

HOTEL LODI
RENOVATION
PROJECT

The Council was reminded that this matter has been before the City Council and the community now for several months. This is the fourth continuance of this public hearing, two at the request of the Lodi Downtown Business Association (LDBA) and two at the request of the project developer.

Community Development Director Schroeder introduced the matter and recapped what had transpired at previous

hearings regarding the subject. Mr. Schroeder then responded to questions posed by the Council.

City Attorney Stein advised the Council that the only issue before the Council is whether or not the City should fund the \$110,000 of City of Lodi-Community Development Block Grant Funds earmarked for the subject project.

The following persons spoke regarding the matter:

Mr. Mike Lapenta, 1718 Edgewood Drive, Lodi, representing the Lodi Downtown Business Association urged Council to deny the grant.

Mr. David F. Beatty, Attorney-at-Law, McDonough, Holland and Allen representing the developer of the proposed project, Daniels C. Logue, addressed the Council stating that they had not been contacted by representatives of the Lodi Downtown Business Association. Mr. Beatty stated that the proponents had a number of ideas regarding the project which they felt would be workable and that they believe the project would help downtown.

Mr. Bill Canepa, 131 South Orange, Lodi, urged the City not to become financially involved.

Reverend Oscar Gross, representing the Rivergarden Retirement Home indicated that he did not believe that the proponents of the project had researched nor prepared themselves sufficiently in the care of the elderly.

The public portion of the hearing was closed.

Discussion followed with questions being directed to staff.

Council Member Pinkerton moved that the City withdraw the \$110,000 of City of Lodi-Community Development Block Grant Funds earmarked for the subject project. The motion was seconded by Mayor Pro Tempore Olson and carried by unanimous vote.

Council Member Pinkerton then moved that the Council -

- 1) challenge the integrity of the project as it was originally presented as a senior citizens project.
- 2) challenge right-of non-elected bureaucrats in the State of California to fund programs over elected officials concerns.
- 3) asked that the involved financial institution/s be approached for a 90 day extension of their commitment to find a viable solution.
- 4) proposed establishing a task force to be chaired by Council Member Pinkerton and consisting of Jack Carter, John Graffigna, Mike Lapenta, Alice Reimche, and two additional people to be named at a later date, which task force will seek out viable solutions.

The motion was defeated by the following vote:

Ayes: Council Members - Pinkerton
Noes: Council Members - Hinchman, Olson, Snider,
and Reid (Mayor)
Absent: Council Members - None

COUNCIL COMMUNICATION

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

DATE: October 1, 1986

NO.

SUBJECT: HOTEL LODI RENOVATION PROJECT

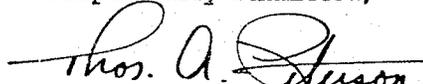
PREPARED BY: City Manager

RECOMMENDED ACTION: That the City Council receive public testimony on the Hotel Lodi Renovation Project and take action as deemed appropriate.

BACKGROUND INFORMATION: This matter has been before the City Council and the community now for several months. This is the fourth continuance of this public hearing, two at the request of the Lodi Downtown Business Association (LDBA) and two at the request of the project developer. Attached is a packet of information assembled by the staff of the Community Development Department which presents, among other things, the chronology of events that have brought us to this point. The City Council has previously received a report prepared by the developer which addresses several aspects of the proposed project.

The Community Development Director will be prepared to present the staff report.

Respectfully submitted,



Thomas A. Peterson
City Manager

TAP:br

attachments

COUNCO94

DECLARATION OF MAILING

On September 19, 1986 in the City of Lodi, San Joaquin County, California, I deposited in the United States mail, envelopes with first-class postage prepaid thereon, containing a copy of the Notice attached hereto, marked Exhibit "A"; said envelopes were addressed as is more particularly shown on Exhibit "B" attached hereto.

There is a regular daily communication by mail between the City of Lodi, California, and the places to which said envelopes were addressed.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on September 19, 1986, at Lodi, California.

ALICE M. REIMCHE
City Clerk

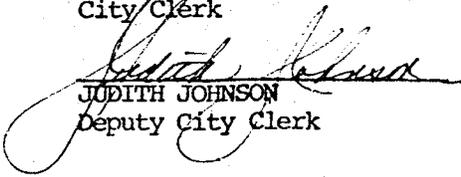

JUDITH JOHNSON
Deputy City Clerk

EXHIBIT A

NOTICE OF CONTINUED PUBLIC HEARING

THE CITY COUNCIL OF THE CITY OF LODI
WILL CONDUCT A CONTINUED PUBLIC HEARING TO RECEIVE
PUBLIC INPUT REGARDING THE PROPOSED
HOTEL LODI RENOVATION PROJECT

NOTICE IS HEREBY GIVEN that on Wednesday, October 1, 1986 at the hour of 7:30 p.m., or as soon thereafter as the matter may be heard, the Lodi City Council will conduct a continued public hearing in the Council Chambers, City Hall, 221 West Pine Street, Lodi, California, to receive public input regarding the proposed Hotel Lodi Renovation Project.

