

**Adopting Revised Ulster County Fund Balance Policy To Dedicate Funding To Housing Justice**

Referred to: The Health, Human Services and Housing Committee (Chair Walter and Legislators Corcoran, Erner, Lopez, Nolan, Petit, and Uchitelle), and The Ways and Means Committee (Chairman Gavaris and Legislators Cahill, Fabiano, Ronk, and Walter)

Deputy Majority Leader Uchitelle offers the following:

WHEREAS, pursuant to Resolution No. 238 dated September 14, 2021, as Amended by Resolution 344, dated July 19, 2022, Ulster County adopted a Fund Balance Policy in accordance with the Governmental Accounting Standards Board; and

WHEREAS, the current Ulster County Fund Balance Policy requires the policy be reviewed and updated as deemed necessary by the County Legislature; and

WHEREAS, All residents of Ulster County deserve safe housing at an affordable cost; and

WHEREAS, Ulster County has generated higher-than-expected revenues for the last two years; and

WHEREAS, the Comptroller's fund balance report dated July 7, 2022, concludes that there is \$54 million dollars in unassigned fund balance; and

WHEREAS, Increasing the availability of affordable housing will provide relief for Ulster County taxpayers who have contributed to the above-limit fund balance; and

WHEREAS, Ulster County's Housing Action Plan for 2021 showed that there is an insufficient supply, or inventory, of homes at an affordable price point; and

WHEREAS, Ulster County's Housing Action Plan for 2021 revealed that 28% of renter households and 14% of owner households in Ulster County spend more than half their income on housing costs, confirming that housing represents a cost burden that is untenable for most of Ulster County's residents; and

WHEREAS, Ulster County's Housing Action Plan for 2021 revealed that an Ulster County resident earning an average wage would be required to work sixty-seven (67) hours per week to afford the average Fair Market Rent in Ulster County; and

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WHEREAS, Ulster County's Housing Action Plan for 2021 showed that the median income of renters in Ulster County declined 1% between the period of 2010 to 2018, while median rent increased by 16%; and

WHEREAS, the median sale price for a home in Ulster County was \$349,900, up nearly \$100,000 from 2019, according to the Ulster County Board of Realtors; and

WHEREAS, an assignment of unassigned funds in Ulster County's Fund Balance is necessary to assist Ulster County Residents struggling to afford housing; and

WHEREAS, Ulster County's unassigned Fund Balance as of December 31, 2021 exceeded the adopted Fund Balance threshold by approximately \$53 million dollars; and

WHEREAS, the Ulster County Legislature deems it necessary and appropriate to amend the County's Fund Balance Policy to provide for the urgent housing crisis that exists within Ulster County; now, therefore be it

RESOLVED, that the sum of ten million dollars of Ulster County's current unassigned Fund Balance as of December 31, 2021, shall be assigned to Affordable Housing as defined in the Ulster County Fund Balance Policy; and, be it further

RESOLVED, that commencing with the December 31, 2022 annual financial statements, and continuing annually thereafter, 25% of the value of the unassigned fund balance in excess of the policy threshold of 10% shall be assigned for the purpose of investment in affordable housing and protections for those harmed by the housing crisis; and, be it further

RESOLVED, that monies allocated to the assigned fund balance account for housing justice shall be allocated to programs such as but not limited to investments in housing infrastructure, emergency housing efforts and investments, anti-displacement efforts, programs to improve housing quality such as a revolving loan fund for housing improvements, and other programs designed to increase the availability of affordable housing for Ulster County residents; and, be it further

RESOLVED, that no section of this resolution shall be interpreted as augmenting the existing legislative process for expenditures, including the expenditure of monies from the assigned fund balance account for housing justice; and, be it further

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**RESOLVED, this reserve account shall be considered a vehicle for allocating monies to be spent on housing that, in the future, may be added to from sources other than excess fund balance, and that the excess fund balance monies initially allocated should be considered as “seed money” for such programs, rather than the only source of monies dedicated to such programs; and, be it further**

RESOLVED, that Ulster County’s Fund Balance Policy is hereby amended as attached as “Exhibit A”,

and move its adoption.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

Passed Committee: Health, Human Services and Housing on September 7, 2022

Postponed in Committee: Ways and Means for one week on September 13, 2022

Postponed in Committee: Ways and Means on September 20, 2022 with consent

Postponed in Committee: Ways and Means for one week on October 11, 2022

Postponed in Committee: Ways and Means on October 18, 2022

Passed Committee: Ways and Means on \_\_\_\_\_.

FINANCIAL IMPACT:

TBD