



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

"SHIRTSLEEVE" SESSION

Date: February 23, 2016

Time: 7:00 a.m.

For information regarding this Agenda please contact:

Jennifer M. Ferraiolo

City Clerk

Telephone: (209) 333-6702

Informal Informational Meeting

A. Roll Call by City Clerk

B. Topic(s)

B-1 Presentation on 2016/17 Community Development Block Grant Program and the 2014-2018 Consolidated Plan (CD)

C. Comments by Public on Non-Agenda Items

D. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Jennifer M. Ferraiolo
City Clerk

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CITY OF LODI COUNCIL COMMUNICATION

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AGENDA TITLE: Presentation on 2016/17 Community Development Block Grant Program and the 2014-2018 Consolidated Plan

MEETING DATE: February 23, 2016

PREPARED BY: Community Development Director

RECOMMENDED ACTION: Presentation on 2016/17 Community Development Block Grant (CDBG) Program and the 2014-2018 Consolidated Plan.

BACKGROUND INFORMATION: A public hearing will be set for March 16, 2016, for the City Council to review and consider approving the City Manager's recommendations for funding for the 2016/17 Annual Action Plan and an amendment of the 2015/16 Annual Action Plan to accommodate the reallocation of CDBG funds.

2016/17 Application Process

The City implemented a new, on-line CDBG application and grant management module beginning with this 2016/17 program year. This is intended to streamline the application submittal and review process, as well as the overall grant administration and reporting process for both staff and grant subrecipients alike.

The application period began December 8, 2015 and concluded February 10, 2016. A total of 10 applications from community-based organizations and outside agency were received during that period. At this time we are still in the process of reviewing those applications and developing our recommendations for funding.

2016/17 CDBG Program Funding

At this time, the U.S. Department of Housing and Urban Development (HUD) has not informed us as to what our CDBG allocation amount will be for 2016/17. However, based upon the 2015/16 allocation of \$613,405, we would see the following distribution of funding:

City projects/services	\$294,434
CBO projects/services	\$196,290
Administration	\$122,681 <i>(20% of the Annual allocation)</i>
TOTAL	\$613,405

15% Service Cap \$92,011.00

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.

APPROVED: _____
Stephen Schwabauer, City Manager

Of the 10 applications received from community-based organizations (CBO's), a total of \$199,582 was requested. 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 is by the City or by a CBO. The CBO's have requested a total of \$162,700 for Public Services. The City historically has allocated another \$42,000 annually for a Public Service activity: Graffiti Abatement within the Low-Moderate Income (LMI) Target Area.

2014-2018 Consolidated Plan

Each program year, the Annual Action Plan is the document that we use to identify how funds will be used to address the priority housing and community development needs that were identified in the 5-year Consolidated Plan (Con Plan). 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.

As we enter into our third year of the 5-year Con Plan, it is important to review and evaluate what goals and priority needs have been addressed in Con Plan Years 1 and 2, and what goals and needs have not yet been adequately addressed. In the course of allocating funds in 2016/17, and in Years 4 and 5 of the current Con Plan, the City must make every effort to address any unmet needs.

A detail of the projects and activities that have been funded in the past two program years and how each activity has addressed the goals and priority needs identified in the Con Plan is attached as Exhibit B.

Our Con Plan also identifies the need for projects and services that provide specific benefit to aid residents of the neighborhoods identified as Racially/Ethnically Concentrated Areas of Poverty (RCAP/ECAP). See Exhibit C.

We are currently in the process of developing a Neighborhood Revitalization Strategy Area (NRSA), a tool for neighborhood revitalization that will provide benefits for administering CDBG funding within the RCAP/ECAP Target Area, encourage public and private investment in the community, and build stronger relationships with neighborhood stakeholders including residents, businesses, nonprofit organizations, elected officials, law enforcement, and faith organizations. We expect to bring that back to the City Council for adoption in September 2016, along with specific goals and activities geared to reduce or eliminate poverty.

Our funding recommendations for this 2016/17 Annual Action Plan may include a set-aside of funds that will be allocated to specific NRSA activities in September.

