



Memorandum / Staff Report:

To: Finance Committee
From: Robert Scott, Director of Finance and Administration
Cc: Mayor and Common Council
Date: August 8, 2023
Regarding: Allocation of sale proceeds from 3380 Calhoun Road parcel

As you recall, earlier this year the Council approved the sale of the City-owned surplus parcel at 3380 N. Calhoun Road. That parcel was acquired as part of the right of way acquisition for the widening of Calhoun Road. The sale closed earlier this year and the net sales proceeds of \$128,020 have been received.

Absent specific direction from the Council, proceeds from sale of City property (other than that owned by the water or wastewater utilities) would be placed in the City general fund. The general fund balance remains strong and well within the general fund balance policy guidelines. Rather, staff believes that allocating the proceeds from this parcel sale to a different purpose would be a better use of the proceeds, such as was done in 2017 when the sale proceeds from the former fire station no. 3 site were deposited into the Community Development Authority fund for future land acquisitions or other economic development efforts. Further, the 2022-2024 Comprehensive Plan implementation activities and goals/objectives as adopted by the Council includes the following work effort under the Special Places #2 principle: *Determine if the Community Development Authority Reserve Fund should be further enhanced with funding to assist in qualified redevelopment projects or other City needs.* The present balance of the Community Development Authority fund is approximately \$250,000.

The accompanying resolution authorizes the allocation of the Calhoun Road proceeds to the Community Development Authority fund, and staff respectfully requests the Committee's approval and recommendation to the Council. Please contact me with any questions.