The Hotel Lodi Rehabilitation Project will be a public-private partnership project, incorporating participation of the following public and private entities and programs: City of Lodi-Community Development Block Grant; State of California Office of Housing and Community Development-Special User Housing Rehabilitation Program; The Savings Association Mortgage Company (SAMCO); and the Daniels C. Logue Development and Construction Company of Sacramento.

Upon completion the Hotel Lodi, located at the corner of School and Pine Streets, will provide 110 furnished residential rental units available to low and moderate income persons.

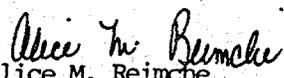
If you are interested in further information, please contact Rick Barnum, Associate Planner, City of Lodi Community Development Department, 221 W. Pine Street, Lodi, or call 333-6711.

All interested persons are invited to present their views on this matter. Written statements may be filed with the City Clerk at any time prior to the hearing scheduled herein and oral statements

may be made at said hearing.

If you challenge the subject matter in court you may be limited to raising only those issues you or someone else raised at the Public Hearing described in this notice or in written correspondence delivered to the City Clerk at, or prior to, the Public Hearing.

By Order of the Lodi City Council.


Alice M. Reimche
City Clerk

Dated: September 17, 1986

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS P.M.

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the spaces below.

- Complete items 1, 2, and 3 on the reverse.
- Attach to front of article if space permits; otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR REIMBATE
USE TO AVOID PAYMENT
OF POSTAGE LOSS



**RETURN
TO**

Alice M. Reinche

(Name of Sender)

221 West Pine Street

(Street or P.O. Box)

Lodi, CA 95240

(City, State, and ZIP Code)

PS Form 3811, Jan 1978

SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
- Show to whom and date delivered.....
 - Show to whom, date and address of delivery.....
 - RESTRICTED DELIVERY
Show to whom and date delivered.....
 - RESTRICTED DELIVERY.
Show to whom, date, and address of delivery. \$.....

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
David F. Beatty, Attorney at Law
McDonough, Holland & Allen
555 Capital Mall, Suite 950
Sacramento, CA 95814

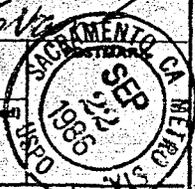
3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	113743515	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE Addressee Authorized agent

4. DATE OF DELIVERY
SEP 22 1988



5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:
CLERK'S INITIALS

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

Exhibit B

Terry Knutson
Chairman
UDID
203 South School Street
Lodi, CA 95240

Trella Arieda
Chairman
Sr. Citizens Commission
1330 Midvale Drive
Lodi, CA 95240

Charlene Lange
Sr. Citizens Laison
Hutchins Street Square
Oak and Hutchins Street
Lodi, CA 95240

Lodi News Sentinel
125 North Church Street
Lodi, CA 95240

David F. Beatty
Attorney at Law
McDonough, Holland and Allen
555 Capital Mall, Suite 950
Sacramento, CA 95814

John Graffigna
P. O. Box 388
Lodi, CA 95241

Mike Lapenta, Chairman
Lodi Downtown Business Assn.
The Toggery
28 South School Street
Lodi, CA 95240

Daniels C. Logue
Development and Construction Co.
1001 6th Street, Suite 200
Sacramento, CA 95814

Mailing list approved by City Attorney Stein, Community Development Director Schroeder and City Clerk Reimche

PS Form 3811, Jan. 1979

SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. following service is requested (check one.)
 Show to whom and date delivered.....
 Show to whom, date and address of delivery.....
 RESTRICTED DELIVERY
 Show to whom and date delivered.....
 RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery.....

(CONSULT POSTMASTER FOR FEES)

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 David F. Beatty, Attorney at Law
 McDonough, Holland & Allen
 555 Capital Mall, Suite 950
 Sacramento, CA 95814

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE Addressee Authorized agent

4. DATE OF DELIVERY POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

RETURN RECEIPT IF REGISTERED, INSURED AND CERTIFIED MAIL

☆ GPU : 1979-288-848

(Sent Certified Mail, return receipt requested)

PROOF OF PUBLICATION

(2015.5 C.C.P.)

STATE OF CALIFORNIA,

County of San Joaquin.

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the printer of the Lodi News-Sentinel, a newspaper of general circulation, printed and published daily, except Sundays and holidays, in the City of Lodi, California, County of San Joaquin, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court, Department 3, of the County of San Joaquin, State of California, under the date of May 26th, 1953, Case Number 65990; that the notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

Sept. 20,

all in the year 19⁸⁶.....

