns, please feel free to contact us.