

CHAPTER 6. DEFERRED IMPROVEMENTS

ARTICLE 1. GENERAL

Sec. 9-6.101. General.

This Chapter describes how the City will keep, invest and disburse money collected for the construction of subdivision improvements.

Sec. 9-6.102. Definitions.

The following terms are defined for the purposes of this Chapter, unless otherwise apparent for context:

- (a) "Subdivision Deferred Improvement Tracts" or "SDI Tracts" are 29 tracts within the City subject to a deferred improvement agreement and identified as tract numbers 2898, 2967, 3060, 3061, 3062, 3070, 3071, 3080, 3081, 3139, 3140, 3186, 3187, 3188, 3192, 3193, 3194, 3195, 3196, 3197, 3198, 3243, 3245, 3279, 3280, 3281, 3282, 3288, 3353.
- (b) "Subdivision Deferred Improvement Lots" or "SDI Lots" are lots within Subdivision Deferred Improvement Tracts.
- (c) "Subdivision Deferred Improvement Agreements," "Deferred Improvement Agreements," or "SDI Agreements" means agreements calling for payments by owners of SDI Lots to finance the subsequent construction of certain improvements for SDI Tracts.
- (d) "Subdivision Deferred Improvements," "Deferred Improvements," or "SDI Improvements" means the improvements described in the SDI Agreements.
- (e) "SDI Advisory Committee" means the committee created to advise the City on compliance with this Chapter. (Sec. 2, Ord. 98-552)

ARTICLE 2. PRESERVATION OF SDI FUND

Sec. 9-6.201. Establishment of SDI Fund.

Money paid by SDI Lot Owners under the SDI Agreements for the construction of SDI Improvements shall be deposited into the SDI Fund.

ARTICLE 3. SDI FUND EXPENDITURES

Sec. 9-6.301. General.

The City shall spend the money in the SDI Fund:

- (a) To promptly construct any SDI Improvements remaining for tract numbers 3281, 3282, and 3288.
- (b) To construct SDI Improvements for SDI Tracts not identified in (a) as the need arises. As used herein, "construction" means the actual costs related to and necessary to construct and put improvements in place for their intended use, including but not limited to the design, solicitation, evaluation, award of construction contracts and administration of construction contracts.
- (c) To pay the costs of maintenance of SDI Improvements. As used herein, "maintenance" means the actual cost of operating and maintaining SDI Improvements, but does not include the cost of administering operation and maintenance programs.

Sec. 9-6.302. Determination of Need for Improvements.

- (a) The City's policy on expenditures of monies in the SDI Fund for the construction of SDI Improvements is to encourage the development of new home construction consistent with prudent municipal development and expending as much of the accumulated money as necessary to provide for and stimulate the development of SDI Tracts. The City's goal is to develop sufficient interest to require the annual expenditure of 5 to 10 percent or more or less of the accumulated SDI Fund.
- (b) On or before May 1st of each year, the City Engineer shall submit a list of proposed SDI Improvements to the SDI Advisory Committee and City Manager. A SDI Lot Owner may also propose an SDI Improvement by submitting a description of the project. Except when an urgency exists, e.g., a home under construction, proposals by SDI Lot Owners shall be reviewed by the City Engineer as described in the annual report. SDI Lot Owners proposing SDI Improvements are encouraged to submit evidence showing how the proposal will benefit SDI Lots and how the proposed improvements will be used at an early date. Proof of impending construction such as working drawings, approved construction loan, monies in escrow, building plans and water meter application must be shown to ensure the SDI Lot Owner is committed to improving the lot.
- (c) The SDI Advisory Committee and the City Manager shall evaluate the report of the City Engineer and make recommendations to the City Council concerning the construction of the SDI Improvements as part of the annual budget process. The City Engineer shall prepare plans and specifications for each SDI Improvement project identified in the approved budget and shall submit such plans and specifications to the Council for action during the first quarter of each fiscal year. SDI Improvement projects identified in the approved plans and specifications shall be constructed as soon as feasible, taking into consideration variations in staffing, climate, and staging of projects.

Sec. 9-6.303. Maintenance of SDI Improvements.

- (a) The City may expend monies from the SDI Fund to maintain SDI Improvements and pay for administrative expenses as permitted by this chapter under the terms and conditions of this Section.
- (b) Money shall annually be transferred from the SDI Fund to the City's General Fund for such purpose and shall not exceed the Lessor of:
 - (1) \$290,000 per fiscal year, which total may be an average of such expenditures over a four-year period.
 - (2) The amount of money in the SDI Fund attributable to investment earnings (as opposed to principal).
 - (3) The amount of money in the SDI Fund which the City Engineer and the Finance Director jointly certify to exceed the anticipated cost of constructing outstanding SDI Improvements for SDI Tracts.
 - (4) The cost of maintaining SDI Improvements.

ARTICLE 4. ENFORCEMENT

**Sec. 9-6.401 – 9-6.404 re: SDI Advisory Committee:
Repealed by Ord. 06-643 on 12/10/06.]**

