

C O U N C I L      C O M M U N I C A T I O N

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TO: THE CITY COUNCIL  
FROM: THE CITY MANAGER'S OFFICE

COUNCIL MEETING DATE  
SEPTEMBER 5, 1990

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SUBJECT: REPORT ON CITY HOUSING REHABILITATION PROGRAM

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PREPARED BY: City Manager

RECOMMENDED ACTION: That the City Council receive the report of the Community Development Director regarding the City's Housing Rehabilitation Program and take action as deemed appropriate.

BACKGROUND INFORMATION: Attached (Exhibit A) is a copy of a report prepared by the County's Department of Planning and Building Inspection on the status of the City's Housing Rehabilitation Program. The program, initiated by the City Council two years ago, is in a very active state at this time and in all respects is most successful. Staff is now aware that this program can also be extended to cover rental units where additional needs exist. It is recommended that the Council give consideration to this program expansion and direct staff accordingly. The Community Development Director will be prepared to present the staff report and answer questions.

Respectfully submitted,



Thomas A. Peterson  
City Manager

TAP :br

Attachment



SAN JOAQUIN COUNTY  
DEPARTMENT OF PLANNING AND BUILDING INSPECTION

EXHIBIT A

1810 E. HAZELTON AVE., STOCKTON, CA 95205  
PLANNING PHONE: 209/468-3120  
BUILDING PHONE: 209/468-3123  
NEIGHBORHOOD PRESERVATION PHONE: 209/468-3021

CHET DAVISSON  
Director  
JERRY HERZICK  
Deputy Director  
RENE JACKSON  
Deputy Director  
TOM WALKER  
Deputy Director

August 2, 1990

James B. Schroeder  
Community Development Department  
City of Lodi  
Call Box 3006  
Lodi, CA 95241-1910

Dear Mr. Schroeder:

The attached report provides up to date information on the status of the City of Lodi Housing Rehabilitation Program.

We presently have eight (8) projects in process; one (1) of these projects is under construction; two (2) are out to bid; and five (5) are awaiting banking.

Furthermore, we also have three (3) interested homeowners on the interest list we have yet to process.

On January 25, 1990 we advertised the City of Lodi Rehabilitation Program in the Lodi Sentinel and received a response from twenty-five (25) interested parties in the City of Lodi.

Furthermore, we placed an advertisement in the Lodi Sentinel on April 17, 1990 on the Rehabilitation Program and presently have received a response from fourteen (14) interested parties from this advertisement.

Of these interested parties, the list below reflects the homeowners that are in the process of having a title search and credit check, or are out to bid for construction.

Fred Erickson 925 s. Central Lodi, CA 95240	Approx. Loan	\$15,000.00
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Audrey Treichel 217 Acacia Street Lodi, CA 95240	Approx. Loan	\$35,000.00
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Javier Villanueva                      Approx. Loan     \$35,000.00  
332 E. Maple  
Lodi, CA 95240

Grant Harrison                         Approx. Loan     \$30,000.00  
1035 S. Garfield  
Lodi, CA 95240

Leslie Kolb                              Approx. Loan     \$15,000.00  
303 Acacia Street  
Lodi, CA 95240

Betty Perry                              Approx. Loan     \$30,000.00  
205 Eden  
Lodi, CA 95240

Ida Hatch                                Approx. Loan     \$30,000.00  
435 Daisy Ave.  
Lodi, CA 95240

54% of Estimated Projects being Processed	\$192,240.00
Estimated Administration Cosrs	\$16,500.00
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	\$208,740.00

In addition to these projects, we currently have three (3) clients who are waiting to be scoped, as listed below.

Roger Taylor  
420 Cherry  
Lodi, CA 95240

Barry Hane  
413 E. Locust  
Lodi, CA 95240

Kathleen Silva  
1035 S. Central  
Lodi, CA 95240

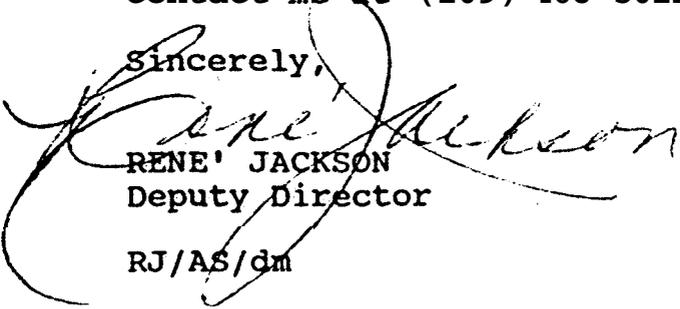
Providing that 54% of these projects materialize, our total City of Lodi Rehabilitation allocation will be depleted and with the present amount of public awareness that has been generated, there will be a further demand for this program.

