

COUNCIL COMMUNICATION

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TO: THE CITY COUNCIL
FROM: THE CITY MANAGER'S OFFICE

DATE
May 14, 1986

NO.

SUBJECT: SIDEWALK CONSTRUCTION FINANCING - COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

PREPARED BY: City Manager

RECOMMENDED ACTION: That the City Council review alternate financing mechanisms for sidewalk construction utilizing Community Development Block Grant funds and take action as deemed appropriate.

BACKGROUND INFORMATION: At its regular meeting of May 7, 1986 the City Council adopted a resolution determining the public need for sidewalk installations on the east side of Stockton Street between Vine Street and Tokay Street. The matter has been set for public hearing for the regular City Council meeting of June 4, 1986. In addition, the Council directed the staff to develop alternatives for providing financial assistance for sidewalk installations in areas which meet the criteria for the expenditures of Community Development Block Grant funds.

In response to this direction, staff herein presents the following for the City Council's consideration:

1. The program will be available only in those areas of the City in which Community Development Block Grant funds may be expended.

Note: This is essentially that area of the City east of Church Street.

2. The program will be available only to owner-occupied single family residences.

Note: An owner-occupied single family residence located on a parcel which also contains rental units does not qualify.

3. Eligible persons shall have the following options:

- a. Pay 100% of the cost of the sidewalk at the time of installation.

WHEREAS, application for those loans exceeded available funds by nine times, demonstrating the need for such a program; and,

WHEREAS, the Water Conservation and Water Quality Control Bond Act, Proposition 44, on the June ballot would provide \$150 million for loans to water agencies for water conservation, groundwater recharge, and drainage projects; and,

WHEREAS, the Water Conservation and Water Quality Bond Act, Proposition 44, would be an extremely cost effective measure for Californians, costing an average of 37 cents per household annually; and,

WHEREAS, funds available from Proposition 44 are expected to be a significant help in developing locally sponsored water conservation, drainage, and groundwater recharge projects.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the City Council of the City of Lodi supports Proposition 44 and urges its passage by the California electorate on June 3, 1986.

Dated: May 21, 1986

I hereby certify that Resolution No. 86-83 was passed and adopted by the City Council of the City of Lodi in a Regular Meeting held May 21, 1986 by the following vote:

Ayes: Council Members - Hinchman, Olson, Pinkerton,
Snider, and Reid (Mayor)

Noes: Council Members - None

Absent: Council Members - None

ALICE M. REIMCHE
City Clerk

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- b. Execute an agreement with the City providing for the granting by the City of a low-interest loan (3%) to finance the sidewalk installation. Such a loan would be subject to the following:
 - i. it shall be paid off in five annual payments
 - ii. it shall be paid off at the time of sale of the property if such sale occurs in less than five years
 - iii. it shall be recorded
- c. Agree to placement of a lien on the property for the amount of the sidewalk installation. Such a lien would be subject to the following:
 - i. it shall be paid off no later than at the end of the fifth year
 - ii. it shall be paid off at the time of the sale of the property if such sale occurs in less than five years
 - iii. it shall be recorded

Adoption of the above recommendations would make the program available to all owner-occupied, single family residences in the qualified area regardless of the economic status of the property owner. This eliminates the process of the City having to make individual determinations of qualifications which could be awkward. Actually, the staff does not anticipate a great number of participants in such a program. With this in mind, it would greatly simplify program administration by extending the opportunity to participate to all who qualify in the project area.

The staff will be pleased to provide additional information if requested, or answer any questions Councilmembers may have.

Respectfully submitted,


Thomas A. Peterson
City Manager

TAP/br

RESOLUTION NO. 86-83

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LODI
ESTABLISHING ALTERNATIVES FOR PROVIDING FINANCIAL ASSISTANCE
FOR SIDEWALK INSTALLATIONS IN AREAS WHICH MEET THE CRITERIA FOR
THE EXPENDITURES OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

RESOLVED, that the City Council of the City of Lodi does hereby establish alternatives for providing financial assistance for sidewalk installations in areas which meet the criteria for the expenditures of Community Development Block Grant Funds as follows:

1. The program will be available only in those areas of the City in which Community Development Block Grant funds may be expended.

Note: This is essentially that area of the City east of Church Street.

2. The program will be available only to owner-occupied single family residences.

Note: An owner-occupied single family residence located on a parcel which also contains rental units does not qualify.

3. Eligible persons shall have the following options:

- a. Pay 100% of the cost of the sidewalk at the time of installation.
- b. Execute an agreement with the City providing for the granting by the City of a low-interest loan (3%) per annum to finance the sidewalk installation. Such a loan would be subject to the following:
 - i. it shall be paid off in five annual payments
 - ii. It shall be paid off at the time of sale of the property if such sale occurs in less than five years
 - iii. it shall be recorded
- c. Agree to placement of a lien on the property for the amount of the sidewalk installation plus 3% per annum

interest until such lien is retired. Such a lien would be subject to the following:

- i. it shall be paid off no later than at the end of the fifth year
- ii. it shall be paid off at the time of the sale of the property if such sale occurs in less than five years
- iii. it shall be recorded

BE IT FURTHER RESOLVED, that this program shall be available to all owner-occupied, single family residences in the qualified area regardless of the economic status of the property owner.

Dated: May 21, 1986

I hereby certify that Resolution No. 86-83 was passed and adopted by the City Council of the City of Lodi in a Regular Meeting held May 7, 1986 by the following vote:

Ayes: Council Members - Olson, Pinkerton, Snider, and Reid
(Mayor)

Noes: Council Members - None

Absent: Council Members - Hinchman

Alice M. Reimche
ALICE M. REIMCHE
City Clerk

86-83