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Lodi, California, this 20th..... day of

Sept., 19⁸⁶.....

Dusan Bailey
Signature

This space or the County Clerk's Filing Stamp

RECEIVED
1986 SEP 23 AM 10:09
ALICE M. REIMCHE
CITY CLERK
CITY OF LODI

Proof of Publication of

NOTICE OF CONTINUED PUBLIC HEARING

**NOTICE OF CONTINUED PUBLIC HEARING
THE CITY COUNCIL OF THE CITY OF LODI WILL
CONDUCT A CONTINUED PUBLIC HEARING
TO RECEIVE PUBLIC INPUT REGARDING THE
PROPOSED HOTEL LODI RENOVATION PRO-
JECT**

NOTICE IS HEREBY GIVEN that on Wednesday, October 1, 1986 at the hour of 7:30 p.m., or as soon thereafter as the matter may be heard, the Lodi City Council will conduct a continued public hearing in the Council Chambers, City Hall, 221 West Pine Street, Lodi, California, to receive public input regarding the proposed Hotel Lodi Renovation Project.

The Hotel Lodi Rehabilitation Project will be a public-private partnership project, incorporating participation of the following public and private entities and programs: City of Lodi-Community Development Block Grant; State of California Office of Housing and Community Development-Special User Housing Rehabilitation Program; The Savings Association Mortgage Company (SAMCO); and the Daniels C. Logue Development and Construction Company of Sacramento.

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If you are interested in further information, please contact Rick Barnum, Associate Planner, City of Lodi Community Development Department, 221 W. Pine Street, Lodi, or call 333-6711.

All interested persons are invited to present their views on this matter. Written statements may be filed with the City Clerk at any time prior to the hearing scheduled herein and oral statements may be made at said hearing.

If you challenge the subject matter in court you may be limited to raising only those issues you or someone else raised at the Public Hearing described in this notice or in written correspondence delivered to the City Clerk at, or prior to, the Public Hearing.

By Order of the Lodi City Council.
s: Alice M. Reimche, City Clerk
Dated: September 17, 1986
Sept. 20, 1986

TO: Mr. Tom Peterson, City Manager
FROM: Rick Barnum, Associate Planner
DATE: September 9, 1986
SUBJ: CDBG Program Chronology of Events: Hotel Lodi

In accordance with your request, I am providing the following chronology of events associated with the Hotel Lodi Rehabilitation Project. Also, copies of supporting documentation have been provided where available. If you have any questions, or wish to discuss this further, please contact me at your convenience.

Date	Event
Nov. 26, 1985	City Council reviewed Capital Improvement Budget, which included Hotel Lodi at a "shirtsleeve session".
Dec. 18, 1985	City Council reviewed Capital Improvement Budget, and introduced Ord. No. 1371 providing for adoption of the program. (Exhibit A).
Jan. 8, 1985	State Housing & Community Development (HCD) - Special User Housing Rehabilitation Program (SUHRP), loan application submitted to HCD by Daniels C. Logue Construction & Development Company, as part of financial package for Hotel Lodi.
Jan. 15, 1986	City Council adopted Ord. No. 1371 approving the 1986 Capital Improvement Budget. (Exhibit B)
Jan. 17, 1986	Letter received from D. Logue requesting specific information for the HCD-SUHRP loan application, per HCD staff. (Exhibit C)
Jan. 29, 1986	Tour of Sequoia Hotel, Sacramento. Lodi City Manager and Lodi Community Development staff.
Feb. 4, 1986	City of Lodi-Housing Demand Study, prepared by Community Development Department staff.
Feb. 8, 1986	Public Notice-Review of Proposed CDBG Projects (San Joaquin County-Entitlement Statement)
Feb. 14, 1986	Public Notice: Lodi Community Meeting. Proposed CDBG projects, including Hotel Lodi.
Feb. 19, 1986	Lodi Community Meeting: Proposed CDBG projects, including Hotel Lodi. Public review and comment.
Feb. 19, 1986	City of Lodi: Resolution No. 86-30 (Resolution Establishing Need for the Renovation of Hotel Lodi) adopted by City Council. (Exhibit D).