Unmet Housing and Community Development Needs

The Table in Exhibit B identifies the following housing and community development needs that have not been adequately addressed in the first two years of our Consolidated Plan period:

- Securing Additional Funding
- Produce New Affordable Housing
- Rehabilitate Existing Housing
- Expand Financial Opportunities
- Build Capacity and Leadership

For 2016/17, we will have the opportunity to make progress on a number of these priority needs through the following activities that are already planned or may be proposed for the coming program year:

Tienda Drive Senior Housing Project – *Goal: Produce New Affordable Housing*

This 80-unit senior housing project, located between Roget Park and the Target Shopping Center, is in the final stages of closing on their financing and we will finally see the groundbreaking this Spring. The City first provided CDBG and HOME Program funding to this project in 2008.

Salvation Army Transitional Housing – *Goal: Produce New Affordable Housing*

The Salvation Army is currently working on receiving a donated single-family dwelling that is vacant and in need of extensive rehabilitation before it can be utilized as a much-needed transitional housing site. CDBG funds could be used for the rehabilitation of that dwelling.

Affordable Housing Set-Aside – *Goal: Rehabilitate Existing Housing*

We have the opportunity to set aside funding in this 2016/17 Annual Action Plan to accommodate a few affordable housing activities in the coming year. In addition to the Salvation Army Transitional Housing project referenced above, we could also fund a modest Housing Rehab/Emergency Repair Program that would serve low-income homeowners.

Affordable Housing Fund – *Goals: Secure Additional Funding; Produce New Affordable Housing; Preserve Existing Fair and Affordable Housing; Rehabilitate Existing Housing; Expand Financial Opportunities.*

There is also an opportunity to secure a larger allocation of funding, between \$1-3 million, through the Section 108 Loan Guarantee Program. This amount of funding would provide the City the opportunity to create an Affordable Housing Fund that, in addition to the two projects/activities referenced in the Affordable Housing Set-Aside, would also fund the following activities:

- Habitat for Humanity – Acquisition and rehab of affordable housing opportunities as they become available on the market.
- Comprehensive Housing Rehab Program – Assistance to homeowners for more substantial and sustainable rehabilitation and energy-conservation improvement projects.
- Down-Payment Assistance Loan Program – Provide qualified first-time homebuyers with down-payment assistance throughout the community.

The majority of the programs within the Affordable Housing Fund would be established to offer funding as low-interest loans, which would create a revolving loan fund that would allow additional affordable housing activities in the future as well as some revenue to assist with the repayment of the Section 108 Loan.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Stephen Schwabauer
Community Development Director

