



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDATITLE: Conduct a Public Hearing to Consider the Approval of an Amendment of the 2010/11 Action Plan and the Reallocation of Available Community Development Block Grant (CDBG) Programfunds.

MEETING DATE: February 16,2011

PREPARED BY: Community Development Department

RECOMMENDED ACTION: Conduct a Public Hearing to consider the approval of an amendment to the 2010/11 Action Plan and the reallocation of available Community Development Block Grant (CDBG) Program funds.

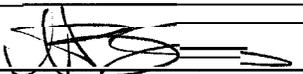
BACKGROUND INFORMATION: The 2010/11 Action Plan, approved on May 5, 2010, provides a detailed description of each activity proposed for the fiscal year using federal CDBG funds, as well as the City's CDBG budget and goals for the fiscal year.

The allocation of CDBG funds for the Water Meter Replacement Project are available for reallocation as it has been determined that the cost for administering the CDBG funding for that activity (i.e. eligibility determination, environmental review and clearance, etc.) would exceed the funding provided to each eligible recipient, and therefore not cost-effective. Additionally, with the decrease in water meter cost to \$8.53 per month for three years in the payment plan, it is now felt that the cost is more affordable.

In addition, a portion of the allocation of CDBG funds for Graffiti Abatement are available for reallocation to another eligible Public Service activity, as it has been determined that they will not be able to use the full allocation amount before the end of the fiscal year.

The reallocation of these funds to other eligible activities requires an amendment to the Action Plan through a Public Hearing. The amended Action Plan document, attached as Exhibit A, further describes the following recommendations for the reallocation of these funds:

<u>Source of Reallocated Funds - Amount</u>	<u>Distribution of Reallocated Funds - Amount</u>
10-02 Water Meter Installation - \$224,384.19	10-11 Alley Drainage Improvement - \$144, 384.19
	10-10 Economic Development RLF - \$80,000.00
10-06 Graffiti Abatement - \$17,750	10-09 Spay/Neuter Program - \$17,750

APPROVED: 
Konradt Bartlam, City Manager

As noted above, a major portion of the Water Meter Installation Project will be reallocated to a new 2010 Alley Drainage Improvement Project. The City will reconstruct three alleys in target areas in order to increase accessibility and drainage. Existing alley paving will be removed and replaced with storm drains and pervious concrete. The open 2009 alley drainage project (with a remaining balance of about \$200,000) will be used in coordination with this project.

The balance of Water Meter Installation project funding will be reallocated to the existing Economic Development RLF Program to be made available for loans and for a comprehensive economic development strategy and implementation plan that will be used to guide the City's decision-making relative to business attraction, retention, and expansion activities.

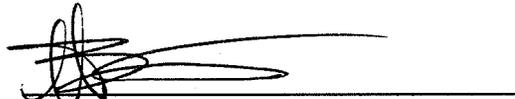
A portion of the 2010 Graffiti Abatement funding will be reallocated to the existing Spay/Neuter Program, which has depleted its original allocation of \$15,000 and will be able to use these funds by the end of the fiscal year.

FISCAL IMPACT: This reallocation will accommodate the timely use of our CDBG funding.

FUNDING AVAILABLE: 2010/11 Community Development Block Grant



Jordan Ayers, Deputy City Manager



Konradt Bartlam
Community Development Director

KB/jw

Attachments

2010-11 ACTION PLAN AMENDMENT #2

I. INTRODUCTION

The 2010-11 Action Plan is a one-year plan to address housing and community development needs in the City of Lodi, with a particular focus on the needs of and low- and moderate-income households. In 2010-11, the City will receive \$810,608 from the federal Community Development Block Grant (CDBG) program. The CDBG program is implemented by the Neighborhood Services Division in the Community Development Department.

The 2010-11 Action Plan was adopted on May 5, 2010, and approved by the US Department of Housing and Urban Development in June 2010. The Action Plan was amended on September 15, 2010. Since that time, the City has identified two projects that have funding available for reallocation. These projects either will not move forward or are expected to have total costs that are lower than anticipated, and so the City will move fund balances to other projects.

