



**CITY OF LODI  
COUNCIL COMMUNICATION**

**AGENDA TITLE:** Conduct a Public Hearing to consider uses of the 2008 Mid-Year Allocation of Community Development Block Grant (CDBG) Program Funds and the reallocation of available funds from previous program years.

**MEETING DATE:** September 3, 2008

**PREPARED BY** Community Development Department

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**RECOMMENDED ACTION:** That the City Council conduct a public hearing to consider proposals for potential uses of the 2008 Mid-Year allocation of CDBG Program funds and the reallocation of available funds from previous program years.

**BACKGROUND INFORMATION:** The 2008-09 CDBG program year was the first in implementing the City Council's policy of allocating 40 percent of the annual CDBG funding to community-based organizations (CBOs). When the City Council approved the 2008-09 CDBG allocations, many of the proposals from CBOs were not ready to proceed. The City put approximately \$147,000 in a fund for a mid-year allocation to allow CBOs additional time to develop project ideas and obtain cost estimates.

Additionally, the City has a 2007 allocation to the Community Partnership for Families, in the amount of \$100,000, to reallocate. Those funds were designated for the engineering and design for a new community center at Blakely Park. That project has been shelved for the time being and in order to maintain the timely expenditure of CDBG funds, we are making those funds available for a project or projects that need to expend the funds by June of 2009.

Of the \$147,173 that was designated toward the CBO Mid-Year allocation, \$15,000 of those funds have been allocated by Council to the Lodi Police Department – Animal Services Division to fund a spay/neuter program. This leaves a balance of \$132,173 available for CBOs.

In June of 2008, Staff began working with local CBOs to revise any previous funding requests and to review any new funding requests that would be worthy of consideration. Through that process three funding requests were received. Those funding requests were reviewed and put through the same grading matrix that was used on all CBO applications during the 2008-09 CDBG application process. The grading matrix provides an overall ranking based upon scoring across the following criteria:

- Activity Need and Justification
- Readiness to Proceed
- Cost Reasonableness and Effectiveness
- Activity Management and Implementation
- Experience (project-related)

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APPROVED:  \_\_\_\_\_  
Blair King, City Manager

- Past Performance (grant-related)
- Matching Contributions
- Application Completeness

A detail of those funding requests, ranked in accordance with their grading score, is as follows:

#### **LOEL SENIOR CENTER KITCHEN RENOVATION**

**Grading Matrix Score:** 92  
**Amount Requested:** \$140,000  
**Project Description:** LOEL is preparing to take over the senior nutrition services programs, including home-delivered meals and congregate meals, that were recently provided by Seniors First. LOEL plans to complete a \$500,000 renovation to its facility in order to install a commercial kitchen capable of producing over 500 meals per day. The LOEL Foundation has secured a commitment from a local banking partner to provide the balance of needed funding for construction costs. LOEL has also received a pledge from Lodi Memorial Hospital to donate \$100,000 worth of kitchen equipment.  
**Readiness to Proceed:** This project has become an urgent need for LOEL as Seniors First is no longer providing meals. LOEL is working to get the necessary plans and specifications prepared and could have the project completed by the June 30, 2009 date that we have set for funds to be used.

#### **EMERGENCY GENERATOR FOR SALVATION ARMY HOPE HARBOR FACILITY**

**Grading Matrix Score:** 79  
**Amount Requested:** \$100,000  
**Project Description:** The Salvation Army's Hope Harbor location operates as an emergency facility in the event of a major disaster in the region and electricity would be vital to operating the center in an emergency. The Salvation Army is requesting funding for an emergency electrical generator, connection from the generator to the facility's wiring and any other improvements necessary to meet code requirements for such an installation.  
**Readiness to Proceed:** The Salvation Army has obtained estimates for the work in the range of \$100,000 and could have the equipment purchased and installed by the June 30, 2009 deadline.

