

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, FEBRUARY 26, 2013**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, February 26, 2013, commencing at 7:00 a.m.

Present: Council Member Hansen, Council Member Johnson, Mayor Pro Tempore Katzakian, and Mayor Nakanishi

Absent: Council Member Mounce

Also Present: City Manager Bartlam, City Attorney Schwabauer, and City Clerk Johl

B. Topic(s)

B-1 Review of the Growth Management Program (CD)

City Manager Bartlam provided a brief overview of the City's Growth Management Program. Mr. Bartlam specifically discussed the concerns surrounding the current number of unused allocations and the current timing of the schedule for the allocation process.

In response to Council Member Hansen, Mr. Bartlam stated allocations expire on the basis of their map and are typically granted for a three-year period.

In response to Mayor Nakanishi, Mr. Bartlam stated that, while he does not have the specific numbers, the City of Lodi is more dense than the rest of San Joaquin County.

In response to Mayor Pro Tempore Katzakian, Mr. Bartlam stated allocations are based on density and units per acre. Mr. Bartlam reviewed the allocation numbers for low, medium, and high density as outlined in the related chart.

In response to Council Member Johnson, Mr. Bartlam stated that, while it may be somewhat onerous to restart the allocation process when maps expire, a good project will remain the same and typically projects fall through for other reasons such as financing.

In response to Council Member Hansen, Mr. Bartlam confirmed through Tom Doucette that there are less than 50 scattered lots throughout the City today that are ready to build upon.

In response to Mayor Pro Tempore Katzakian, Mr. Bartlam stated there will be approximately 290 allocations per year for low density, which will fluctuate based on population although since the population is relatively flat that number will not fluctuate too greatly.

In response to Council Member Hansen, Mr. Bartlam stated in 1989-1990 there was an allocation of 144 units for the Benton-Compton project and the allocation expired in 1990.

In response to Mayor Nakanishi, Mr. Bartlam stated currently an applicant has three years to initiate the project once the allocation is made.

A brief discussion ensued between Council Member Hansen, Mayor Pro Tempore Katzakian, and Mr. Bartlam regarding the need and costs associated with constructing high- and medium-density projects in the City.

In response to Council Member Johnson, Mr. Bartlam stated he is not sure what the result would be if the City Council chose to freeze the allocation numbers in their current state and it is one option to consider along with a reduction in the numbers and taking no action.

In response to Mayor Pro Tempore Katzakian, Mr. Bartlam confirmed that the State reviews the allocation numbers when the housing element is reviewed, which will likely not happen for another few years.

In response to Council Member Johnson, Mr. Bartlam stated the inherent fear of the program is not based on the reasonableness of the allocation numbers but rather on the pace at which development could occur.

Jeffrey Kirst spoke in regard to the history of the program, the connection to impact fees, and the high costs for constructing medium- and high-density projects. Mr. Kirst suggested that staff work with the development community to come up with a reasonable reduction in the current allocation numbers.

John Beckman spoke in regard to welcoming a reduction in the current allocation numbers for perception purposes and also suggested that staff work with the development community to reach consensus regarding the same. In response to Council Members Hansen and Johnson, Mr. Beckman stated an across the board 50% reduction or a freeze would be concerning because of the need to keep pace with the 2% annual carryover and in light of the State Department of Housing and Community Development review of the housing element. In response to Mayor Nakanishi, Mr. Beckman stated a negotiated reduction would be preferred.

In response to Council Member Hansen, Mr. Beckman stated that, with respect to the current status of development, development is rising in Manteca, Lathrop, and Tracy and going down in Stockton. Mr. Beckman stated Lodi will likely see an increase in 2014 and Manteca's growth is primarily based on senior housing with Del Webb.

In response to Mayor Pro Tempore Katzakian, Mr. Bartlam stated every growth management program in the County is different and other cities are also carrying over allocations.

In response to Council Member Hansen, Mr. Bartlam confirmed that currently development cannot occur outside of the General Plan and a minimum score element will offset the competition element being eliminated as a part of the schedule suspension.

Jeffrey Kirst spoke in support of suspending the timing associated with processing allocations and stated he will need to further consider the minimum score piece and how it would be implemented.

