



8.2.
A.12.

DEPARTMENT OF
PUBLIC WORKS

OFFICE OF THE DIRECTOR

CITY OF SACRAMENTO
CALIFORNIA

CITY HALL
ROOM 207
915 I STREET
SACRAMENTO, CA
95814-2673

June 20, 1990

916-449-5283

ADMINISTRATION
916-449-8747

Budget and Finance Committee
Sacramento, California

Honorable Members in Session

SUBJECT: REPORT BACK REGARDING OPTIONS FOR GENERAL FUND SUPPORT OF SIDEWALK MAINTENANCE AND REPAIR PROGRAM

SUMMARY

This report provides the Joint Committee with options for using the General Fund to aid property owners in the maintenance and repair of sidewalks.

BACKGROUND

On June 5, 1990, the Budget and Finance Committee reviewed a report regarding the City's sidewalk maintenance policy and requested staff to report back on options for providing General Fund support to the program, via cost-sharing, and/or a payment plan.

The existing City sidewalk maintenance policy, as do others throughout the state, require the cost of repair/replacement to be borne by abutting property owners. These costs are usually levied against the property for payment within a one-year period or levied with the following year's property tax bill. Under the current system, approximately \$800,000 in sidewalk repairs are identified each year.

FINANCIAL DATA

Options for supporting the sidewalk repair program with a General Fund component include:

1. Two-year Payment Plan -- Sidewalk repairs average \$500-\$700 for residential property owners. Allowing property owners two years interest free to pay for repairs on abutting sidewalks would reduce the average annual cost to \$250-\$350 and average monthly payments to \$20-\$30. This option would require an annual General Fund subsidy of approximately \$40,000.
2. One-year Payment Plan -- If the payment plan period is one year, the average annual cost is \$500-\$700 or a monthly payment of \$40-\$60. This option would result in a cost of \$20,000 annually to the General Fund.

Any form of payment plan would require further review of administrative and billing requirements prior to implementation. This will require approximately 60 days.

June 20, 1990
Budget and Finance Committee/Transportation
and Community Development Committees

Other options include allowing payment plans only for senior or low-income homeowners, or a cost-sharing program that would partially fund the sidewalk repair program directly from the General Fund (e.g., 50% of cost charged to property owners and 50% funded at general public expense). The latter alternative is not recommended, however, due to the significant ongoing cost to the General Fund (\$400,000 per year or more).

POLICY CONSIDERATIONS

A payment plan or cost-sharing program represents a modification of current policy, which requires all costs to be borne by abutting property owners. A cost-sharing program, which would require large annual General Fund subsidies, may create perceptions of inequity among property owners if competing needs force discontinuing the program in the future.

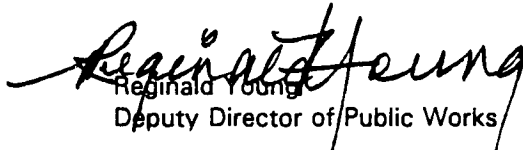
MBE/WBE

Not applicable.

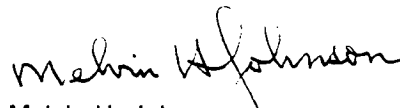
RECOMMENDATION

This report is for Committee information only.

Respectfully submitted,


Reginald Young
Deputy Director of Public Works

APPROVED:


Melvin H. Johnson
Director of Public Works

FOR COMMITTEE INFORMATION:



Jack Crist
Deputy City Manager

Contact Person

Laurie Decker
Management Analyst
449-5845

June 20, 1990
All Districts