Date	Event
Feb. 21, 1986	City of Lodi-Housing Demand Study, submitted to HCD with Resolution No. 86-30.
Feb. 28, 1986	Hotel Lodi Tour-Luncheon-HCD staff meeting: Discussion of Housing Demand Study; input from local senior citizen group representatives.
March 6, 1986	Amended HCD-SUHRP loan application submitted by D. Logue.
March 13, 1986	Notification by D. Logue staff of HCD-SUHRP loan application approval (phone call).
March 21, 1986	Copy of HCD Staff Report received by City of Lodi Community Development Department. (Exhibit E).
May 21, 1986	Public Hearing. San Joaquin County Board of Supervisors: CDBG Entitlement Statement, including Hotel Lodi.
May 27, 1986	CDBG Entitlement Statement adopted by San Joaquin County Board of Supervisors, including Hotel Lodi.
June 6, 1986	Independent market demand study for Hotel Lodi completed by Tsen & Associates, Oakland, CA
July 1, 1986	Letter received from D. Logue requesting Housing Development Grant (HODAG).
July 8, 1986	Application copy of Housing Development Grant received by City Community Development Department staff.
July 11, 1986	City Community Development Department staff/D. Logue staff scope Housing Development Grant application requirements.
July 16, 1986	City Council adopted Resolution No. 86-108, as authorization to apply for the Housing Development Grant. Hotel Lodi Rehabilitation Project public hearing set for August 6, 1986.
Aug. 6, 1986	City Council continues public hearing established for the Hotel Lodi Rehabilitation to August 20, 1986, pending submittal of LDBA report.
Aug. 20, 1986	City Council continues public hearing for Hotel Lodi to September 3, 1986, as D. Logue was unable to attend.
Sept. 3, 1986	City Council continues public hearing for Hotel Lodi to September 17, 1986, pending meeting with LDBA.
Sept. 17, 1986	City Council continues public hearing for Hotel Lodi to October 1, 1986 as requested by LDBA.

Continued December 18, 1985

TESTIMONY PRESENTED
REGARDING THE CLOSING
OF LILAC STREET IN
WOODBIDGE

cc-6
cc-1
cc-45(a)

The following persons addressed the Council regarding the closing of Lilac Street in Woodbridge and asked for Council's assistance in providing a solution to this problem:

- a) Mike Rusher, 740 E. Augusta, Woodbridge, Member of the Woodbridge Advisory Council
- b) George Fiske, 18988 N. Lower Sacramento Road, Woodbridge
- c) Jim Duncan, 18929 N. Lower Sacramento Road, Woodbridge
- d) Joseph Bagley, 860 E. Carolina, Woodbridge

CLOSED SESSION
RE LITIGATION

Mayor Hinchman adjourned the meeting to a "Closed Session" of the Council regarding litigation and the meeting reconvened at approximately 9:14 p.m.

REPORTS OF THE
CITY MANAGER

REGULAR CALENDAR

1986 CAPITAL IMPROVEMENT
PROGRAM

ORD. NO. 1371 ✓
INTRO.

cc-15
cc-24(a)

The 1986 Capital Improvement Program was presented for Council's approval. Minor changes that had been made following the original presentation of this document to Council were reviewed. Following discussion with questions being directed to Staff, Council, on motion of Council Member Snider, Olson second, introduced Ordinance No. 1371 - Ordinance Adopting the 1986 Capital Improvement Program.

MID-BLOCK CROSSWALK
REQUESTED AT CASA
DE LODI

cc-16
cc-45(a)

Council was reminded that, at its regular meeting of December 4, 1985, the City Council received a petition signed by approximately 225 residents of Casa de Lodi requesting the installation of a mid-block crosswalk at the entrances to this mobile home park. The City Council asked that this matter be placed on this agenda for discussion.

City Manager Peterson pointed out that the City, in the past, has been strongly opposed to the installation of mid-block crosswalks and has discouraged their use. Public Works Director Jack Ronsko, in a memo to the City Manager, made the following points in support of the City's positions:

- 1. Motorists expect crosswalks and pedestrians at intersections and motorists do not expect crosswalks placed in the middle of a block.
- 2. They may cause pedestrians to have a false sense of security with respect to vehicular traffic.
- 3. They may cause a greater number of rear-end collisions due to pedestrians not waiting for gaps in traffic.

Continued January 1, 1986

Ordinance of the Lodi City Council Amending Lodi Municipal Code Title 10, Chapter 10.32 Residential Permit Parking.

ORDINANCES

*Ord No. 1371 Adopt ✓
CC 15
CC 21 ~*

Ordinance No. 1371 - Ordinance Adopting the 1986 Capital Improvement Program for the City of Lodi having been introduced at a Regular Meeting of the Lodi City Council held December 18, 1985 was brought up for passage as an Urgency Ordinance on motion of Mayor Pro Tempore Reid, Olson second. Second reading of the Ordinance was omitted after reading by title and the Ordinance was then adopted and ordered to print by the following vote:

- Ayes: Council Members - Olson, Reid, Snider, and Hinchman (Mayor)
- Noes: Council Members - None
- Absent: Council Members - Pinkerton
- Abstain: Council Members - None

INFORMATION

Council received a report regarding the recent award of a Micro Backhoe.

ADJOURNMENT TO "CLOSED SESSION"

Mayor Hinchman adjourned the meeting at approximately 9:10 p.m. to a "Closed Session" pertaining to litigation.

