

City of South Daytona

Office of the City Manager

1672 S. Ridgewood Avenue • South Daytona, FL 32121 • 386/322-3020 • Fax 386/322-3018



MEMORANDUM

To: The Chairman and Directors of the South Daytona Community Trust

From: James L. Gillis Jr., President of the South Daytona Community Trust

Re: Consideration of approving the City's Driveway Addition Program designed to assist property owners with the cost of expanding their existing driveway to allow for additional vehicles to be parked on a hard surface by offering a 12-month interest free loan to be paid in equal installments on the subject property's utility bill.

Date: May 1, 2021

Many older homes throughout the city were built with single car-width driveways and residents may own more cars than these driveways can accommodate. As a result, the owners are unable to comply with code regulations.

In September 2015, the city adopted Resolution 15-17 which created the Good Neighbor Program which allocated a \$15,000 revolving loan fund to provide low-cost financing to residents of homestead properties who wish to comply with existing code regulations by extending driveway widths. This program was provided through the City's Community Trust Fund which is funded through private donations and fundraisers. The program was successful, and many driveway improvements were made.

The South Daytona City Council, at their April 13, 2021 Regular Council Meeting approved offering the Driveway Improvement Program to residents of homestead properties within the city and utilizing the utility bill process for loan repayment to the Community Trust. Residents selected would be provided a one-year interest free loan up to \$3,600 to improve or extend their driveways. Loans will be repaid in 12 equal installments added to the utility bill (up to \$300.00 per month). The Owner would be responsible for selecting and paying the contractor as well as obtaining a permit from the city. The loan will be provided to the owner (with funds being disbursed) once all work has passed a final inspection by the city.

Staff is requesting the funds necessary from the South Daytona Community Trust for up to ten (10) Driveway Improvement Loans at one time. The no interest loans will be repaid in 12 equal installments added to the utility bill (up to \$300.00 per month). The agreement, informational flyer and application are attached. Per council guidance, Attorney Vose included language at the end of section 2.c.vii. is as follows: "The obligations of this agreement shall run with the land, and any unpaid portion of the loan shall constitute a lien against the property in the manner specified in City Code Section 20-70(f)."

Attachment(s): Driveway Improvement Program Informational Flyer, Driveway Improvement Program Application, and Driveway Improvement Program Agreement

CITY OF SOUTH DAYTONA COMMUNITY TRUST DRIVEWAY IMPROVEMENT PROGRAM AGREEMENT

This Agreement (hereinafter the "Agreement") is made and entered into this ____ day of _____, 20____, by and between the South Daytona Community Trust, Inc. (SDCT), a Florida Not for Profit Corporation, (hereinafter referred to as the "SDCT"), whose mailing address is P.O. Box 214960, South Daytona, Florida 32121, the City of South Daytona, and _____, Owner whose address is _____, South Daytona, Florida, (hereinafter referred to as the "OWNER"),

Agreement regarding the following described property:

Owner: _____
Address: _____
Project: Driveway Improvement / Expansion
Tax Parcel Number: _____
Loan Amount: \$ 3,600.00

WITNESSETH:

WHEREAS, the South Daytona Community Trust, Inc. (SDCT) has adopted the South Daytona Driveway Improvement Program (Program) to provide no or low interest loans to pay for improving or expanding residential driveways for qualifying homes.

WHEREAS, the OWNER has applied and been approved to participate in the City of South Daytona's Driveway Improvement Program by which the South Daytona Community Trust, Inc provides a loan to assist with the costs associated with the Driveway Improvement.

WHEREAS, a loan in the amount of \$3,600.00 to be repaid through South Daytona monthly utility billing in twelve (12) installments of \$300.00 per month beginning _____.

WHEREAS, OWNER agrees to apply for driveway improvement / expansion Permits with the City of South Daytona Building Department.

WHEREAS, within ninety (90) days after permit issuance, OWNER must ensure work is complete and a final inspection must be requested from the City of South Daytona Building Department and a representative from the South Daytona Community Trust, Inc. (SDCT).

WHEREAS, at conclusion of passing final inspection from the City of South Daytona Building Department and representative from the South Daytona Community Trust, Inc. (SDCT) the OWNER will receive a check in the amount of \$3,600.00 (approximately 7 to 14 days after the passing final inspection).

WHEREAS, OWNER will begin repaying the loan through South Daytona Utility Billing beginning _____. A minimum of \$300.00 will be paid monthly to the City of South Daytona through the Utility Billing Department. The loan can be paid in full or partially (exceeding the \$300.00 minimum monthly payment) at any time without penalty.

WHEREAS, the intent of this Agreement is to provide the obligations and responsibilities of the South Daytona Community Trust, Inc. (SDCT), City, and Owner in participating in the Program and the installation of driveway improvements.