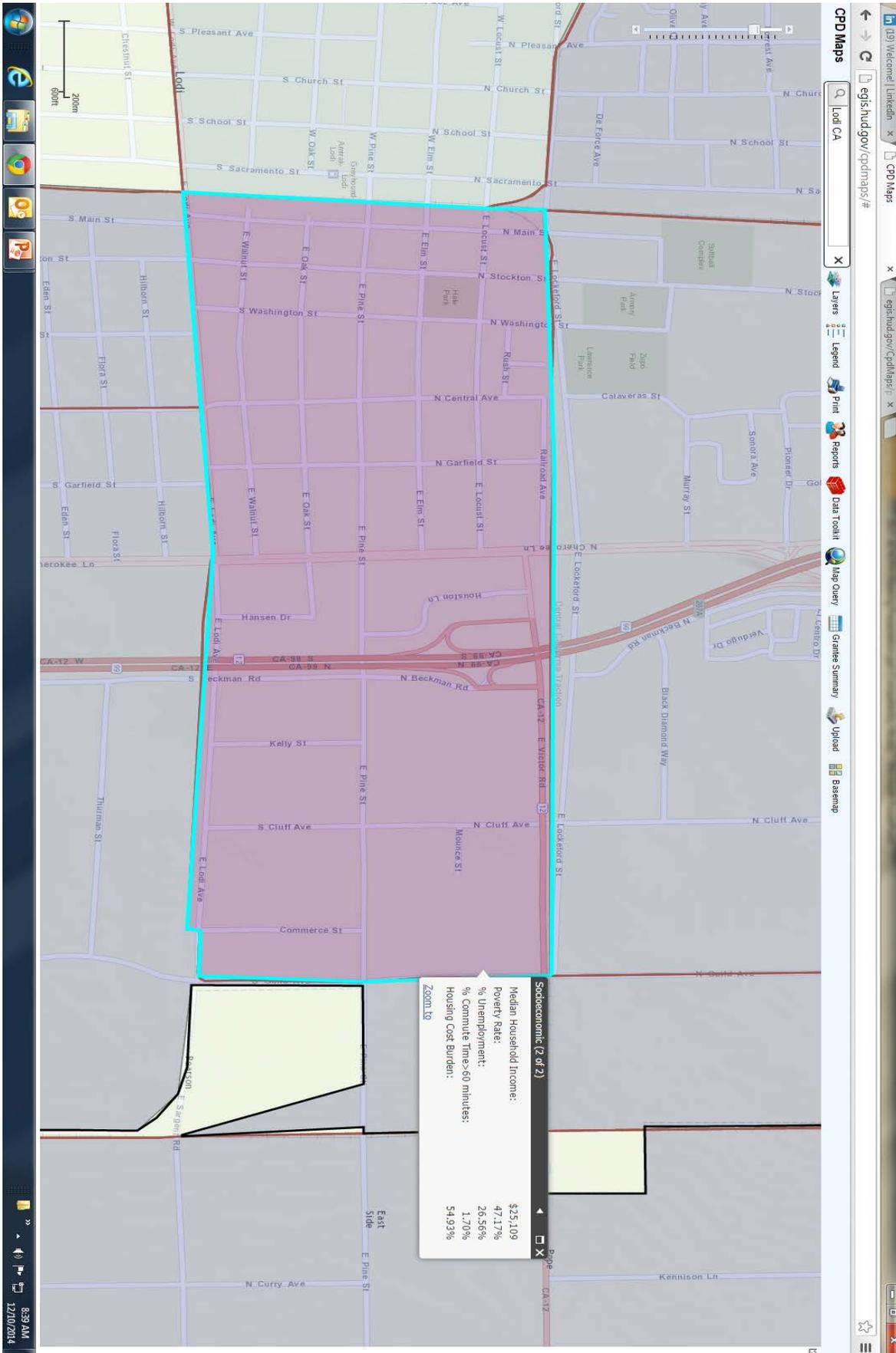
EXHIBIT A
2016/17 Detail of Funding Requests from Community-Based Organizations

	Public Service	Capital Improvement
Community Partnership for Families LodiGRIP - Youth Support Team Partnership	\$50,000	
One-Eighty Youth and Family Services LodiGRIP – Why Try Counseling Program	\$23,200	
Emergency Food Bank Mobile Farmer’s Market	\$1,500	
LOEL Center LOEL Serves Meals on Wheels Program	\$10,000	
San Joaquin Fair Housing Fair Housing Counseling and Housing Discrimination Testing	\$18,000	
Second Harvest Food Bank Food Assistance Programs	\$10,000	
Salvation Army – Lodi Tutoring and Mentoring Program	\$30,000	
Women’s Center Domestic Violence and Sexual Assault Services	\$20,000	
Grace & Mercy Foundation Second Phase of ADA Accessibility Improvements		\$10,000
Housing Authority of the County of San Joaquin Washington Street Rehab Project – Phase 4		\$26,882
Sub-Totals	\$162,700	\$36,882
Total Requested Community-Based Organizations	\$199,582	

EXHIBIT B
2014-18 Consolidated Plan – Community Development and Housing Needs
Year 1 – Year 2

City: City Project/Activity CBO: Community-Based Organization Project/Activity	Access to Social Services	Improve Accessibility	Construct or Upgrade Public Facilities	Address Blight & Nuisance	Secure Additional Funding	Produce New Affordable Housing	Preserve Existing Fair & Affordable Housing	Rehabilitate Existing Housing	Expand Financial Opportunities	Build Capacity & Leadership
2014/15 – Year 1										
City - Program Admin					▪					▪
City - Alley Drainage Improvements			▪							
CBO - San Joaquin Fair Housing							▪			
City - HSS – North Entrance ADA Improvements		▪								
CBO - Salvation Army – Tutoring/Mentoring Program	▪									
City - Graffiti Abatement				▪						
CBO - LOEL Center – Parking Lot Project		▪	▪							
2015/16 – Year 2										
City - Blakely Park Restroom Demolition				▪						
City - ADA Improvements – Cherokee Lane		▪								
CBO - Housing Authority – Rehab 719 S. Washington								▪		
CBO - LodiGRIP – Supportive Services	▪				▪					
CBO - Small Business Development Center									▪	
CBO - Grace & Mercy Foundation – ADA Improvements		▪								
CBO - Community Partnership for Families - FRC	▪		▪							

EXHIBIT C Racially/Ethnically Concentrated Areas of Poverty (RCAP/ECAP)



**Presentation on
2016/17 CDBG Program & 2014-2018 Consolidated Plan**

40 Years



Building Better Neighborhoods

**Presented by
Community Development – Neighborhood Services Division
February 2016**

2016/17 Annual Action Plan



■ Annual Action Plan Process

□ Action Plan

- How we identify how funds will be used to address the priority needs identified in the 5-year Consolidated Plan.