ATTEST:

Alice M. Reimche
ALICE M. REIMCHE
City Clerk

ORDINANCE NO. 1371

ADOPTING THE 1986 CAPITAL IMPROVEMENT PROGRAM
FOR THE CITY OF LODI

The City Council of the City of Lodi Does Ordain as follows:

Section 1. Together with estimated revenues to be received for fiscal year 1986 and the unappropriated funds and reserve balances in the City treasury, as of this date there is hereby appropriated and allocated monies for the support of the City's Capital Improvement Program as shown on exhibit attached hereto, identified as Exhibit "A" and thereby made a part hereof.

Section 2. The foregoing Ordinance No. 1371 was introduced at the regular meeting of the City Council held December 18, 1985 and was adopted as an Urgency Ordinance by the City Council at the Regular Meeting of January 15, 1986.

Section 3. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

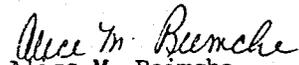
Section 4. This Ordinance shall be published one time in the "Lodi News Sentinel" a daily newspaper of general circulation printed and published in the City of Lodi.

Approved this 15th day of January, 1986



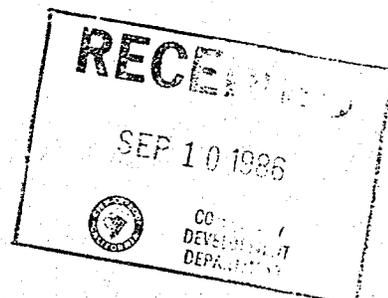
David M. Hinchman
Mayor

Attest:



Alice M. Reinche
City Clerk

State of California
County of San Joaquin, ss.



I, Alice M. Reimche, City Clerk of the City of Lodi,
do hereby certify that Ordinance No. 1371 was introduced
at a regular meeting of the City Council of the City of
Lodi held December 18, 1985 and was thereafter passed,
adopted as an Urgency Ordinance and ordered to print at
a regular meeting of said Council held January 15, 1986
by the following vote:

Ayes: Council Members - Olson, Reid, Snider, and
Hinchman (Mayor)

Noes: Council Members - None

Absent: Council Members - Pinkerton

Abstain: Council Members - None

I further certify that Ordinance No. 1371 was approved
and signed by the Mayor on the date of its passage and
the same has been published pursuant to law.

Alice M. Reimche
Alice M. Reimche
City Clerk

Approved as to form

Ronald M. Stein
City Attorney

10-Dec-85

EXHIBIT "A"

CITY OF LODI

CAPITAL IMPROVEMENT PROGRAM 1986

RECAPITULATION

PROJECTS	TOTAL COST	121 GENERAL FUND	17.1 SEWER	17.2 WASTE WATER	18.1 WATER	33 GAS TAX 2106	123 MASTER DRAIN	124 SB 325	126 F.C.U.	148 REVENUE SHARINGS	120.1 MURCHINS ST SQUARE	45 HUD ENTITLEMENT	12 EQUIPMENT FUND
WATERWATER SYSTEM	155,000		80,000	75,000									
STORM DRAINAGE	151,000	20,000					131,000						
WATER SYSTEM	500,000				456,000						44,000		
STREET SYSTEM	1,045,000					396,000		482,000	167,000				
OTHER FACILITIES	607,584	102,000								165,584		315,000	25,000
TOTAL	2,458,584	122,000	80,000	75,000	456,000	396,000	131,000	482,000	167,000	165,584		359,000	25,000
Beginning Balance	4,422,307	842,092	655,108	492,574	1,115,105	274,099	461,109	219,025	42,000	172,770	47,763		100,662
Est. resources 1986	1,614,745	0	125,000	162,155	200,000	122,860	75,000	270,000		194,730	25,000	390,000	50,000
Sub-total	6,037,052	842,092	780,108	654,729	1,315,105	396,959	536,109	489,025	42,000	367,500	72,763	390,000	150,662
Adjustments	125,000									125,000			
Funds Available	6,162,052	842,092	780,108	654,729	1,315,105	396,959	536,109	489,025	167,000	367,500	72,763	390,000	150,662
Projects Budgeted	(2,458,584)	(122,000)	(80,000)	(75,000)	(456,000)	(396,000)	(131,000)	(482,000)	(167,000)	(165,584)	(0)	(359,000)	(25,000)
Est. Bal. 12/31/86	3,703,468	720,092	700,108	579,729	859,105	999	405,109	7,025	0	201,916	72,763	31,000	125,662

PROJECT	TOTAL COST	121 GENERAL FUND	148 REVENUE SHARING	45 HUD ENTITLEMENT	12 EQUIPMENT FUND
Restrooms (Construction)					
Armory Park	45,000			45,000	
Softball Complex	65,000			65,000	
Lodi Lake	70,000			70,000	
Computer Equipment	25,000				25,000
Parks and Recreation			10		
Fire			7		
Police			8		
Fencing Armory Park	10,000	10,000			
Hotel Lodi Renovation	100,000			100,000	
HUD Administration	35,000			35,000	
TOTAL NEW PROJECTS	607,584	102,000	165,584	315,000	25,000

DANIELS C. LOGUE ^{Exhibit C}

development & construction co.

