



CITY OF SACRAMENTO

DEPARTMENT OF ENGINEERING
915 I STREET SACRAMENTO, CALIFORNIA 95814
CITY HALL ROOM 207 TELEPHONE (916) 449-5281

CITY MANAGER'S OFFICE
RECEIVED
MAR 10 1982

R. H. PARKER
CITY ENGINEER
J. F. VAROZZA
ASSISTANT CITY ENGINEER

March 10, 1982

City Council
Sacramento, California

Honorable Members in Session:

Subject: CDBG Assessment District Funding Shortfall

SUMMARY:

Attached is a report to the Budget and Finance Committee regarding CDBG Assessment District Funding Shortfall. The Budget and Finance Committee approved staff's recommendation at their March 9, 1982 meeting.

RECOMMENDATION:

It is recommended that the City Council direct staff to proceed with the public meetings and bidding procedure for Woodbine A/D #2, Del Paso Heights A/D #5 and East Del Paso Heights A/D #1 and to report back to the Budget and Finance Committee after receipt of bids to solidify funding arrangements.

Respectfully submitted,

R. H. PARKER
City Engineer **APPROVED**
BY THE CITY COUNCIL

Recommendation Approved:

Walter J. Slupe, City Manager

MAR 16 1982

OFFICE OF THE
CITY CLERK

14-A-090-00-0

RHP/hma

March 16, 1982
District No. 2 and 7

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CITY OF SACRAMENTO

DEPARTMENT OF ENGINEERING

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CITY HALL ROOM 207 TELEPHONE (916) 449-5281

R. H. PARKER
CITY ENGINEER

J. F. VAROZZA
ASSISTANT CITY ENGINEER

March 3, 1982

Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: CDBG Assessment District Funding Shortfall

SUMMARY:

Plans have recently been prepared for three CDBG funded street assessment districts. Preliminary estimates indicate that there will be an approximate shortfall of \$654,000 for these projects. However, there are surplus CDBG funds and some contributable water and sewer funds which probably will be sufficient to cover the shortfall. Therefore, it is recommended that staff be directed to proceed with the projects and that funding arrangements be solidified after receipt of bids.

BACKGROUND:

Plans have been completed for Woodbine A/D #2, Del Paso Heights A/D #5 and East Del Paso Heights A/D #1 at a total estimated construction cost of \$3,009,000. The 1981-82 Capital Improvement Budget includes a \$1,890,000 CDBG contribution for those projects to assist the property owners in paying the assessment costs. The current policy for CDBG assessment districts is to hold the assessment to the property owners at \$25 per front foot. This has generally required a CDBG contribution to pay for approximately two-thirds of the project cost. Preliminary estimates for the subject projects indicate that an additional \$654,000 will be required to maintain the assessment level at \$25 per front foot. However, this figure may be high due to the current favorable bidding climate. In addition, SHRA has stated that there will be excess funds from completed CDBG projects which could be used to pay part of the shortfall. Also, there are certain items in each job which could be paid for with water and/or sewer funds. Therefore, it is staff's opinion that we should proceed to hold the public meetings and receive bids on these projects. Once bids have been received, a funding breakdown can be prepared and forwarded to the Committee for approval.

FINANCIAL:

SHRA reports that there will be between \$300,000 and \$400,000 of CDBG funds available from completed projects. The miscellaneous Sewer Fund balance is currently \$183,500 and the Miscellaneous Water Fund balance is \$135,817.

Therefore, the total funds available are between approximately \$619,000 and \$719,000. This should be sufficient to cover the estimated \$654,000 shortfall.

RECOMMENDATION:

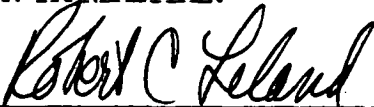
It is recommended that staff be directed to proceed with the public meetings and bidding procedure for Woodbine A/D #2, Del Paso Heights A/D #5 and East Del Paso Heights A/D #1 and to report back to the Budget and Finance Committee after bids have been received.

Respectfully submitted,



R. H. PARKER
City Engineer

FOR TRANSMITTAL:



Finance Administration and Budget

RHP/MHJ/hma