

CITY OF STOCKTON  
**RESIDENTIAL NEIGHBORHOOD REINVESTMENT PROGRAM**  
**PROGRAM GUIDELINES**

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**Goals and Objectives**

The purpose of the Residential Neighborhood Reinvestment Program is to promote investment, improvements, and/or blight abatement to blighted residential properties within Stockton City limits. The intent is to allow the City Manager to forgive certain code enforcement fines, penalties, and liens, previously imposed by the City for the public purpose of facilitating reinvestment, improvements, and/or blight abatement to blighted properties.

**Program Guidelines**

A. Eligible Properties

To be considered for participation in this program, a property must meet all of the following criteria:

1. The property must be a single-family residence.
2. The applicant must be able to show that the successful rehabilitation of the property is being prevented due to exceptional financial penalties imposed by the City, including fines and liens. Exceptional financial penalties are those where the cost of the penalties imposed, combined with the improvements necessary to bring the building into compliance, make rehabilitation cost prohibitive.
3. The property must have a minimum current outstanding code violation fee penalty amount of \$15,000. Only soft costs such as fines, fees, interest, and late fees may be forgiven. Hard costs such as abatement costs, recording fees, inspection fees, or any actual expenditure of City funds may not be forgiven, unless approved by the City Council. Prior violation payments made are not eligible for reimbursement.
4. The applicant must provide documentation verifying the financial need of the project.
5. The improvement, or blight abatement of the property must further the goals and objectives contained in the Economic Development Strategic Plan, Urban Land Institute Report, Council goals, or other related City plans.
6. Improvement or blight abatement of the property must bring the site into compliance with all applicable codes and remove all code violations.

7. The investment, improvements, and/or blight abatement of the property will have a significant positive effect on the surrounding neighborhood and have a strong potential to encourage additional investment and improvements in the surrounding area.
8. The applicant must demonstrate the ability to undertake and complete improvements within 12 months of City approval.
9. No person is eligible for this program who has caused, maintained, or allowed the violations, fines, penalties, or liens at the subject property OR on any other property within the City boundaries.

The City Manager reserves the right to bring any property to the City Council for approval which does not meet the above criteria, if, in the opinion of the City Manager, the project would meet the purpose and intent of this program by facilitating substantial investment, improvements, and/or blight abatement to blighted properties.

#### B. Application Process

1. An eligible property owner or potential purchaser of an eligible property may apply for the program. A completed application and all required documents must be submitted for the application to be reviewed.
2. The City will review and process the application and complete its due diligence in a timely fashion. The City's review will include consultation and coordination with the Neighborhood Services Department.
3. The Economic Development Director will make a determination of eligibility to either approve or deny the application. If approved, staff will begin drafting terms of the Agreement with the applicant.
4. The City Manager will review Agreement and may accept or reject the proposal and/or impose additional stipulations.
5. City Council approval is required for forgiveness of certain fines, penalties, and lien totals exceeding the current Council limit.

#### C. Determination

The Economic Development Director is responsible for determination of eligibility. Evaluation results in one of two outcomes:

**Approval** – If the application is found to be eligible, the applicant will proceed to negotiations with City staff to determine specific criteria for project's acceptance into the Program.

OR

**Denial** – The Economic Development Director may deny an application due to eligibility criteria. A formal letter expressing denial will be sent to the applicant.

The applicant can appeal decision through the Reconsideration/Appeal Process (Section D below).

D. Reconsideration/Appeal Process

**Reconsideration**

1. The applicant has 30 days to request reconsideration by the Economic Development Director of the decision to deny the project acceptance into the Program. The applicant shall request reconsideration in a letter addressed and delivered to the Economic Development Director, which sets out in detail the reasons why the proposed project should be accepted in the Program.
2. A review of the request for consideration will be conducted by the Economic Development Director and a written response will be mailed to the applicant.

*If the application is not satisfied with the results of the request for reconsideration, then:*

3. The applicant has 30 days, following the mailing of the written response to the request for Reconsideration, to send a letter requesting a meeting with the Economic Development Director and staff. During the meeting, the applicant will receive verbal notification whether the Economic Development Director has decided to overturn the previous denial decision and allow the project to be accepted into the Program.

**Appeal**

*If the applicant is not satisfied with the results of the meeting with the Economic Development Director, then:*

4. The applicant has 14 days following the meeting with the Economic Development Director to file with the City a letter appealing the decision made by the Economic Development Director. The letter of appeal shall be delivered to the Office of the City Manager. The City Manager will notify the applicant by mail of the decision. The decision of the City Manager shall be final.

E. Agreement and Final Inspection

In each instance where the City determines an application is eligible for forgiveness of certain outstanding fines, penalties, and liens previously imposed on a property, such forgiveness

shall be memorialized in an agreement approved by the City Manager and conditioned upon the successful investment, improvements, and/or blight abatement of the subject property.

1. The Agreement shall include a completion schedule, list and/or description of the improvements required, and the amount to be forgiven.
2. Applicant must undertake and complete improvements within 12 months of City approval. A lesser timeframe may be imposed depending on the extent of the improvements required. An inspection of the property shall be performed by the City at the completion of improvements.
3. If the subject property is not successfully invested in, improved, and/or blight is not abated within the project schedule approved by the City, the City shall not forgive the fines, penalties, or liens imposed on the property.
4. If the final inspection finds that the property is successfully invested in, improvements made, blight abated and code violations corrected, the City will remove the applicable fines, penalties, or liens from the property.

This program will become effective thirty (30) days from the date of approval and will remain in effect for a period of five (5) years, unless extended by the Stockton City Council.

Adopted by the Stockton City Council

\_\_\_\_\_ Resolution No. \_\_\_\_\_