



City of Bend  
July 2, 2007 Council Meeting

### Issue Summary

Department: Finance

Staff Member: Sonia Andrews

1. Hold a Public Hearing on a proposed supplemental budget to increase expenditure appropriations by \$232,000 in the Community Development Block Grant (CDBG) Fund for the purchase of property at 3705 North Highway 97.
2. Consider a roll call vote on a resolution to adopt the supplemental budget for the 2007-09 Biennial Budget.

**Staff Review and Recommendation to Council:** After holding a public hearing, adopt the resolution increasing expenditure appropriations for the CDBG Fund.

#### **Background and Discussion:**

On May 2, 2007 Council approved the purchase of property at 3705 North Highway 97 for use by the Bethlehem Inn. Council was advised that the City would be responsible for a \$220,000 down payment as well as an additional \$12,000 in closing costs, appraisal, and environmental review. Funding for the purchase will come from a re-allocation of CDBG funds which was approved by Council on June 6, 2007. HUD approved the re-allocation of funds on June 14, 2007 and the transaction is expected to close the first week of July 2007.

The attached resolution allows the Council to adopt a supplemental budget for the 2007-09 biennium to authorize revenues and increase appropriations for the down payment and closing costs associated with the purchase of the property.

ORS 294.480 allows a governing body to adopt and appropriate a supplemental budget following a public hearing.

**Committee Review and Recommendation to Council:** None.

**Budgetary Considerations:** ORS 294.480 allows a governing body to adopt and appropriate a Supplemental Budget by resolution following a properly noticed public hearing. This Supplemental Budget was noticed on June 24, 2007.