January 17, 1986

Mr. Jim Schroder
Call Box 3006
Lodi, CA 95241-1910

Attention; Mr. Jim Schroder
Re ; Renovation of the Hotel Lodi

Dear Jim:

As indicated to you, on January 8, 1986 we put in an application to the Department of Housing and Community Development of State of California requesting an \$1,000,000.00 loan for renovation of Hotel Lodi. The total renovation project will be over \$3,220,000.00, which in addition to the State funds, will include \$900,000.00 equity participation by the partnership, \$1,200,000.00 Conventional loan and the City of Lodi's participation.

It is most imperative that the City of Lodi proves that there is strong community need for this project, otherwise the State funds would be directed to other communities. The following is a list of questions and statistics that are requested by Housing Community Development.

1. - Are there any comparable accommodations available?
2. - What are the vacancy rates on comparable accommodations?
3. - A list of studio, or one bed-room apartments in Lodi, their vacancy rate? Is there a waiting list?
4. - The list of subsidized housing for Senior Citizens, and others. How many units are available? Is there a waiting list? Lower vacancy rates and longer waiting lists clearly points to strong community needs.
5. - Specific demographic information reflecting the need for low income housing.

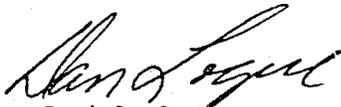
Page two
Mr. Jim Schroder
January 17, 1986

We are sure that in light of our past extensive experiences in renovation the strength of our proposed project, specifically the large equity participation by the partnership, and our track record with the Housing Community Development in developing the Sequoia Hotel, we have an excellent chance of securing the State funds if we can prove the community need.

Jim, we need the City of Lodi's assistance and cooperation for providing the community need information to Housing Community Development. Please note that time is of the essence and we should get together as soon as possible.

Many thanks.

Sincerely Yours,



Daniels C. Logue

DCL/lmb

RESOLUTION NO. 86-30

RESOLUTION ESTABLISHING NEED FOR THE RENOVATION OF HOTEL LODI

WHEREAS, it is proposed that the vacant quarters of the Hotel Lodi shall be renovated into single room occupancy units to benefit low and moderate income persons, particularly the elderly, and

WHEREAS, this proposal will serve to provide clean, affordable housing to a segment of elderly population currently in need, and

WHEREAS, this proposal is consistent with the goals and objectives for the City of Lodi Community Development Block Grant Programs, specifically that the needs of Lodi's elderly will be considered in the use of CDBG funds,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lodi that the renovation of Hotel Lodi is necessary in order to meet the housing demand for low income elderly persons.

Dated: February 19, 1986

I hereby certify that Resolution No. 86-30 was passed and adopted by the City Council of the City of Lodi in a regular meeting held February 19, 1986 by the following vote:

- Ayes: Council Members - Olson, Pinkerton, Reid, Olsor, and Hinchman (Mayor)
- Noes: Council Members - None
- Absent: Council Members - None

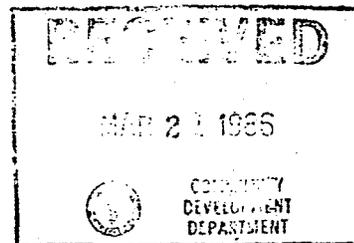
Alice M. Reimche
Alice M. Reimche
City Clerk

RECEIVED
CITY CLERK
BY *[Signature]*
DATE 2/21/86

EXHIBIT "E"

SUHRP PROJECT SUMMARY

Project Name: Hotel Lodi
Address: 7 School Street, Lodi
Applicant: Hotel Lodi Limited Partnership
 Daniels C. Logue, general partner



SUHRP Loan Amount: \$1,000,000

Building Description: The Hotel Lodi contains 110 residential rooms and 15,000 square feet of commercial space. The commercial space is fully occupied, while the rooms have been vacant since 1977. The building is located in one of the more desirable sections of downtown Lodi, and is architecturally significant.

Units and Rents:

<u>Unit Type</u>	<u>No.</u>	<u>Rent</u>
SRO w/o Bath	27	\$179
SRO w/o Bath	28	\$189
SRO with Bath	20	\$198
Studio Apartment	35	\$227

SRO's occupied by two people will rent for \$230.

Development Team: The development team for this project would be the same as for the Sequoia Hotel, an 89 unit SUHRP-funded building located in downtown Sacramento. Dan Logue would serve both as the general partner of the limited partnership that would own the property and as the general contractor for the rehabilitation. Vanir Construction Management would be responsible for construction management, while TEN Architecture would provide design services.