NOW, THEREFORE, for and in consideration of mutual covenants contained herein, the sufficiency of which is hereby acknowledged, the undersigned parties hereby agree to the following:

- 1) The above WHEREAS recitals are hereby incorporated herein and agreed to by all parties.
- 2) Each parties' respective obligations and responsibilities are hereby outlined below:
 - a. City:
 - i. Shall be responsible for reviewing driveway improvement plans and issuing the permit(s) for the Work as the local government where the Work is to be performed.
 - ii. Shall inspect the Work in the same manner as any other permitted work in the City.
 - iii. Shall pay over to SDCT those amounts paid on Owner's utility bill toward repayment of the loan, which shall consist of all amounts paid on such utility bill in excess of all other fees and charges otherwise applicable, up to the outstanding balance under this Agreement.
 - b. The South Daytona Community Trust, Inc. (SDCT):
 - i. Shall conduct a final inspection with the City of South Daytona Building Department at conclusion of the work.
 - ii. Shall provide a \$3,600.00 loan to the owner after conclusion of the final inspection (with processing time of 7 to 14 days).
 - c. Owner:
 - i. Shall apply with the City for a permit for the Work (selected contractor or qualified owner/builder will be responsible for permit application).
 - ii. Shall pay for fees related to plans review, permitting and inspection of the Work.
 - iii. Shall coordinate and oversee the execution on the Work.
 - iv. Shall notify the City of South Daytona Building Department and South Daytona Community Trust representative when Work is complete.
 - v. Shall execute any additional necessary documents required by the City or South Daytona Community Trust for the Work.
 - vi. Shall repay (through City Utility Billing) the South Daytona Community Trust the amount of \$3,600.00.
 - vii. Owner hereby agrees that failure to repay the loan set forth herein in accordance with its terms shall constitute a valid and legal basis to cut off water service to the property, which service will not be restored until fees and charges for utility services are paid, and payments under this agreement are brought current. The obligations of this agreement shall run with the land, and any unpaid portion of the loan shall constitute a lien against the property in the manner specified in City Code Section 20-70(f).
 - viii. Owner hereby acknowledges that the South Daytona Community Trust and City are not responsible for the quality of the Work performed or for any damages caused or allegedly caused by the Contractor. The City is responsible for inspecting the Work and the South Daytona Community Trust is responsible for providing the Loan Amount to the Owner when the Work is completed. The City

shall only inspect compliance with the Florida Building Code and assumes no greater liability than the law imposes on the City for conducting inspections. Owner shall hold only the Contractor responsible for the quality of the Work, defects in workmanship, damages to the Property, warranty claims and any other claim related to the Work.

- ix. Owner hereby releases and indemnifies the City and South Daytona Community Trust from any and all claims for property damage or bodily injury related to or arising out of the Owner's participation in the Program.
- x. Owner hereby represents that the Owner is the sole owner(s) of the Property and have full legal authority to enter into this Agreement, to authorize the Work to be performed on the Property and to execute the promissory note and mortgage.

3) Remedies. The rights and remedies of the parties, provided for under this Agreement, are in addition to any other rights and remedies provided by law.

4) Governing law, Venue and Interpretation. This Agreement is to be governed by the laws of the State of Florida. Venue for any legal proceeding related to this Agreement shall be in the Seventh Judicial Circuit Court in and for Volusia County, Florida. This Agreement is the result of bona fide arms length negotiations between the South Daytona Community Trust, Inc. (SDCT) and OWNER, and all parties have contributed substantially and materially to the preparation of the Agreement. Accordingly, this Agreement shall not be construed or interpreted more strictly against any one party than against any other party.

Agreed this _____ day of _____, 20 _____

City of South Daytona:

South Daytona Community Trust:

William C. Hall, Mayor

James L. Gillis Jr, President

Owner:

Signature

Printed Name

**STATE OF FLORIDA
COUNTY OF VOLUSIA**

This document was sworn (or affirmed) and subscribed before me by means of ____ **physical presence** or ____ **online notarization**, this ____ day of _____, 20____, by _____, who is personally known to me or has presented _____ as identification.

[Notary Seal]

Notary Public

Name typed, printed or stamped

My Commission Expires: _____



City of South Daytona Community Trust



Driveway Improvement Program *City Beautification Initiative*

WHY IS THERE A NEED FOR THIS PROGRAM?

Many older homes were built with single-width driveways at a time when people didn't own so many cars. As a result, the City has seen an increase in complaints regarding parking on the grass in front yards.

HOW DOES IT WORK?

Residents can qualify for one-year interest free loan up to \$3,600 to improve or extend their driveways. Loans will be repaid in 12 equal installments added to the utility bill (up to \$300.00 per month).

WHO CAN QUALIFY?

To be eligible, property must be homesteaded, property taxes must be current and there must be no outstanding code violations or monies owed to the City. Homes with single-width driveways will be given priority.

WHO WILL DO THE WORK?

The Owner is responsible for selecting and paying the contractor as well as obtaining a permit from the city. The loan will be provided to the owner (with funds being disbursed) once all work has passed a final inspection by the city.

I'M INTERESTED. WHAT'S NEXT?

Contact Becky Witte at bwitte@southdaytona.org or 386-322-3011 to obtain a City of South Daytona Driveway Improvement Program Application. Enclose a sketch and pictures of your existing driveway and where you envision the extension or where improvements are needed. Don't worry that it's not perfect, we just want to see what you think would work best. In general, extensions should be built on the side of the driveway that is away from the front door of the home. This will be reviewed by staff prior to contacting you. Return it to the Community Development Office as soon as possible, as funding is limited.

Please remember homes with single-width driveways will be given priority.



City of South Daytona Community Trust



Driveway Improvement Program City Beautification Initiative

Application Date:

Owner Name:

Address:

Owner Phone:

Owner Email:

Location of Work:

Proposed Work:

Do you own this home? ☐ Yes ☐ No

Have you owned longer than 1 year? ☐ Yes ☐ No

Have you previously applied for assistance? ☐ Yes ☐ No

Enclose a sketch and pictures of your existing driveway and where you envision the extension or where improvements are needed.

Acknowledgement: I am the owner and I reside at the above address. I agree that if approved, I will be responsible for applying and securing City of South Daytona Permits and repaying any loan awarded through 12 monthly installments added to my South Daytona Utility Bill.

Signature of Owner:

Date:

Office Use Only:

Notes: