



**LODI CITY COUNCIL**  
**Carnegie Forum**  
305 West Pine Street, Lodi

**"SHIRTSLEEVE" SESSION**

**Date: September 16, 2008**

**Time: 7:00 a.m.**

For information regarding this Agenda please contact:

**Randi Johl**

**City Clerk**

**Telephone: (209) 333-6702**

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**Informal Informational Meeting**

**A. Roll Call by City Clerk**

**B. Topic(s)**

B-1 Presentation of Economic Development/Job Creation/Owner Participation Policies and Procedures (CM)

**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.

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Randi Johl  
City Clerk



# CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Presentation of Economic Development/Job Creation/Owner Participation Policies and Procedures

**MEETING DATE:** September 16, 2008

**PREPARED BY:** City Manager

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**BACKGROUND INFORMATION:** On August 26, 2008 the Council was provided proposed Policies and Procedures for a Residential Paint Up – Fix up Program funded through redevelopment.

This Shirtsleeve presentation will continue with providing proposed policies and procedures related to new programs for job creation/economic development/owner participation programs funded through tax increment revenue.

Staff will provide a three-year budget projection and review the purpose, use of funds, eligibility, funding limits, application procedure, and restrictions for funds intended to stimulate economic activity and job creation.

Attached are proposed policies and procedures in draft form.

**FISCAL IMPACT:** The fiscal impacts of adopting the proposed programs will depend upon the amount of resources the Council commits to the program and its success in stimulating economic development. The proposed programs are self-funding. The program and policies expand the tax base which creates more revenue that allows the new revenue to be reinvested in additional job creation and economic expansion.

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Blair King, City Manager

Attachments

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

## **CITY OF LODI REDEVELOPMENT AGENCY**

### **POLICIES AND PROCEDURES OWNER PARTICIPATION ASSISTANCE**

**PURPOSE:** Pursuant to the objectives of the Lodi Community Improvement Project, Owner Participation Agreements (OPAs) will provide financial assistance to rehabilitate structures, develop new facilities, encourage private investment, improve the tax base, promote commercial and industrial development, and create employment.

**USE OF FUNDS:** Reimburse costs to rehabilitate existing and develop new commercial, retail, or industrial property located within the boundaries of the Lodi Community Improvement Project. In addition to construction expenses, funds may be used to reimburse fees, permits, "impact fees," mitigation fees, architectural and design fees, infrastructure costs, off-site improvements, parking lots, equipment costs, fixtures and furnishings, façade improvements, and land acquisition costs. Priority will be given to projects requesting off-site improvements owned by the city/agency upon completion, such as public parking lots, sewer/water lines, electric facilities, street improvements, etc. Note: some forms of assistance may trigger state prevailing wage requirements.

**ELIGIBILITY:** The project must result in increased assessed valuation. The site must be within the boundaries of the Lodi Community Improvement Project. A financial gap must be demonstrated that prevents a reasonable return on investment. Assistance must be requested prior to the issuance of the Certificate of Occupancy. The Agency will not offer assistance to relocate automobile dealerships or big box retailers within the Lodi market area nor to develop automobile dealerships or big box retailers on any parcel five acres or larger that has not been previously developed for urban use. The Agency will not offer assistance for acquisition, construction, or improvement for gambling or gaming sites.

**FUNDING LIMITS:** Funding shall be analyzed based upon the return to the city/agency in increased property value, taxes (including sales, transient occupancy, and business licenses), job creation, and the ability to eliminate crime, and stimulate other economic development activity. Funding limits shall be negotiated on a case-by-case basis contingent upon the benefits and financial return to the city/agency.

**APPLICATION PROCEDURE:** Potential participants shall complete a project information summary that will include, but is not limited to, the following information: project description, estimated full value of property after improvements, total estimated payroll, total square footage created, estimated cost detail, and proposed financing.

Staff will summarize the project information and seek the Agency's approval to enter into negotiations for the purpose of drafting an OPA (step one). If the Agency should grant its consent, an OPA will be negotiated (step two). The draft OPA will be presented to the Agency for approval or modification (step three).

**RESTRICTIONS:** Funds provided directly to an owner/developer will be provided on a reimbursement basis only. Reimbursements will be made upon Certificate of Occupancy or other acceptable documentation of project completeness. Assistance must be requested prior to the issuance of a Certificate of Occupancy. Owner must expressly agree to nondiscrimination and nonsegregation that shall run with the land with regard to sale, lease, sublease, use, enjoyment or occupancy.

**FEES:** There is no application fee for the Owner Participation Program. All other city permit and application fees apply.

September 9, 2008