#### **COMMUNITY PARTNERSHIP FOR FAMILIES IMPROVEMENTS**

**Grading Matrix Score:** 60  
**Amount Requested:** \$50,000  
**Project Description:** Community Partnership for Families (CPF) recently signed a 5-year lease for a new location at 631 E. Oak Street in Lodi. They are requesting funding for various improvements at their new location, including security cameras, building signage, parking lot lighting, and fencing improvements. They are also requesting that the City improve street markings near the location for pedestrians and relate a nearby bus stop to a location closer to the site.  
**Readiness to Proceed:** Project costs may be shared with the building's other tenant, the California Human Development Corporation, but should also include the building's owner as many of these site improvements will increase the property value for the owner. The on-site improvements could likely be completed by June 30, 2009 deadline.

Recommendation 1: After completing a thorough review of these projects and related funding requests, it is the City Manager's recommendation that the entire \$132,173 of the CBO Mid-Year allocation be re-allocated to the LOEL Senior Center Kitchen Renovation Project.

As part of this mid-year allocation process, we had also received two funding requests from the Lodi Public Library. Those two requests and additional funding needs for other currently funded projects are detailed below and are in consideration for the \$100,000 in CDBG funds that are targeted for reallocation from the Community Partnership for Families.

**LODI LIBRARY RESTROOM IMPROVEMENTS (\$85,000)**

Project Description: The Lodi Library plans a major renovation project beginning in October 2008. As a part of the larger renovation project, they are requesting funding to cover the costs of remodeling the staff and lobby restrooms. CDBG can only fund the portion of improvements related to "removing architectural barriers to accessibility." This means that CDBG funds may not be used to make modifications to non-accessible stalls and fixtures.

Readiness to Proceed: Phase I of the renovation project is anticipated to be completed in December 2008.

**LODI LIBRARY ADULT LITERACY PROGRAM (\$11,000)**

Project Description: The Lodi Library Adult Literacy Program pairs tutors with adults for literacy training in the Library. They are requesting funding for two tutoring stations, which will increase privacy and expand the space available to program participants. Current space constraints make it difficult to find and retain tutors. The stations will be dedicated to Adult Literacy Program, but are available to library patrons when they are not in use by program participants.

Readiness to Proceed: The Lodi Library has obtained at least one bid for the stations. The project would be completed by June 2009. The Library has a \$1,000 grant from United Way for the stations, which will be lost if they cannot secure other funding.

**RLF LOAN PROGRAM (\$45,000)**

Project Description: A RLF Loan request in the works for Dancing Fox Winery/Bakery in the amount of \$100,000. The City currently has \$50,000 from our 2008 allocation and \$5,000 from a 2006 allocation available for the RLF Program. An additional \$45,000 is necessary in order to fully fund the loan under consideration.

Readiness to Proceed: If funded, the loan is scheduled to proceed toward a closing in mid-October.

**GRAPE BOWL RENOVATION PROJECT (\$100,000)**

Project Description: Councilmember Johnson has suggested that the reallocated funds be directed toward Phase I of the Grape Bowl Renovation Project which is intended to address handicapped accessibility issues at the primary entrance and not improvements to the field or other facilities throughout the site.

Readiness to Proceed: It is unlikely that if allocated toward this project, these funds could be fully expended by the June 30, 2009 deadline.

**SPAY/NEUTER PROGRAM (\$5,000)**

**Project Description:** The Council has received a request from a citizen that additional CDBG funding be reallocated to the newly funded spay/neuter program. There is currently a 2008 allocation of \$15,000 toward this program.

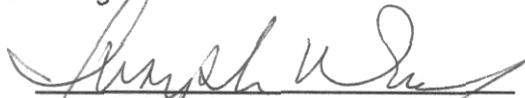
**Readiness to Proceed:** It is uncertain whether additional funding is needed at this time.

