



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Approve Minutes
a) September 18, 2007 (Shirtsleeve Session)
b) September 25, 2007 (Shirtsleeve Session)

MEETING DATE: October 3, 2007

PREPARED BY: City Clerk

RECOMMENDED ACTION: Approve the following minutes as prepared:
a) September 18, 2007 (Shirtsleeve Session)
b) September 25, 2007 (Shirtsleeve Session)

BACKGROUND INFORMATION: Attached are copies of the subject minutes, marked Exhibits A through B.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Randi Johl
City Clerk

RJ/JMP

Attachments

APPROVED: _____
Blair King, City Manager

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, SEPTEMBER 18, 2007**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, September 18, 2007, commencing at 7:00 a.m.

A. ROLL CALL

Present: Council Members – Hansen, Hitchcock, Katzakian, Mounce, and Mayor Johnson
Absent: Council Members – None
Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. TOPIC(S)

B-1 "Receive Recommendation from the Affordable Housing Proposal Review Committee"

City Manager King and Community Development Director Hatch provided a brief introduction to the subject matter.

Community Improvement Manager Joseph Wood provided an overview of the affordable housing proposals. Specific topics of discussion included proposals submitted by Visionary Home Builders, Eden Housing, and PAM Companies, Kentucky House development project, proposal requirements, review of committee and purposes, project site, general review of proposals, review of project area, preliminary financial review, and recommendations regarding the same.

In response to Council Member Hitchcock, Mr. Wood provided an overview of the Section 108 program funding option, which includes borrowing against future Community Development Block Grant amounts. Mr. Wood stated the most available from the Department of Housing and Urban Development would be approximately \$1 million, which may or may not be plausible based on requirements and timing. Mr. Hatch stated neighborhood revitalization was a key factor in addition to the funding.

In response to Council Member Hitchcock, Mr. Wood stated both developers are highly capable of building and maintaining a quality project as is shown by their track record and site visits to their existing projects.

In response to Council Member Hitchcock, Committee Member Kiser stated he is confident that the developers can produce a quality project based on their existing projects.

In response to Mayor Pro Tempore Mounce, Committee Member Kiser stated he did not hear any major concerns from the residents and surrounding community regarding the site visit, from which Mayor Pro Tempore Mounce was absent. Discussion ensued between Mayor Pro Tempore Mounce and Committee Member Kiser regarding completing a project in a blighted neighborhood, the Clayton project, and the Ridgecrest project.

Committee Member Takeuchi provided an overview of the make-up of the committee and discussed funding, site visits, developer qualifications, site location, and the proposed project by PAM Companies.

In response to Mayor Johnson, Mr. Hatch stated PAM Companies addressed collaborative effort in its proposal by identifying the Loel Center and a few other sites and Visionary verbally addressed collaboration with the San Joaquin Housing Authority in its presentation.

Mayor Pro Tempore Mounce suggested the City provide a work plan to address surrounding area concerns regarding commercial and industrial businesses, homelessness in the park, and criminal activity.

Carol Ornelas, representing Visionary Home Builders, stated collaboration was not a part of the request for proposals (RFP) and the organization has worked with various agencies including the San Joaquin Partnership for Families. She stated the company met with members of the community and received some concerns regarding services for people of color.

Tracy Williams, Executive Director of Loel Center, stated the Center serves a culturally diverse clientele.

Council Member Hansen provided an overview of the senior affordable housing project process, including the proposal, and stated the PAM Companies proposal also takes into consideration the opportunity to improve an adjacent property.

In response to Mayor Johnson, Mike Boettger of PAM Companies stated the company does not have a current project it has constructed or managed in Lodi, but it does have various projects in Stockton, Ceres, and throughout the Central Valley.

In response to Mayor Johnson, Council Member Hansen stated there is an interest for two-bedroom units for visitors and caregivers. Mr. Boettger stated there is a 20% requirement for two-bedroom units, but a waiver could be sought.

In response to Mayor Johnson, Mr. Hatch stated the proposed project addresses both guest and on-site resident parking.

In response to Mayor Johnson, City Manager King addressed projects staying on budget and specifically discussed full performance expectations of affordable housing projects, costs of construction, low versus very low units, expectation of profit margin, project management fees, and varying factors that can drive the budget. Mr. King suggested management fees and other similar fees be removed from the proposals.

In response to Council Member Hitchcock, Mr. Hatch stated it is unlikely for two companies to go through the process based on his experience because putting together the detailed package of documentation from this point on represents up-front risk money for the developers.

Ms. Ornelas stated that, based on the RFP, Visionary targeted low and very low income recipients, ran spreadsheets to check if numbers would be feasible due to the long-term 55 year commitment, and suggested quality should always be addressed.

In response to Myrna Wetzels, Council Member Hitchcock stated the Council did receive the requested reports, which provided additional information about the proposals.

Virginia Snyder commended the Ad Hoc Committee on its efforts and suggested a pass through for pedestrians not go through the middle of the project based on security concerns.

Donald Brown spoke of his concerns regarding alley access for his property, which is adjacent to the proposed project site and requested the access remain. Mr. Wood stated the developers did take the alley into consideration. City Manager King clarified that no definitive decisions were being made at this informative study session.

In response to Mayor Johnson, Mr. Wood stated the additional property for improvement suggested by PAM Companies is labeled as number five on the map.

Mayor Pro Tempore Mounce requested information regarding how the City will participate in the proposed project.

Mr. Boettger stated the company also collaborates with the San Joaquin Housing Authority, provided an overview of the targeted units, and stated the driveway was taken into consideration.

In response to Council Member Hitchcock, Mr. King stated it is possible that the project will line up with the timing for the redevelopment project, but it will not be delayed as a result.

Myrna Wetzel spoke of her concerns regarding the ability of senior citizens to walk to services.

Ms. Ornelas provided an overview of the numbers of targeted units for varying income levels.

Committee Member Takeuchi stated the site location was not within the purview of the committee and regardless of the Council's future decision on the proposed project, affordable housing in the City must be addressed.

Eileen St. Yves spoke of her concerns regarding the ability to walk or otherwise travel to services, parking, and crime around the proposed location.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:22 a.m.

ATTEST:

Randi Johl
City Clerk

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, SEPTEMBER 25, 2007**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, September 25, 2007, commencing at 7:02 a.m.

A. ROLL CALL

Present: Council Members – Katzakian, Mounce, and Mayor Johnson
Absent: Council Members – Hitchcock and Hansen
Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. TOPIC(S)

B-1 "Presentation of Cost Allocation Plan by MuniFinancial Services"

City Manager King briefly introduced the subject matter.

Deputy City Manager Krueger and Marshall Eyerman with MuniFinancial provided a presentation regarding the cost allocation plan. Specific topics of discussion included MuniFinancial background, what is a cost allocation plan, building blocks of a cost allocation plan, direct costs, indirect costs, data collection, methodology, double-step down, allocation example, and overhead rate summary.

In response to Mayor Pro Tempore Mounce, Mr. Krueger stated the cost of the study was approximately \$20,000. City Manager King stated the study is significant in how it relates to water and wastewater, providing justification set in technology and science for direct and indirect costs and administrative costs, and it may also assist with federal grants.

In response to Mayor Pro Tempore Mounce, Mr. King stated the premise of the study is to justify centralized administrative costs that are charged to water and wastewater and review direct and indirect allocations in various areas, including existing redevelopment like activities. City Attorney Schwabauer stated currently the City Manager's office is spending time on redevelopment and if the costs do not come directly from redevelopment allocation, they could come from water and wastewater indirect allocations.

In response to Mayor Pro Tempore Mounce, Mr. King stated the cost allocation study has nothing to do with redevelopment and provided an overview of obligations in order to receive tax increment. Mr. King stated money can be paid back from the redevelopment agency to the City if a project area was formed.

In response to Mayor Johnson, Mr. Krueger stated the study can be adjusted on an annual basis as necessary by staff and used as a template for future budget-related purposes.

In response to Mayor Johnson, Mr. Krueger confirmed the document can live on its own and be amended by staff periodically. He also stated MuniFinancial would be available for assistance if necessary.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 7:28 a.m.

ATTEST:

Randi Johl, City Clerk