

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, MARCH 11, 2014**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, March 11, 2014, commencing at 7:00 a.m.

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

Absent: Council Member Mounce

Also Present: Interim City Manager Schwabauer, Interim City Attorney Magdich, and City Clerk Johl-Olson

B. Topic(s)

B-1 Review of the 2014/15 Community Development Block Grant Funding Requests and Development of the 2014-2019 Consolidated Plan (CD)

Neighborhood Services Manager Joseph Wood provided a PowerPoint presentation regarding the 2014/15 Community Development Block Grant (CDBG) funding requests and consolidated plan. Specific topics of discussion included the consolidated plan process, additional considerations, annual allocation process, funding availability, projects and services, service funding, and next steps.

In response to Council Member Johnson, Mr. Wood stated meetings were advertised in the Lodi News Sentinel and through the Lodi Improvement Committee. Mr. Wood stated that, while there was only one person in attendance at the general meeting, there were approximately 40 to 45 people at the focused outreach meeting and approximately 12 people at the development meeting.

In response to Council Member Johnson, Mr. Wood stated that, with respect to requested translation services for CDBG related documents, the cost would be assumed by CDBG funding as a part of the administration of the program.

In response to Council Member Nakanishi, Mr. Wood stated over the last several years fewer outside agency applications have been received because there are several local needs, including spay and neuter and graffiti abatement, that are routinely funded and the Department of Housing and Urban Development (HUD) is starting to focus in on this issue.

In response to Council Member Hansen, Mr. Wood stated the People Assisting the Lodi Shelter organization may be able to receive funding through a foundation for one of the national pet store chains, which may allow for an offset of the CDBG funding for this need. Mr. Wood stated HUD is less focused on the funding of graffiti abatement because it has a wider impact on residents throughout the target area. Mr. Wood stated that HUD may also be focusing on the statistics showing that low-income minorities in the target area are not the direct beneficiaries of the spay and neuter program.

In response to Council Member Hansen, Mr. Wood confirmed that HUD appears to be looking more favorably upon programs that provide direct benefit to residents, such as food delivery, versus more general service-oriented programs such as spay and neuter.

In response to Council Member Johnson, Mr. Wood stated there are 8 applications this year and 11 were received last year.

In response to Council Member Johnson, Mr. Wood provided a brief overview of how the requests related to small business assistance and tutoring and mentoring tie into the overall goals of job creation and at-risk youth engagement in the target area.

In response to Council Member Nakanishi, Mr. Wood stated the 60-40 policy is set by the City Council and can be modified based on the City Council's preference.

In response to Council Member Hansen, Mr. Wood stated he will provide the costs associated with euthanizing animals at the shelter on the April 2 meeting as requested.

In response to Mayor Katakian, Mr. Wood stated the issue of whether or not the City is providing matching funds for the spay and neuter program is secondary for HUD because it is looking at the direct benefit received by residents in the target area.

Daniel Crownover, a former member of the Lodi Animal Advisory Commission, spoke in support of funding for the spay and neuter program.

Maria Rosata, representing Lodi Worknet, spoke in support of providing funding for programs that serve the residents on the east side of Lodi and bringing awareness of the availability of such programs to those who are in need.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 7:50 a.m.

ATTEST:

Randi Johl-Olson
City Clerk



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Review of the 2014/15 Community Development Block Grant Funding Requests and Development of the 2014-2018 Consolidated Plan
MEETING DATE: March 11, 2014
PREPARED BY: Interim Community Development Director

RECOMMENDED ACTION: Review the 2014/15 Community Development Block Grant (CDBG) Program funding requests and the development of the 2014-2018 Consolidated Plan.

BACKGROUND INFORMATION: A public hearing will be set for April 2, 2014, for the City Council to review and consider approving the City Manager's recommendations for funding for the 2014/15 CDBG Program and the adoption of the 2014-2018 Consolidated Plan.

2014/15 Application Review

The City is expecting to receive an estimated \$650,000 in CDBG funding for the 2014/15 fiscal year. The City Council has a policy of allocating 40 percent of the annual CDBG award (net of administrative costs) to community-based organizations (CBOs), with the remainder going to City projects. There is a 15 percent Public Service Cap on the overall allocation for 2014/15.