Questions regarding this Action Plan amendment should be directed to the staff within this division at:

CDBG Program Administrator
City of Lodi
221 W. Pine Street, PO Box 3006
Lodi, CA 95241
209-333-6711

The Action Plan amendment was made available for public review during a 30-day public comment period from January 14, 2011 to February 16, 2011. A public notice announcing its availability was published in the *Lodi News-Sentinel* on December 31, 2010. A public hearing on the report was held on February 16, 2011 at the Lodi City Council meeting.

II. REALLOCATED FUNDS

Funds from two 2010-11 projects are proposed for reallocation:

- **Water Meter Installation, \$224,384.19.** After extensive review by staff, it was determined that implementation of this project would be more cost-efficient if another source of available funding was used. The project's full balance is proposed for reallocation.
- **Graffiti Abatement, \$17,750.00.** The graffiti abatement program has consistently spent approximately \$12,000 per quarter, which would leave a substantial balance at the end of the fiscal year. Staff administratively reallocated \$2,250 of the project's funds (to the Spay/Neuter Program) and proposes an additional reallocation of \$17,750, for a total of \$20,000.

2010-11 ACTION PLAN AMENDMENT #2

III. ACTIVITY CHANGES

The City has identified existing activities to which it will commit reallocated funds. In order to commit a substantial amount of additional funds to existing activities, the City must amend the 2010-11 Action Plan. A description of the activities and proposed funding follows.

Alley Drainage Improvements

The City will reconstruct at least two alleys in target areas in order to increase accessibility and drainage. Existing alley paving will be removed and replaced with storm drains and pervious concrete. The open 2009 alley drainage project (with a remaining balance of about \$200,000) will be used in coordination with this project.

Output: 2 public facility projects completed
Outcome Category: Accessibility for the purpose of creating suitable living environments
Goals Addressed: CD-1
Funding: \$0 current + \$144,384.19 additional = \$144,384.19

Spay/Neuter Program

The City will offer a spay/neuter program for feral cats trapped and released in target areas and pets (cats and pit bulls) owned by low-income households.

Output: 525 households assisted
Outcome Category: Accessibility for the purpose of creating suitable living environments
Goals Addressed: CD-1, CD-3
Funding: \$17,250 current + \$17,750 additional = \$35,000

Economic Development Revolving Loan Fund

The Economic Development Revolving Loan Fund will make loans available to businesses creating or retaining low-income jobs. Up to \$35,000 per full-time low-income job will be available to Lodi business owners.

Output: 2 business loans
Outcome Category: Accessibility for the purpose of expanding economic opportunities
Goals Addressed: CD-2
Funding: \$80,000 current + \$80,000 additional = \$160,000

RESOLUTION NO. 2011-20

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING THE AMENDMENT OF THE 2010/11 ACTION
PLAN AND THE REALLOCATION OF AVAILABLE
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING

WHEREAS, a total of \$242,134.19 in Entitlement Community Development Block Grant (CDBG) funding is available for reallocation from the following projects:

10-02	Water Meter Installation Project	\$224,384.19
10-06	Graffiti Abatement	\$ 17,750.00

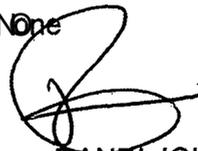
NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the amendment to the 2010/11 Action Plan and authorize reallocation of Entitlement CDBG funding as indicated below:

<u>Source</u>	<u>Amount</u>	<u>Distribution</u>
10-02 Water Meter Installation	\$144,384.19	10-11 Alley Drainage Improvement
10-02 Water Meter Installation	\$80,000.00	10-10 Economic Development RLF
10-06 Graffiti Abatement	\$17,750.00	10-09 Spay/Neuter Program

Dated: February 16, 2011

I hereby certify that Resolution 2011-20 was passed and adopted by the Lodi City Council in a regular meeting held on February 16, 2011, by the following vote:

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



RANDI JOHL
City Clerk

2010-11 ACTION PLAN AMENDMENT #2

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Funding: \$80,000 current + \$80,000 additional = \$160,000

2010 Action Plan Amendment Reallocation of CDBG Funding

**Presented by
Community Development Department**

February 2011

Reallocation Process - Sources

- **Amending 2010 Action Plan**

- **Reallocating our 2010 Entitlement CDBG funds.**
 - Supplementing two existing 2010 programs.
 - Creating one new 2010 project.