Property Management: As with the Sequoia, Dan Logue would be responsible for property management.

Tenant Selection Criteria: This project would be open to all low income persons.

Sources of Funds:

SAMCO Loan (conventional)	\$1,218,000	1st Trust Deed
SUHRP Loan (deferred)	\$1,000,000	2nd Trust Deed
City of Lodi Loan (deferred)	\$ 110,000	3rd Trust Deed
Investor Cash	\$ 790,000	
Commercial Income During Construction	\$ 36,000	
TOTAL	\$3,154,000	

<u>Uses of Funds:</u>	Acquisition	\$ 857,000
	Construction	\$1,869,000
	Non-Construction (Soft Costs)	\$ 428,000
	TOTAL	\$3,154,000

SUHRP Cost Per Unit: \$ 9,090

Total Cost Per Unit (excluding costs allocated to the commercial space): \$ 25,400

Ratio of Other Funds to SUHRP Funds (excluding funds allocated to the commercial space): 1.8 to 1

Construction Work: The applicant plans to convert thirty-five rooms into studio apartments and two common areas into community kitchens. Other major work items include: replacing the electrical and HVAC systems, upgrading the fire protection system, installing a new elevator, and structural reinforcement. Many of the existing plaster walls and ceilings will be retained, as will some of the plumbing lines.

Market Survey: Insufficient evidence is available at this point to determine whether the market demand for SRO units in Lodi, at the proposed rent levels, is strong enough to ensure a high occupancy level and thus a financially viable project. Because of this uncertainty, staff recommends requiring a market survey prior to loan closing.

STAFF RECOMMENDATION: That the Committee recommend that the Director approve the conditional commitment of up to \$1,000,000 in SUHRP loan funds to the Hotel Lodi Limited Partnership for the Hotel Lodi subject to the following conditions:

1. Prior to closing and the disbursement of any Program funds, the following contracts, legal agreements and other program documents shall be completed, approved by the Department, and where appropriate, executed:
 - (a) A Standard Agreement between the Borrower and the Department.
 - (b) A Regulatory Agreement between the Borrower and the Department.
 - (c) A Promissory Note to the Department, executed by the Borrower in the amount of the Program loan, including interest.
 - (d) A second Deed of Trust with the Department as the beneficiary, executed by the Borrower in the amount of the Program loan, including interest.
 - (e) A Rehabilitation Loan Agreement between the Borrower and the Department.
 - (f) Final architectural drawings, work write-ups and specifications.
 - (g) A construction contract between the Borrower and the general building contractor for the approved rehabilitation work.

- (h) A detailed Property Management Plan.
 - (i) Any additional documents or agreements deemed necessary by the Department.
2. Commitments from funding sources other than the Department, shall be subject to the review and approval of the Department prior to loan closing.
 3. The residential rents, financing structure, management plan, and other aspects of the project shall remain as set forth in the application submitted to the Department and in the Program staff's November 8, 1985 memorandum to the Department's Rehabilitation and Construction Finance Loan and Grant Committee, unless project changes are specifically approved in writing by the Department.
 4. The Borrower shall ensure that all conditions necessary to close the Program loan are performed or occur on or before October 31, 1986 or another date approved in writing by the Department, and shall complete the rehabilitation within ten (10) months after loan closing.
 5. Receipt of a title insurance policy, as required by the Department.
 6. The Borrower shall comply with all provisions of California relocation law, if applicable, including those set forth in Government Code Section 7265.3.
 7. Prior to loan closing, Borrower shall fund a market study performed to specifications as determined by the Department and conducted by an independent third party selected by the Department. This study shall demonstrate, to the satisfaction of the Department: (a) that demand for the residential units is sufficient to reasonably ensure that 95% occupancy can be achieved within 24 months after the completion of construction; and (b) that average rents for the units in the Hotel Lodi will be affordable to the population identified as the primary market for the residential hotel units.