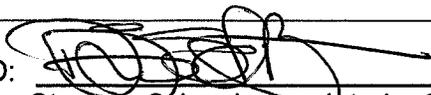
The distribution of funds will be as follows:

City projects	\$312,000
CBO projects	\$208,000
Administration	\$130,000 <i>(20% of the 2014/15 Annual allocation)</i>
TOTAL	\$650,000

15% Service Cap \$97,500.00

At the completion of an application period that ran from January 8 to February 12, 2014, the City received a total of eight applications from community-based organizations (CBO's) requesting a total of \$234,450. A detail of those CBO funding requests is attached as Exhibit A.

HUD regulations also place a 15-percent cap on the amount of funding that can be allocated to Public Service activities, whether that be by the City or by a CBO. The CBO's have requested a total of \$69,500 for Public Services. The City historically has allocated another \$62,000 annually for Public Service activities.

APPROVED: 
Stephen Schwabauer, Interim City Manager

2014-2019 Consolidated Plan

The Consolidated Plan (Con Plan) is one of the three documents required to receive federal housing and community development funding through the Community Development Block Grant (CDBG) program. The overall goal of these housing and community development programs is to serve low- and moderate-income persons by developing viable urban communities through the following actions:

- * Providing decent housing;
- * Providing a suitable living environment; and
- * Expanding economic opportunities.

The Con Plan is the five-year plan for identifying and addressing community needs in the areas of Housing, Homelessness, Special Needs and Community Development. The process of developing the Con Plan has involved a significant amount of community outreach and involvement. A total of six outreach workshops have been held between September 2013 and January 2014 that involved the general public, focused minority groups, community-based organizations, and the local development community. The information gathered through that outreach process is then combined with a review of demographic and economic data sets and a housing market analysis. Once completed, the needs assessment portion of the Con Plan forms the basis of the Strategic Plan, which will detail how CDBG funding or any federal housing and community development funding will be used to address priority needs over the next five years.

Office of Fair Housing and Equal Opportunity

In December of 2012, HUD's Office of Fair Housing and Equal Opportunity (FHEO) conducted a monitoring review of Lodi's CDBG, HOME and Neighborhood Stabilization Program (NSP) funded activities. After a thorough review of our project and program files, interviews with both City and County staff and our local fair housing agency, HUD-FHEO provided a letter in September of 2013, outlining issues that they would expect to be addressed in the 2014-2019 Consolidated Plan and the next Analysis of Impediments to Fair Housing.

The following is a summary of the issues identified in the FHEO letter:

Analysis of Impediments to Fair Housing (AI)

They noted some analytical deficiencies in the AI that was submitted to HUD in 2010, in relation to determining impediments that will need to be addressed. In addition, they noted that some of the impediments that we identified in the AI were not adequately substantiated. These issues will need to be addressed in the next AI document.

Fair Housing Act

They noted that additional disclaimer language will need to be added to our notices and on printed materials to cover non-discrimination, communication and accessibility requirements.

In addition, we will need to do a more thorough job of collecting and analyzing our beneficiary demographic data and follow up with our subrecipients to make sure that they do the same. This relates back to our ability to identify impediments, determine the cause and develop actions to overcome them.

Through the analysis of demographic data from our applicants and beneficiaries accessing funded programs, we will also need to identify whether any protected groups are underrepresented relative to the general population and actively engage marketing to the underrepresented group to resolve that.

Section 504

While the Building Official coordinates compliance with Section 504 for physical accessibility (Transition Plan), we are required to have at least one person designated to coordinate compliance with Section 504 program accessibility through all departments. A Section 504 Policy Manual is required, as well as a formal grievance procedure for complaints based on both program and physical accessibility. This also touches on the need for additional language in our notices and printed materials addressing non-discrimination and reasonable accommodation, including TDD access. They are calling for the review of the updated Transition Plan, which was underway at the time of their onsite visit, to verify that it identifies barriers in all facilities, methods to remediate and timetables for remediation.

Along those same lines, we will need to ensure that any (subrecipient's) facilities assisted with CDBG funding or where CDBG funded programs and activities are carried out are accessible.

In the future, we will need to be sure that we conduct racial and ethnic demographic analysis when selecting a site for affordable housing development in order to avoid the creation or perpetuation of minority concentration.