- **2 Sources for Reallocated CDBG Funding**

- **10-02 – Water Meter Installation** **\$224,384.19**
- **10-06 – Graffiti Abatement** **\$17,750.00**



Distribution of Reallocations

- **10-10 Economic Development RLF (existing)**
 - \$80,000 from Water Meter Installation

 - **10-11 Alley Drainage Improvements (new)**
 - \$144,384.19 from Water Meter Installation

 - **10-09 Spay/Neuter Program (existing)**
 - \$17,750 from Graffiti Abatement
-

Reallocation Process

- **Council Comments/Questions**
 - **Public Hearing**
 - **Recommended Action**
 - **Upon completion of the Public Hearing:**
 - **Adopt Resolution approving the amendment of the 2010 Action Plan for the reallocation of available CDBG funding.**
-

LEGAL ADVERTISEMENT

ADVERTISING INSTRUCTIONS

SUBJECT: 2010-11 COMMUNITY DEVELOPMENT BLOCK GRANT ACTION PLAN
AMENDMENT

PUBLISH (DATES): December 31, 2010

TEAR SHEETS WANTED: 1 EXTRA (ONLY) DELIVER TO: Community Development
Dept.

AFFIDAVIT & BILL TO: Community Development - CDBG
City of Lodi
221 W. Pine Street
Lodi, CA 95241

DATE: December 8, 2010

ORDERED BY: Joseph Wood

TITLE: Neighborhood Services Manager



DECLARATION OF POSTING

PUBLIC HEARING TO CONSIDER THE APPROVAL OF AN AMENDMENT OF THE 2010/11 ACTION PLAN AND REALLOCATION OF AVAILABLE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FUNDS

On Friday, February 4, 2011, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider the approval of an amendment of the 2010/11 Action Plan and reallocation of available Community Development Block Grant Program funds (attached and marked as Exhibit A) was posted at the following locations:

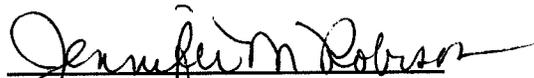
Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

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

Executed on February 4, 2011, at Lodi, California.

ORDERED BY:

**RANDI JOHL
CITY CLERK**


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK

Dated: December 31, 2010

NOTICE IS HEREBY GIVEN that on **Wednesday, February 16, 2011**, 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:

2010-1 ■ Community Development Block Grant Action Plan Amendment

The City of Lodi plans to amend its 2010-11 Action Plan. As a recipient of Community Development Block Grant (CDBG) funding, the City has developed an Action Plan that describes the activities proposed to be funded in 2010-11. The Action Plan generally describes how the City will utilize program funds for eligible activities during the fiscal year. The Action Plan can be amended as needed to reallocate funds to housing and community development activities. The City proposes to reallocate funds from projects with a projected funding balance to public services and public works projects.

The release of this notice is part of the City's activities to fulfill federal citizen participation requirements. The Action Plan amendment must be available to the public and the City must provide reasonable access to documents.

The Action Plan amendment will be available for public review at the Lodi City Hall, 221 West Pine Street. The Action Plan documents will also be available for public review on the City's website at http://www.lodi.gov/community_development/Neighborhoods/CDBG.html. Copies of the documents will be made available upon request.

The public review and comment period begins January 14, 2011 and will end February 16, 2011. The City Council will consider adoption of the Consolidated Plan documents and provide an opportunity for public comment at their February 16, 2011 meeting.

Questions or comments regarding the Action Plan amendment can be directed to Joseph Wood, Neighborhood Services Manager, at (209) 333-6711 or jwood@lodi.gov.

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 West Pine Street, 2nd 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, 221 West Pine Street, at or prior to the close of the public hearing.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (209) 333-6702. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.