**Recommendation 2:** It is the City Manager's recommendation that the City Council distribute the \$100,000 designated for reallocation to the following projects:

- RLF Loan Program
- Adult Literacy Program Tutoring Stations
- Lodi Library Phase I Restroom Remodel

**FISCAL IMPACT:** NIA

**FUNDING AVAILABLE:** 2008/09 CDBG Program



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Joseph Wood  
Community Improvement Manager

RESOLUTION NO. 2008-179

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING  
THE 2008 MID-YEAR ALLOCATION OF COMMUNITY  
DEVELOPMENT BLOCK GRANT PROGRAM FUNDS, AND  
FURTHER REALLOCATING AVAILABLE FUNDS FROM  
PREVIOUS PROGRAM YEARS

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WHEREAS, the Department of Housing and Urban Development has determined that the City of Lodi, California, is entitled to Community Development Block Grant (CDBG) and HOME funding as a participating city through the County of San Joaquin and Urban County for fiscal year 2008-09 Federal allocation; and

WHEREAS, the City Council of the City of Lodi did, during its annual allocation process in March of 2008, allocate approximately \$132,000 in CDBG funds for distribution to Community Based Organizations (CBO) during a mid-year allocation process; and

WHEREAS, the City Council of the City of Lodi has been made aware of the need to reallocate unused CDBG funds from previous years to facilitate the expedited use of those funds; and

WHEREAS, staff recommends the reallocation of \$100,000 of unused available CDBG funds from Project 07-05, a 2007 allocation to the Community Partnership for Families; and

WHEREAS, the City of Lodi has held, with proper notification, a public hearing at the City Council meeting of September 3, 2008, to receive comments and proposals from the public regarding the projected use of CDBG funds and provided the public with adequate information concerning the amount of funds available for community development activities, the range of eligible activities, and other important requirements; and

WHEREAS, the City of Lodi, California, has received public input regarding the proposed use of CDBG funds; and

WHEREAS, staff therefore recommends the reallocation of the 2008 mid-year CBO allocation of CDBG funds and CDBG funds available for reallocation from 2007 to projects as outlined below.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi does hereby approve the recommended 2008 mid-year CBO allocation of CDBG funds to the projects recommended by staff in the amount of \$132,173, as shown as follows:

**2008-09 CDBG Program Funding (including reallocated funds) - \$132,173**

**Community Based Organization Capital Projects - (\$240,233)**

- LOEL Center Kitchen Renovation Project \$132,173.00

**Total Distribution of 2008 Mid-Year CBO CDBG Allocation \$132,173.00**

BE IT FURTHER RESOLVED that the City Council of the City of Lodi does hereby approve the reallocation of available CDBG funds from Project 07-05 in the amount of \$100,000, as shown as follows:

**2007 Reallocated CDBG Funds - \$100,000**

- Existing Spay/Neuter Program (Project 08-15) \$ 4,000.00
- Library Phase I Restroom Improvements \$ 85,000.00
- Adult Literacy Program Tutoring Stations \$ 11,000.00

**Total Distribution of 2007 CDBG Reallocation \$100,000.00**

Dated: September 3, 2008

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I hereby certify that Resolution No. 2008-179 was passed and adopted by the City Council of the City of Lodi in a regular meeting held September 3, 2008, by the following vote:

- AYES: COUNCIL MEMBERS – Hansen, Johnson, Katzakian, and Mayor Mounce
- NOES: COUNCIL MEMBERS – Hitchcock
- ABSENT: COUNCIL MEMBERS – None
- ABSTAIN: COUNCIL MEMBERS – None

  
RANDI JOHL  
City Clerk

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**2008-2009**

**CDBG Mid-Year Allocation**

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Presented by

Community Development Department

September 3, 2008

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# CDBG Program Overview

- Programs funded by the US Department of Housing and Urban Development (HUD)
  - Focus on housing and community development for low-income households
  - City currently receives funding through San Joaquin County, but will receive funds directly from HUD for 2009-10
  - Funds are allocated annually to City projects and community-based organizations (CBO) projects/programs
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# CDBG Mid-Year Funds

- In March allocation round, Council elected to create a mid-year funding opportunity for CBOs (\$132,173 currently available)
    - Original allocation was \$147,173, but \$15,000 was previously allocated to the Spay/Neuter Program by Council
  - Funds from the Community Partnership project (\$100,000) are also available for reallocation
  - Proposed projects should meet readiness criteria to ensure that the funds will be spent by June 30, 2009
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# CDBG Mid-Year Funds