In conclusion, the status of the City of Lodi Rehabilitation Program allocation is as follows:

Four (4) projects funded:	\$119,634.00
54% of Estimated projects in process:	\$192,240.00
Estimated administration:	\$33,000.00
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Total Estimated Expenditures:	\$344,874.00
Total Allocation	\$333,440.63

If you have any questions or need further information, please contact me at (209) 468-3021.

Sincerely,



RENE' JACKSON  
Deputy Director

RJ/AS/dm

Attachments

## HOME-RENOVATION LOAN FUNDS AVAILABLE IN LODI

Residents in the older section of Lodi whose homes need substantial renovation may be eligible for a no-interest or low-interest government loan.

To be eligible, the residence must be owner occupied and in need of substantial repairs to meet housing and safety code standards.

The home must also be located within the area bounded by the Mokelumne River on the north, Highway 99 on the east, Kettleman Lane on the south and Southern Pacific Railroad on the west.

Funding is from the federal government's Community Development Block Grant Program.

To qualify for help, the annual household income levels must be less than \$27,150 for a family of one and less than 548,450 for a family of eight.

The program is administered by the San Joaquin County: Neighborhood Preservation Division. For more information, contact the division at 468-3175.

Lodi Sentinel  
April 17, 1990

## Lodi home repair funds available

Residents in the older **section** of Lodi **whose** homes need **substantial** renovation **may** be eligible for a no-interest or low-interest **government loans** through **San Joaquin County**.

**To be** eligible, the residence must be owner occupied and **in need** of **substantial** repairs to meet housing and safety **code standards**. Funding is through the federal government's Community Development **Block Grant Program**.

Boundaries **are** the Mokelumne River to the north, Highway 99 on the east, **Kettleman Lane** on the south and the Southern Pacific **Railroad** on the west. To qualify, the annual household income **range** is from **\$27,150** for a family of one up to **\$48,450** for a family of eight.

**For** more information, **contact** the Neighborhood Preservation Division at **468-3175**.



*CITY of LODI*

# **NO INTEREST OR LOW INTEREST LOANS FOR HOME IMPROVEMENTS**

SAN JOAQUIN COUNTY ADMINISTERS CREATIVE FINANCING PROGRAMS TO ASSIST PROPERTY OWNERS IN MAKING HOME IMPROVEMENTS.

***YOU CAN MAKE THOSE LONG NEEDED REPAIRS WHILE IMPROVING THE VALUE Of YOUR PROPERTY .***

OUR PROGRAMS INCLUDE LOW INTEREST LOANS, DEFERRED NO INTEREST LOANS AND GRANTS. **EACH IS** DESIGNED TO MAKE NEEDED IMPROVEMENTS AFFORDABLE FOR LOW TO MODERATE INCOME HOMEOWNERS.

FOR MORE INFORMATION PLEASE CONTACT:

NEIGHBORHOOD PRESERVATION DIVISION  
1810 E. HAZELTON AVENUE  
STOCKTON, CA 95205

**"URBAN COUNTY"  
COMMUNITY DEVELOPMENT BLOCK GRANT  
COOPERATION AGREEMENT**

This agreement is entered into this 1st day of ~~August~~, 1990, by and between the City of Lodi, hereinafter referred to as "Recipient", and the County of San Joaquin, hereinafter referred to as "County"-

WHEREAS, "Recipient" is a **duly** constituted corporation under the laws of the State of **California**, and is empowered thereby to undertake essential community development and housing assistance activities, specifically urban renewal and **publicly** assisted housing ;

WHEREAS, "COUNTY" is a **duly** constituted subdivision of the State of California, and **is also** empowered by State law **to** undertake essential community development and housing assistance activities, specifically urban renewal and **publicly** assisted housing ;

WHEREAS, Government Code Sections 6500, **et seq.**, authorize two or more public agencies **to** jointly exercise any power common to both, and,

WHEREAS, **it is** mutually desired by the parties hereto to enter into a Cooperation Agreement, in accord with the **Housing and Community Development Act of 1974**, **as amended**, and applicable Federal rules and regulations adopted pursuant thereto, whereby the parties shall jointly undertake community development and

housing assistance activities. Such activities are to be financed in whole or in part by Community Development Block Grant (CDBG) funds.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The parties hereto agree to cooperate to undertake, or assist in undertaking, community renewal and lower income housing assistance activities, specifically urban renewal and publicly assisted housing, pursuant to the Housing and Community Development Act of 1974, as amended.

2. The parties agree that:

I. RECORDKEEPING

Recipient shall establish and maintain sufficient records to enable HUD to determine whether the Recipient has met the requirements of 24 CFR 570, Community Development Block Grant Program. At a minimum, the following records are needed:

A. Records providing a full description of each activity assisted (or being assisted) with CDBG funds, including its location, the amount of CDBG funds budgeted obligated and expended for the activity and the eligibility provision.

