ORDINANCE NO. 2025-XX
AN ORDINANCE AMENDING THE FY2024-2025 BUDGET.
BUDGET AMENDMENT NUMBER 25-15

SUBJECT: Budget Amendment to increase revenues and expenditures in the Housing Trust Fund by $925,000 for the purchase of three properties at 543 Old Hendersonville Highway and the related debt.

AGENDA INFORMATION

Agenda Location	**Consent**
Department:	**Finance**
Contact:	**Dean Luebbe, Assistant City Manager and Finance Director**

BRIEF SUMMARY: On June 10, 2025 the City closed on the purchase of three properties located at Old Hendersonville Highway and Azalea Avenue. The City and the UNC School of Government Development Finance Initiative (UNC DFI) had identified the property over two years ago as a potential site for affordable housing units. The total purchase price was 1.1M. The City obtained funding in the amount of $925,000 from United Community Bank at a rate of 4.33%. The debt will be repaid over fifty nine months, and the monthly payment will be $17,460.89.

The expenditure side of this budget amendment would look a bit cleaner except for the following. In October of 2024 the Finance Director proposed a budget amendment for $115,000 for the option to purchase the property. This amendment should have been for $175,000. Additionally, there were $6,282.78 in closing costs associated with the transaction. The $10,000 adjustment to the professional services line item refers to services needed on the Cashier Valley Road property. Proceeds from the sale of that property will revert to the Housing Trust Fund.

MOTION FOR CONSIDERATION: To approve Budget Amendment 25-15, as submitted, increasing (decreasing) the budget in expenditure accounts:

76-4900-0925 (Prof Services)	$10,000
76-4900-7400 (Capital Outlay)	$992,000
76-4900-5800 (Increase in Fund Balance)	($77,000)
TOTAL	**$925,000**

And decreasing the budget in the expenditure account:

76-3970-0300 (Debt Proceeds)	$925,000
TOTAL	**$925,000**

ATTACHMENTS: None.

MANAGER'S RECOMMENDATION: Adopt as presented.

Approved and adopted this 16th day of June 2025.

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Maureen Copelof
Mayor

ATTEST:

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Denise Hodsdon, CMC
City Clerk

APPROVED AS TO FORM:

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Mack McKeller
City Attorney