## ■ June 2008

- Solicited funding requests
  - Local CBOs
  - Lodi Library

## ■ July 2008

- Received 5 Requests for Funding
    - 3 CBOs
    - 2 Lodi Library
  - Grading Matrix used for CBO requests
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# CBO Requests - \$132,173 available

- LOEL Kitchen Renovation - \$140,000
    - Grading Matrix Score: 92
    - New kitchen needed to provide senior meal services, including Meals on Wheels
    - Urgent need in order to continue serving senior meals
    - Project would be completed by June 2009
      - Identified that Permit/Impact Fees were also eligible
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# CBO Requests - \$132,173 available

- Salvation Army Emergency Generator - \$100,000
    - Grading Matrix Score: 79
    - Emergency electrical generator needed in case of major disaster in region
    - Project would be completed by June 2009
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# CBO Requests - \$132,173 available

- Community Partnership Facility Improvements - \$50,000
    - Grading Matrix Score: 60
    - Need various facility improvements, such as signage, parking lot lighting, and fence repair
    - Project costs may be shared by building's other tenant
    - Improvements will increase property value for the owner
    - Project would likely be completed by June 2009
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# City Requests - \$100,000 available

- Lodi Library Restroom Improvements - \$85,000
    - Remodel staff and lobby restrooms
    - CDBG can only fund portions directly related to “removing architectural barriers to accessibility”
    - Potential issue regarding substitution of funds
    - Project would be completed in December 2008
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# City Requests - \$100,000 available

- Lodi Library Adult Literacy Program - \$11,000
    - New tutoring stations are needed to ensure privacy and available space for program participants
    - Other grant (\$1,000) will be lost if funds are not secured
    - Completed by June 2009
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# City Requests - \$100,000 available

- Economic Development Loan Fund - \$45,000
    - Needed to fully fund loan request from Dancing Fox Winery/Bakery
      - Will create 8 jobs
        - 4 of those will need to target LMI persons.
    - Anticipated loan closing in Oct/Nov 2008
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# City Requests - \$100,000 available

- Grape Bowl Renovations - \$100,000
    - Phase I will address accessibility issues
    - Funds are not likely to be spent by June 2009; additional funds will be available in July 2009
  
  - Spay/Neuter Program - \$5,000
    - Add to funds currently available for cat and pit bull spay/neuter programs (\$15,000)
    - Unclear if additional funds are needed and could be spent by June 2009
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# Funding Recommendations

## ■ CBO Allocation

- Allocate available funding (\$132,173) to LOEL Senior Center kitchen renovation

## ■ City Allocation

- Consider the following projects:
    - Economic Development RLF Program (\$45,000)
    - Adult Literacy Tutoring Stations (\$11,000)
    - Lodi Library Restroom Remodel (\$85,000)
  - Additional funding could be provided to one of the CBO requests
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# Conclusion

- Questions & Answers





*Please immediately confirm receipt  
of this fax by calling 333-6702*

CITY OF LODI  
P. O. BOX 3006  
LODI, CALIFORNIA 95241-1910

**ADVERTISING INSTRUCTIONS**

**SUBJECT** PUBLIC HEARING TO CONSIDER USES OF THE 2008 MID-YEAR ALLOCATION OF COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FUNDS AND THE REALLOCATION OF AVAILABLE FUNDS FROM PREVIOUS PROGRAM YEARS

