



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Approval of a \$15,000 Loan to the Lodi Lions Club for Construction of a Picnic Shelter at Legion Park

MEETING DATE: July 17, 1996

PREPARED BY: Parks and Recreation Director

RECOMMENDED ACTION: That City Council approve a loan in the amount of \$15,000 to the Lodi Lions Club to be paid back over a five-year period.

BACKGROUND INFORMATION: We have been working with the Lodi Lions Club administration for the past two years to replace the playground equipment to meet A.D.A. standards and to add picnicking facilities to the park.

City Council approved \$211,000 of 1995-96 Community Development Block Grant funds to meet A.D.A. requirements for the playground equipment, walkways, and general picnicking facilities. The Lodi Lions Club was to construct a group picnic shelter (30+ capacity) and help with tables and barbecues in the other areas of the park as a club project. We estimate the cost of their involvement at \$20,000.

Currently the club has \$5,000 toward the project and is requesting a loan of \$15,000 to complete their commitment. They are suggesting a repayment plan of \$3,000 per year for five years. (The Lions Club borrowed \$40,000 toward the Emerson Park play equipment and have paid it back in full.) Club members Mike Locke and Ken Heffel will be seeing the project through and ensuring the loan is paid back in a timely manner as they did with the Emerson Park project.

FUNDING: \$15,000 from the contingency fund. A repayment plan of \$3,000 per year for five years.

Ron Williamson, Director Parks and Recreation

RW/sb

cc: City Attorney

APPROVED: _____

H. DIXON FLYNN
City Manager



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PROMISSORY NOTE

E-19

This Promissory Note is made by and between the City of Lodi, a municipal corporation ("City") and the Lodi Lions Club ("Debtor") for the purpose of assisting the Lodi Lions Club in completing a Picnic Shelter at Legion Park..

RECITALS:

The debtor agrees and stipulate that they owe to the City the principal amount of \$15,000.00. This amount is currently due and payable. For the benefit and convenience of the debtor, City has agreed to accept yearly installment payments on this debt.

TERMS AND CONDITIONS:

- 1. Payments: Debtor shall tender to City on or before the first day of January each calendar year beginning January 1, 1997, and ending January 1, 2001 the amount of \$3,000.00. These five equal payments, and any accrued fees and charges, when paid shall constitute payment in full. All agreed transactions shall take place at the City of Lodi Finance Department, 212 West Pine Street, Lodi, California 95241.
- 2. Interest: Interest shall accrue on any unpaid balance remaining after January 1, 2001 at the rate of ten percent per annum.
- 3. Late Charges-Attorney's Fees: In the event that debtors fail to make a scheduled payment within 15 days of the date said payment was due a late charge in the amount of \$10.00 shall accrue. In the event that debtors shall fail to make two or more consecutive payments within 15 days of the date said payments were due a late charge in the amount of \$20.00 per month shall accrue for each month said payments are not forthcoming. Debtors shall also be responsible for all reasonable attorney's fees and costs incurred by City to enforce any right hereunder.
- 4. Reservation of Rights: The City at all times reserves the right to collect the principal balance, accrued interest and charges in full. This agreement shall not be construed as a waiver or relinquishment of any right the City may have at law or in equity with regard to this debt.

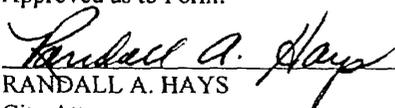
IN WITNESS WHEREOF, the parties hereto, being in agreement with the terms of this writing, have set their hands as follows:

CITY OF LODI, a municipal corporation

Dated: _____

H. DIXON FLYNN
City Manager

Attest: _____

Approved as to Form:


RANDALL A. HAYS
City Attorney

JENNIFER M. PERRIN
City Clerk

LODI LIONS CLUB, Debtor

Dated: _____

By: _____

Dated: _____

By: _____