FHEO noted that when we developed the four new single-family dwelling units on Oak and Garfield streets, while we did promote homeownership opportunities for an underrepresented minority population, we perpetuated the over-concentration of Hispanic population within that census tract. Furthermore, we failed to meet the greater need of providing affordable multi-family housing in that area.

Limited English Proficient Persons (LEP)

To address concerns related to limiting participation of LEP persons, we will need to adopt and implement a Language Access Plan. We will need to make sure that our notices and printed materials are available in other languages and make sure that our subrecipients do the same. Staff is already reviewing a Language Access Assessment and Planning Tool for Federally Conducted and Federally Assisted Programs. Much of the outreach for the development of Language Access Plan can be incorporated into the Consolidated Plan process.

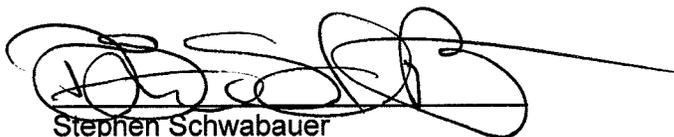
Spay/Neuter Program

FHEO has taken issue with our funding of the spay/neuter program over programs or activities that serve priority needs listed in the Consolidated Plan: job creation and English as a Second Language (ESL) assistance for LEP Hispanics. They are calling for our rating and ranking system to provide priority points for activities that address unmet AI and Con Plan needs, and are likely to benefit the lowest income members of the community: Hispanics, Female Head of Household with Children, and Disabled Persons.

When presenting the draft Consolidated Plan for review and approval at the April 2nd Council meeting, staff intends to provide additional options for consideration, such as designating Neighborhood Revitalization Strategy Areas and the use of the Section 108 Loan Program, that could provide more opportunities and allow more flexibility in addressing community needs.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

A handwritten signature in black ink, appearing to read 'Stephen Schwabauer', written over a horizontal line.

Stephen Schwabauer
Interim Community Development Director

Attachments

2014/15 CDBG FUNDING REQUESTS
COMMUNITY-BASED ORGANIZATIONS

Applicant	Project/Program	Amount	Public Service	Capital Improvement	Economic Development	Housing
COMMUNITY-BASED ORGANIZATION APPLICATIONS						
LOEL Foundation	Phase III Site Improvements - Continuation of project at 125 S. Washington. Phases I & II included the demolition of the old church building, preliminary site improvements that include off-street parking, ADA accessibility improvements and underground utilities that must be relocated, and a community garden and security fencing. Phase III proposes to complete the site improvements for additional off-street parking and driveway access off of Walnut Street.	159,950.00		159,950.00		
Small Business Development Center (Delta College)	Small Business Assistance - Provides confidential, individual and free business consulting to existing and prospective Lodi business owners, and monthly small business start up workshops.	5,000.00			5,000.00	
San Joaquin Fair Housing	Fair Housing Services - HUD-mandated counseling services and outreach to tenants, property owners and property managers to satisfy HUD/CDBG requirement for affirmatively furthering fair housing.	18,000.00	18,000.00			
Emergency Food Bank and Family Services	Mobile Farmers' Market program - The MFM is an existing program that provides access to fresh fruits and vegetables, healthy cooking demonstrations and health and nutrition-related information to low-income residents.	1,500.00	1,500.00			
Human Services Agency (SJ County)	Home-Delivered Meals - Elderly recipients have a package of five frozen meals delivered once a week.	5,000.00	5,000.00			
Second Harvest	Hunger Relief Programs - Funding for the operation of the Food Assistance Program, the Senior Brown Bag Program, and the Food 4 Thought Program.	10,000.00	10,000.00			
Grace & Mercy Charitable Foundation	Food Pantry and Meals Service - Funding for the operation of a food pantry and hot meals service.	15,000.00	15,000.00			
Salvation Army	Tutoring and Mentoring Program - An after-school program out of the Salvation Army Lockeford Street facility that will operate between 3:00 and 5:00 on weekdays. The program will focus on tutoring, mentoring, character building, crafts and sports/recreational activities.	20,000.00	20,000.00			
Total requests	CBO	\$ 234,450.00	69,500.00	159,950.00	5,000.00	-
	TOTAL	\$ 234,450.00	69,500.00	159,950.00	5,000.00	-
						-
Estimated Annual Allocation	\$650,000					
Administration	\$130,000					
Programs and projects	\$520,000					
CBO set-aside	\$208,000					
City set-aside	\$277,000					
Public Services limit	\$97,500					