**PUBLISH DATE:** SATURDAY, AUGUST 23, 2008

**LEGAL AD**

**TEAR SHEETS WANTED:** One (1) please

**SEND AFFIDAVIT AND BILL TO:** RANDI JOHL, CITY CLERK  
City of Lodi  
P.O. Box 3006  
Lodi, CA 95241-1910

**DATED:** THURSDAY, AUGUST 21, 2008

**ORDERED BY:** RANDI JOHL  
CITY CLERK

  
JENNIFER M. PERRIN, CMC  
DEPUTY CITY CLERK

\_\_\_\_\_  
MARIA BECERRA  
ADMINISTRATIVE CLERK

**Verify Appearance of this Legal in the Newspaper – Copy to File**

LNS Faxed to the Sentinel at 369-1084 at 8:10 am (time) on 8/22/08 (date) 2 (pages)  
Phoned to confirm receipt of all pages at \_\_\_\_\_ (time) \_\_\_\_\_ CM \_\_\_\_\_ JMP (initials)



## DECLARATION OF POSTING

### **PUBLIC HEARING TO CONSIDER USES OF THE 2008 MID-YEAR ALLOCATION OF COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FUNDS AND THE REALLOCATION OF AVAILABLE FUNDS FROM PREVIOUS PROGRAM YEARS**

On Friday, August 22, 2008, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider uses of the 2008 mid-year allocation of Community Development Block Grant program funds and the reallocation of available funds from previous program years (attached and marked as Exhibit A) was posted at the following locations:

Lodi Public Library  
Lodi City Clerk's Office  
Lodi City Hall Lobby  
Lodi Carnegie Forum

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

Executed on August 22, 2008, at Lodi, California.

ORDERED BY:

**RANDI JOHL**  
**CITY CLERK**

A handwritten signature in cursive script that reads "Jennifer M. Perrin".

JENNIFER M. PERRIN, CMC  
DEPUTY CITY CLERK

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MARIA BECERRA  
ADMINISTRATIVE CLERK



## **DECLARATION OF MAILING**

### **PUBLIC HEARING TO CONSIDER USES OF THE 2008 MID-YEAR ALLOCATION OF COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FUNDS AND THE REALLOCATION OF AVAILABLE FUNDS FROM PREVIOUS PROGRAM YEARS**

On Friday, August 22, 2008, 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 Notice of Public Hearing to consider uses of the 2008 mid-year allocation of Community Development Block Grant program funds and the reallocation of available funds from previous program years, attached hereto marked Exhibit A. The mailing list for said matter is attached hereto marked Exhibit B.

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 August 22, 2008, at Lodi, California.

ORDERED BY:

**RANDI JOHL**  
**CITY CLERK, CITY OF LODI**

  
JENNIFER M. PERRIN, CMC  
DEPUTY CITY CLERK

\_\_\_\_\_  
MARIA BECERRA  
ADMINISTRATIVE CLERK



# CITY OF LODI

Carnegie Forum  
305 West Pine Street, Lodi

## NOTICE OF PUBLIC HEARING

Date: September 3, 2008

Time: 7:00 p.m.

For information regarding this notice please contact:

Ran & Johl  
City Clerk

Telephone: (209) 333-6702

EXHIBIT A

## NOTICE OF PUBLIC HEARING

**NOTICE IS HEREBY GIVEN** that on Wednesday, September 3, 2008, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

- a) Consider uses of the 2008 mid-year allocation of Community Development Block Grant program funds and the reallocation of available funds from previous program years.

Information regarding this item may be obtained in the Community Development Department, 221 West Pine Street, Lodi, (209) 333-6711. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 W. Pine Street, 2<sup>nd</sup> Floor, Lodi, 95240, 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:

Randi Johl  
City Clerk

Dated: **August 20, 2008**

Approved as to form:

D. Stephen Schwabauer  
City Attorney

# CDBG Mid Year Allocations mailing list

EXHIBIT B

CONTACT	COMPANY	ADDRESS	CITY	STATE	ZIP
Lt. Dan Williams	Salvation Army	525 W. Lockeford St.	Lodi	CA	95240
Tracy Williams	LOEL Center	105 S. Washington	Lodi	CA	95240
Nancy Martinez	Lodi Library	201 W. Locust Street	Lodi	CA	95240
Phyllis Grupe Robina Asghar, Executive Director	Community Partnership for Families of San Joaquin	PO Box 1569	Stockton	CA	95204