□ Application Process

- Began December 2015
- Applications Received Up to February 10, 2016
- Application Review Underway
 - 10 Applications from Community-Based Organizations
 - Total Amount Requested: \$199,582

2016/17 Annual Action Plan



2016/17 CDBG Allocation (estimated)	\$613,405
Program Administration	(\$122,681)
Balance Available for Distribution	\$490,724
60% Set-aside for City Projects/Services	\$294,434
40% Set-aside for CBO Projects/Services	\$196,290
Public Services Cap	\$92,011

CBO Applicant	Public Service	Capital Improvement
Community Partnership for Families LodiGRIP – Youth Support Team Partnership	\$50,000	
One-Eighty Youth Programs LodiGRIP – Why Try Counseling Program	\$23,200	
Emergency Food Bank Mobile Farmer's Market	\$1,500	
LOEL Center LOEL Serves – Meals on Wheels Program	\$10,000	
San Joaquin Fair Housing Fair Housing/Housing Discrimination Testing	\$18,000	
Second Harvest Food Bank Food Assistance Programs	\$10,000	
Salvation Army Tutoring & Mentoring Program	\$30,000	
Women's Center Domestic Violence/Sexual Assault Services	\$20,000	
Grace & Mercy Charitable Foundation 2nd Phase of ADA Accessibility Improvements		\$10,000
Housing Authority of San Joaquin 719 S. Washington St. Rehab Project – Phase 4		\$26,882

2016/17 Annual Action Plan



■ Public Service Cap	\$92,011
■ <i>(City) Graffiti Abatement</i>	\$42,000
■ Community Partnership	\$50,000
■ One-Eighty Youth/Family	\$23,200
■ Emergency Food Bank	\$1,500
■ LOEL Center	\$10,000
■ San Joaquin Fair Housing	\$18,000
■ Second Harvest Food Bank	\$10,000
■ Salvation Army	\$30,000
■ Woman's Center	\$20,000
□ Total Requested	\$162,700
■ Overage	(\$70,689)

2014-18 Consolidated Plan



- **Primary Goals of CDBG Program**
 - Provide decent housing;
 - Provide a suitable living environment; and
 - Expand economic opportunities.
- **Consolidated Plan**
 - Identifies more specific priority needs and strategies for achieving the Primary Goals
 - Includes activities needed to provide specific benefit to aid residents of neighborhoods identified as Racially/Ethnically Concentrated Areas of Poverty (RCAP/ECAP).
- **Important to Review and Evaluate Goals**
 - Evaluate effectiveness of activities;
 - Identify any unmet goals and needs; and
 - Make every effort to address unmet needs within the remaining time of the five-year Consolidated Plan.

2014-18 Consolidated Plan



- Review of Years 1 and 2
 - Access to social services;
 - Improved accessibility;
 - Upgraded facilities; and
 - Addressed public nuisance and blight.
- Planning for Year 3 - Unmet Housing and Community Development Needs
 - Securing additional funding;
 - Produce new affordable housing;
 - Rehabilitate existing housing;
 - Expand financial opportunities; and
 - Build capacity and leadership.

2016/17 Annual Action Plan



- Opportunity to make progress on a number of priority needs:
 - Tienda Drive Senior Apartment project;
 - Salvation Army transitional housing;
 - Affordable housing set-aside; and
 - Affordable Housing Fund.



2016/17 Annual Action Plan



- Public Hearing – March 16.
 - Draft 2016/17 Annual Plan.
 - Amendment to 2015/16 Annual Action Plan
- Draft Action Plan Document.
 - 30 Day Public Review/Comment Period.
 - April 4 – May 4
- Final Document to Council on May 4th.
- Submittal to HUD by May 15th.
- Questions or Comments?