- B. Records demonstrating that each activity undertaken **meets** one of the mandated national objectives, set forth in **570.208**.

(Determination **made** by the County, and provided to the Recipient.) Such records shall include the following information:

1. For each activity determined to benefit **low** and **moderate** income persons, the income limits applied, and the point in time when the benefit was determined.
2. For each activity determined to benefit **low** and moderate income persons based on the area served by the activity:
  - a. The boundaries of the service area; and,
  - b. The **income** characteristics of families **and** unrelated individuals in the service area.
3. **For** each activity determined to benefit **low** and moderate income persons because the activity involves **a** facility or service designed for use by **a** limited **clientele** consisting exclusively or

predominantly of low and moderate income persons:

- a. Documentation establishing that the facility or service is designed for, and used by, senior citizens, handicapped persons, battered spouses, abused children, the homeless, illiterate persons, or migrant farm workers (presumptive low/mod benefit);
  - b. Documentation describing how the nature and, if applicable, the location of the facility or service establishes that it is used predominantly by low and moderate income persons; or
  - c. Data showing the size and annual income of the family of each person receiving the benefit.
4. For each activity determined to benefit low and moderate income persons based on the creation of jobs, the recipient shall provide:
- a. A copy of a written agreement from

each assisted business containing:

- (1) a commitment by the business that it will make at least 51 percent of the jobs available to low and moderate income persons, and will provide training for any of these jobs requiring special skills or education;
- (2) a listing by job title of the permanent jobs to **be** created, which jobs require special skills or education, and which jobs are part-time, if any; and
- (3) a description of actions to be taken **by** the Recipient and business to ensure that low/mod income persons receive first consideration for these jobs.

- b. **A** listing by job title of the permanent jobs filled, and which jobs of those were available to

low/mod income persons, and a listing of low/mod income persons interviewed for a particular job; and which low and moderate income persons were hired.

5. For each activity determined to benefit low and moderate income persons based on the retention of jobs:
  - a, Evidence that, in the absence of CDBG assistance, jobs would be lost;
  - b, For each business assisted, a listing by job title of permanent jobs retained;
  - c. For each retained job claimed to be held by a low/mod income person, information of the size and annual income of the person's family.
6. For each activity determined to aid in the prevention or elimination of slums or blight based on addressing one or more of the conditions which qualified an area as a slum or blighted area:
  - a. The boundaries of the area; and



and provided to the Recipient).

- D.** Records related to real property acquired or improved in whole or in part using CDBG funds in excess of **\$25,000**:

Certification that a subrecipient ~~may~~ not change the use, or planned use, of any **such** property (including the beneficiaries of such use) ~~from~~ that for which the acquisition or improvement was made, for five years after the closeout of the grant, unless the recipient provides affected citizens with reasonable notice of, and opportunity to comment **on**, any such proposed change, and either:

1. The **new** use of such property qualifies as meeting one of the national objectives, and is not a building for the general conduct of government; or
2. Property is disposed of in a manner which results in the amount of the current fair market value of the **CDBG** funded acquisition or improvement, and the Recipient's **CDBG** Program is reimbursed in this **amount**.

E. Records **which** demonstrate compliance with the citizen participation requirements as follows :

1. Provide citizens with information concerning the amount of CDBG funds expected to be available;
2. Provide citizens with the range of activities that may be undertaken with CDBG funds;
3. Hold at least one public hearing to obtain citizen views on community needs;
4. Publish community-wide, its proposed statement of community development objectives and projected use of CDBG funds **so** as to afford affected citizens the opportunity to comment.

F. Record of agreements with subrecipients indicating, at a minimum, the requirements of this agreement, and the following:

1. In accordance with 24CFR 85.43, suspension or termination may occur if the subrecipient materially fails to comply with any term of the award, and **that** the award may be terminated for

convenience **in** accordance with 24CFR 85.44.

2. Where applicable conditions prescribed in 24CR 570.200(j) for the use of funds by religious organizations.

11. REPORTS

Recipient shall submit the following performance and/or evaluation report to the County to facilitate mandated reporting **to** HUD:

- A. A calendar quarterly report of progress and accomplishments **for** all funded activities, to include a quantitative list of activity beneficiary type(s);
- B. An annual equal employment opportunity report (HUD/EEO-4) on **recipient** employment, containing data **as** of June 30;
- C. A semiannual Minority Business Enterprise Report by March 30, indicating contract and subcontract activity during the first half of the fiscal year **and**, by September 30, a report on such activity during the second half of the year.
- D. Recipients may be **required** to submit **such** other reports and information as HUD

determines are necessary to carry out its responsibilities.