2014 - 2018 CDBG Consolidated Plan

Presented by
Community Development Department

March 2014

2014/18 CDBG Consolidated Plan

- Consolidated Plan Process
 - Five-year Plan Identifying and Addressing Community Needs
 - Six Community Workshops
 - September 2013 – January 2014
 - Needs Analysis
 - Using information gathered from community outreach and additional demographic and economic data.
 - Strategic Plan
 - Details how federal community development funding will be used to address priority needs over next five years.
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2014/18 CDBG Consolidated Plan

- Additional Consideration
 - Office of Fair Housing and Equal Opportunity
 - Issues to Address in Next Con Plan Process
 - Analysis of Impediments to Fair Housing
 - Already Scheduled for 2015.
 - Fair Housing Act
 - Non-discrimination disclaimers.
 - Section 504
 - Additional policies on non-discrimination, communication and accessibility to public meetings.
 - Transition Plan.
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2014/18 CDBG Consolidated Plan

- Additional Consideration
 - Office of Fair Housing and Equal Opportunity
 - Issues to Address in Next Con Plan Process
 - Limited English Proficient (LEP) persons.
 - Language Access Plan
 - Funding Activities
 - Funding Spay/Neuter Over Other Unmet Priority Needs
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2014/18 CDBG Consolidated Plan

- 2014/15 Annual Allocation Process
 - Estimated allocation amount - \$650,000.
 - Official allocation amount expected late-March.
 - 8 Applications from Community Based Organizations
 - Total Amount Requested \$234,450
 - 6 Public Services Requests: \$69,500
 - Estimated Public Service Cap
 - \$97,500
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2014/15 CDBG Funding Availability

Estimated 2014/15 CDBG Allocation	\$650,000
Program Administration	(\$130,000)
Balance Available for Distribution	\$520,000
60% Set-aside for City Projects/Services	\$312,000
40% Set-aside for CBO Projects/Services	\$208,000

CBO Applicant	Project/Service	Amount
LOEL Foundation	125 S. Washington St. Project - Phase III Site Improvement	\$159,950
Small Business Dev. Center	Small Business Assistance	\$5,000
SJC Fair Housing	Fair Housing Services	\$18,000
Emergency Food Bank	Mobile Farmer's Market	\$1,500
SJC - Human Services Agency	Meals on Wheels	\$5,000
Second Harvest Food Bank	Food Distribution Programs	\$10,000
Grace & Mercy Charitable Foundation	Food Pantry and Meals Service	\$15,000
Salvation Army	Tutoring and Mentoring Program	\$20,000

2014/15 City Projects & Services

Applicant	Service	Amount
LPD – Animal Services	Spay/Neuter Program	\$20,000
Public Works Department	Graffiti Abatement	\$42,000

Applicant	Project	Amount
Public Works Department	Alley Drainage Improvements	\$125,000
Parks, Recreation & Cultural Services Department	HSS North Entrance ADA – Phase I Park Playground ADA Ramps	\$125,000 \$5,000
Lodi Library	Patio Awning Replacement	\$15,000

Total City Projects/Services		\$332,000
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2014/15 Public Service Funding

■ Public Service Cap	\$97,500
■ Graffiti Abatement	\$42,000
■ Spay/Neuter Program	\$20,000
■ Fair Housing	\$18,000
■ Second Harvest	\$10,000
■ Mobile Farmer's Market	\$1,500
■ SJC – Human Services	\$5,000
■ Salvation Army	\$20,000
■ <u>Grace & Mercy Foundation</u>	<u>\$15,000</u>
□ Total	\$131,500

2014/15 CDBG Funding

- Public Hearing – April 2nd.
 - 2014/18 Consolidated Plan.
 - Draft Consolidated Plan Document.
 - 30 Day Public Review/Comment Period.
 - Final Document to Council on May 7th.
 - Submittal to HUD by May 15th.
 - Questions or Comments?
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