Tom Doucette spoke in support of the schedule suspension and favored a one-time reduction in the current allocation numbers based on the unusual one-time type of economy situation. Mr. Doucette urged a thoughtful consideration of what the allocation numbers should be reduced to based on previous usage and market conditions.

John Beckman spoke in support of the schedule suspension and working with the development community to implement a point or grading system to prioritize projects.

In response to Myrna Wetzel, Mr. Bartlam stated senior housing is exempt from the program.

C. Comments by Public on Non-Agenda Items

Jeffrey Kirst spoke in regard to his concerns about trash, vandalism, lighting, and transient activity

in the alley near his warehouse property by Salvation Army - Hope Harbor. Mr. Kirst suggested police officers also report light outages to the appropriate staff to curtail crime in the area.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 8:00 a.m.

ATTEST:

Randi Johl
City Clerk



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Review of the Growth Management Program

MEETING DATE: February 26, 2013

PREPARED BY: City Manager

RECOMMENDED ACTION: Review of the Growth Management Program.

BACKGROUND INFORMATION: The City’s Growth Management Program was instituted in 1991. The allocation system gives priority through point assignments to projects that reduce impacts on services, infrastructure, and resources. The ordinance sets an annual growth limit of two percent of the City’s population, compounded annually. Once the amount of allocation units is figured, the City requires that the allocation of units be distributed among housing types as follows; 65 percent low density, 10 percent medium density and 25 percent high density.

The Growth Management Ordinance includes a priority location area and a point system to assist the City with prioritizing issuance of growth management allocations. The priority location area designates lands available for development and provides development categories of one, two or three, with Priority Area 1 being the first priority area for development. The priority areas are based on availability of city services (e.g., water, wastewater, storm drains, streets, police, fire and parks). The point system was established to rate projects based on various project merits in order to determine if one project should be approved before another, particularly if there are more allocation requests than there are available allocations. However, because the City has had only one growth management allocation request of 12 units since 2006, surplus allocations have accumulated at a fairly rapid pace. The table below provides the numerical history of the program.

Density	Available Allocations		
	Scheduled from 1989-2012	Granted from 1989-2012	Remaining from 1989-2012
Low (0.1-7)	6,648	2,893	3,755
Medium (7.1-20)	1,023	466	557
High (20.1-30)	2,557	0	2,557
TOTAL	10,228	3,359	6,869

APPROVED: _____


Konradt Bartlam, City Manager

The table does not reflect the units that will be added as a result of the 2013 population estimate. This number is calculated once we receive the estimate from the State Department of Finance in the spring. In 2012, the total was 447 allocations.

There are two issues that I feel the City Council may want to weigh in on. First is a hypothetical concern about the number of unused allocations. As of 2012, that number is 6,869 units across the three density categories. Arguably, it would be nearly impossible for all of these units to be used in any given year, or number of years for that matter. The concern that may be more realistic is the perception of the potential pace of growth which I believe is at the heart of the program. As such I would recommend that the City Council consider an action to expire a certain number of unused allocations. An exact number does not need to be decided at this point, I think some discussion about the merit of the recommendation is appropriate.

The second issue that needs some contemplation is the schedule of the program. As the system is envisioned, a competition occurs between the various applicants for allocations. In years past we would have more requests for low density allocations than available. That meant the most deserving projects would be able to move forward. With the abundance of unused allocations, the competition nature is obviated. Moreover, with the current schedule, an application may only be made in the month of May. This has the potential of artificially delaying a project that might otherwise be ready to move forward. Therefore, I would recommend that we suspend the schedule for some period of time and accept growth management requests at any time during the year as long as there are unused allocations in reserve.

FISCAL IMPACT: Not applicable.



Konradt Bartlam
City Manager

Growth Management Program

Density	Available Allocations		
	Scheduled from 1989-2012	Granted from 1989-2012	Remaining from 1989-2012
Low (0.1-7)	6,648	2,893	3,772
Medium (7.1-20)	1,023	466	557
High (20.1-30)	2,557	0	2,557
TOTAL	10,228	3,359	6,869