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**DEPARTMENT OF
PUBLIC WORKS**

ENGINEERING DIVISION

THOMAS M. FINLEY
ENGINEERING DIVISION MANAGER

CITY OF SACRAMENTO
CALIFORNIA

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ROOM 200
SACRAMENTO, CA
95814-2705

916-449-8220

CONSTRUCTION SECTION
640 BERGUT DRIVE
SUITE B
SACRAMENTO, CA
95814-0131

916-449-5282

May 24, 1988

Budget and Finance Committee
Sacramento, California

Honorable Members In Session:

**SUBJECT: Old Sacramento Service Court No. 35A and 38A (JN:YN26, IP No. 5543)-
Appropriation of Funds**

SUMMARY

It is requested that the Budget and Finance Committee recommend approval of the appropriation resolution to amend the 1987/88 Revenue Budget and CIP Budget. This transfer of funds will allow the Department of Public Works to acquire improvements constructed in the Old Sacramento Service Court No. 35A and 38A Assessment District.

BACKGROUND

On April 26, 1988, the Council adopted several resolutions commencing proceedings for said assessment district, which set a hearing date for May 31, 1988. The project is being financed jointly by the Sacramento Housing and Redevelopment Agency (SHRA) contributing \$68,737.24 and the property owners being assessed \$51,310.73.

These service courts were constructed by the property owners within the district. In accordance with agreements between the property owners and SHRA, the property owners will be reimbursed for their expenses by the formation of an assessment district.

FINANCIAL

The SHRA's contribution for this project is in their current Capital Improvement Budget and has been reserved for this project. The balance of \$51,310.73, the funds necessary to acquire the improvements, is forthcoming from the payoffs of the assessments in the 30-day cash collection period and proceeds from the sale of the bonds on the unpaid assessments. A summary of the project costs based on our Engineer's estimate are as follows:

Estimated Acquisition Cost of Service Court No. 35A & 38A	\$ 90,606.80
Incidental Expenses (Except Bond Discount)	<u>27,358.74</u>
Amount to be Budgeted	117,995.54
Bond Discount	<u>2,052.43</u>
Total Project Cost	120,047.97
Less SHRA Contribution	<u>- 68,737.24</u>
Amount to be Assessed to Property Owners	\$ 51,310.73

SHRA has an existing agreement with the property owners to reimburse them the cost for constructing the service courts. It is proposed that SHRA retain their contribution of \$68,737.24 and disburse the funds to the property owners without an intermediate transfer to the City. If SHRA were to transfer said funds to the City, we would have to return it to SHRA for disbursement to the property owners in accordance with their agreement.

By leaving SHRA's contribution in their budget, only the proceeds from the sale of the bonds, \$49,258.30, (amount assessed property owners minus bond discount) will be appropriated and expended by the City.

The appropriation resolution and the final Engineer's Report will be presented to Council for consideration at the public hearing to be held on May 31, 1988, on the assessment district formation.

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RECOMMENDATION

It is recommended that the Budget and Finance Committee recommend approval of the appropriation of funds for the Old Sacramento Service Court No. 35A and 38A Assessment District amending the current 1987/88 budget and forward the report to the full City Council for approval of the attached resolution.

Respectfully submitted,



THOMAS M. FINLEY
Engineering Division Manager

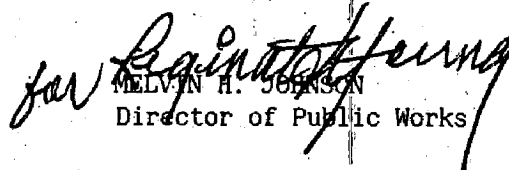
Recommendation Approved:



JACK R. CRIST
Deputy City Manager

IEM:dek
RE2-41.D
05.1188.2

Approved:



MELVIN H. JOHNSON
Director of Public Works

May 24, 1988
District No. 1

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION AMENDING AND APPROPRIATING FUNDS
FOR THE FY 1987-88 CITY CAPITAL IMPROVEMENT PROGRAM
BUDGET FOR OLD SACRAMENTO SERVICE COURT NO. 35A AND 38A
ASSESSMENT DISTRICT IMPROVEMENT PROCEEDING NO. 5543

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO:

1. The following appropriation increase is to be supported by revenue that is forthcoming from the payment of the assessment by the property owners in the 30-day collection period and from the sale of bonds to be issued on all unpaid assessments. The 1987/88 Revenue Budget is hereby amended by increasing revenue to the Old Sacramento Service Court No. 35A and 38A Assessment District by the amount of \$49,258.30 (652-ASD-16AD-3712).
2. The City Capital Improvement Program budget is hereby amended by appropriating \$49,258.30 supported by revenue to be received from the sale of bonds, and transferring said sum to 6-52-ASD-16AD-4820 Old Sacramento Service Court No. 35A and 38A for expenditure as follows:

\$ 21,869.56	to	652-ASD-16AD-4820
2,253.06	to	652-ASD-16AD-4820
3,600.00	to	652-ASD-16AD-4321
1,026.21	to	652-ASD-16AD-4287
2,500.00	to	652-ASD-16AD-4802
<u>18,009.47</u>	to	652-ASD-16AD-4880
\$ 49,258.30		

This appropriation will provide sufficient funds to acquire the improvements and to pay all incidental expenses associated with said assessment district.

3. The Director of Finance is hereby authorized and directed to expend the total sum of \$49,258.30. The amount of \$24,122.62 is to be paid to the Sacramento Housing and Redevelopment Agency to be used to acquire Service Court No. 35A & 38A. The balance of \$25,135.78 is to be used for the engineering and other incidental expenses charged to the assessment district.

MAYOR

ATTEST:

CITY CLERK

RE2-41.D