SUHRP/5-5.1

COMMUNITY DEVELOPMENT

BLOCK GRANT



COUNTY OF SAN JOAQUIN

**ENTITLEMENT
PROGRAM**

YEAR

1986 - 1987

PARTICIPANTS

Escalon

Lodi

Manteca

Tracy

Ripon

OFFICE OF THE COUNTY ADMINISTRATOR

<u>PROJECT DESCRIPTION</u>	<u>IMPLEMENTING AGENCY</u>	<u>ALLOCATION</u>	<u>OBJECTIVES LOCAL/NATIONAL</u>	
<u>HOUSING PROGRAMS</u>				
<u>Hotel Lodi Rehab.</u>	City of Lodi	\$110,000	D	1
Project Description: Provision of CDBG funds to supplement \$1,000,000 in State funds and \$2,008,000 of private equity in the substantial rehabilitation of the Hotel Lodi. Project will provide for the rehabilitation of 110 studio apartments for the elderly or handicapped. Project is located at the corner of School and West Pine.				
<u>Housing Rehabilitation Loans</u>	San Joaquin Co.	\$200,000	D	1
Project Description: The provision of deferred and low interest, fully amortized loans to low and moderate income County residents. Loans will be available on a county-wide basis to low and moderate income residents to resolve code or health and safety violations or to bring dwelling units to county ordinance standards.				
<u>Housing Rehabilitation Utility Connections</u>	San Joaquin Co.	\$100,000	D	1
Project Description: The provision of financial assistance to low and moderate income residents of Taft, East Stockton and other designated sewer project areas to provide for sewer connections.				
<u>ADMINISTRATIVE AND PLANNING ACTIVITIES</u>				
<u>Administration</u>	Urban County	\$95,915 *	H	1
Project Description: General management administrative capacity building activities, and urban county and city coordination in the implementation of Block Grant funded activities.				
<u>Administration</u>	City of Tracy	\$18,000	H	1
Project Description: General management and administrative capacity building activities.				
<u>Administration</u>	City of Lodi	\$35,000	H	1
Project Description: General management and administrative capacity building activities.				
<u>Administration</u>	San Joaquin/SCHRB	\$19,300	H	1
Project Description: Provision of fair housing counseling, tenant landlord mediation and actions to eliminate discrimination in jobs and housing.				
<u>Administration</u>	San Joaquin Co.	\$20,000	H	1
Project Description: General program management and administrative capacity building activities for county projects.				
<u>Pollution Studies</u>	San Joaquin Co.	\$18,000	H	1
Project Description: Sewer and water pollution studies for the communities of Thornton and Larch Clover.				

DANIELS C. LOGUE

development and construction co.

September 22, 1986

City of Lodi
Call Box 3006
Lodi, Ca 95241-1910

Attention: Mr. Tom Peterson, City Manager

Dear Tom;

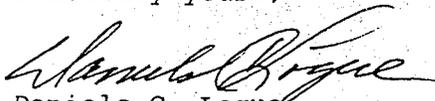
Following the issue of Lodi Hotel Project and the City Council Meeting of September 17, 1986, we would like to inform you, as of today, we have not been contacted by LDBA.

We are totally committed to cooperate with LDBA in any way we can.

Furthermore, if Lodi City Council Members and the city staff has any additional questions or needs more detail informations, we are always available and at your disposal.

We would deeply appreciate and seek the City of Lodi's participation in this project and are most grateful for the attention that the City Council Members have been giving to this project.

Sincerely yours,


Daniels C. Logue

cc: Ron Stein, City Attorney
Jim Schroeder, Community Development Director

SEP 25 1986

1001 Sixth Street • Suite 200 • Sacramento, CA 95814 • (916) 441-3201

EXHIBIT A

NOTICE OF CONTINUED PUBLIC HEARING

THE CITY COUNCIL OF THE CITY OF LODI
WILL CONDUCT A CONTINUED PUBLIC HEARING TO RECEIVE
PUBLIC INPUT REGARDING THE PROPOSED
HOTEL LODI RENOVATION PROJECT

NOTICE IS HEREBY GIVEN that on Wednesday, October 1, 1986 at the hour of 7:30 p.m., or as soon thereafter as the matter may be heard, the Lodi City Council will conduct a continued public hearing in the Council Chambers, City Hall, 221 West Pine Street, Lodi, California, to receive public input regarding the proposed Hotel Lodi Renovation Project.

The Hotel Lodi Rehabilitation Project will be a public-private partnership project, incorporating participation of the following public and private entities and programs: City of Lodi-Community Development Block Grant; State of California Office of Housing and Community Development-Special User Housing Rehabilitation Program; The Savings Association Mortgage Company (SAMCO); and the Daniels C. Logue Development and Construction Company of Sacramento.

Upon completion the Hotel Lodi, located at the corner of School and Pine Streets, will provide 110 furnished residential rental units available to low and moderate income persons.

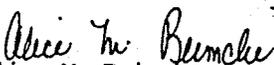
If you are interested in further information, please contact Rick Barnum, Associate Planner, City of Lodi Community Development Department, 221 W. Pine Street, Lodi, or call 333-6711.

All interested persons are invited to present their views on this matter. Written statements may be filed with the City Clerk at any time prior to the hearing scheduled herein and oral statements

may be made at said hearing.

If you challenge the subject matter in court you may be limited to raising only those issues you or someone else raised at the Public Hearing described in this notice or in written correspondence delivered to the City Clerk at, or prior to, the Public Hearing.

By Order of the Lodi City Council.


Alice M. Reimche
City Clerk

Dated: September 17, 1986