III . PROGRAM INCOME

Recipient shall inform the County of any program income generated by expenditure of CDBG funds. Program income earned by the Recipient is to be returned to the County or retained by the Recipient. Where program income is to be retained by the Recipient, program income may be used only for eligible activities, subject to all applicable requirements governing the use of CDBG funds. When the subrecipient retains program income, program income shall be substantially disbursed before additional drawdowns of grant funds are made for the same activity. Upon close-out or change in status, the Recipient shall return to the County all program income on-hand and received subsequent to close-out or change in status.

IV. ADMINISTRATION

As the primary general-purpose local government unit under the Housing and Community Development Act of 1974, as amended, it shall be the

responsibility of "COUNTY" to apply for grants, to administer all funds received, and to undertake or assist in undertaking essential community development and housing assistance activities.

A. "COUNTY" shall maintain records in accordance with applicable statutes and regulations and with approved accounting procedures, and said records shall be available for public inspection at all times.

B. "COUNTY" and "Recipient" shall take all required actions necessary to comply with:

1. Section 104 (b) of Title I of the Housing and Community Development Act of 1974, as amended, including Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, Section 109 of Title I of the Housing and Community Development Act of 1974, and other applicable laws, and
2. Provision of the National Environmental Policy Act of 1969.

V. UNIFORM ADMINISTRATIVE REQUIREMENTS

Recipient shall comply with applicable uniform administrative requirements, as described in 24CFR 570.502 and the Urban County's certification

required by section 104 (b) of Title I the Housing and Community Development Act of 1974, as amended including Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, section 109 of Title I of the Housing and Community Development Act of 1975, and other applicable laws.

VI. REVERSION OF ASSETS

The Recipient and any of its subrecipients shall, at the expiration of the CDBG grant, transfer to the County any CDBG funds on hand at the time of expiration, and any accounts receivable attributable to the use of CDBG funds.

VII. ENVIRONMENTAL STANDARDS

Prior to the commencement of each CDBG funded activity, Recipient will complete all mandated environmental reviews in conpliance with 24CFR Part 58, Environmental Review Procedures for Community Development Block Grants. The County will determine the required environmental review procedure to be completed for each activity, and provide technical assistance to facilitate compliance.

PAGE 14

**VIII . AUDIT**

Annually, the Recipient shall undertake an audit *of its* entire operation, by an independent auditor, in accordance with generally acceptable government auditing standards covering financial audits. Results of this audit should be forwarded to the County within 30 days of completion of the audit. Additionally, Recipient and any subrecipients of CDBG funds shall make available for *review* all documentation related to the utilization of CDBG funds upon notification by HUD, the County or their designated agents.

**IX. PROPERTY**

Property records are to be maintained for all equipment acquired with CDBG funds having an initial acquisition cost of \$5,000 or more. A copy of the property record should be forwarded to the County upon receipt of the equipment.

**X. SUBRECIPIENT AGREEMENT**

Pursuant to 24CFR570.501(b), the recipient is subject to the same requirements applicable to subrecipients, including the requirement of a written agreement set forth in 24CFR570.503.

**XI. DRUG FREE WORKPLACE CERTIFICATE**

The Recipient will certify to the County that it provides a drug-free workplace as mandated by the

PAGE 15

**Drug-Free Workplace Act** and as indicated in Attachment 1.

**XII. TERM OF AGREEMENT**

The terms of this Agreement shall apply to activities which will be funded from annual CDBC allocations from Federal Fiscal Years 1991, 1992 and 1993.

- A. Any notice of intent to terminate or withdraw from *this* Agreement by either of the parties hereto shall have no effect until September 30, 1993, the end of the three year Urban County qualification period and such additional *time* that may be required for the expenditure of funds, granted to the County for such period.
- B. Also, this Agreement shall remain in effect during any period that Recipient or any subrecipients of CDBG funds have control over CDBG funds, including program income.

**XIII. FAIR HOUSING**

CDBC funding For activities in or in support of any cooperating unit of general local government that does not affirmatively further fair housing within its own jurisdiction or that impedes the County's actions to comply with its fair housing certification is prohibited.

IN WITNESS WHEREOF, the parties have executed the above instrument on the day and year first above written.

"COUNTY"

"RECIPIENT"

DOUGLASS D. WILHOIT, Chairman  
of the Board of Supervisors

By: *John R. Snider*  
John R., (Randy) Snider  
Mayor  
City of Lodi

ATTEST : JORETTA J. HAYDE

ATTEST :

Clerk of the Board of  
Supervisors of the County  
of San Joaquin, State of  
California

*Alice M. Reimche*  
City Clerk  
City of Lodi

By: Deputy Clerk (Seal)

By: Alice M. Reimche

Approved as to form:

John F. Cheadle  
County Counsel

By: *Sandra Michael Afonso*  
Sandra Michael Afonso  
Deputy County Counsel