LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

TM

AGENDA – REGULAR MEETING

Date: **November 18, 2015**
Time: **Closed Session 6:15 p.m.**
Regular Meeting 7:00 p.m.

*and via conference call:
Sheraton Grand Hotel
1230 J Street
Sacramento, CA

For information regarding this Agenda please contact:
Jennifer M. Ferraiolo
City Clerk
Telephone: (209) 333-6702

6:55 p.m. Invocation/Call to Civic Responsibility. Invocations/Calls may be offered by any of the various religious and non-religious organizations within and around the City of Lodi. These are voluntary offerings of private citizens, to and for the benefit of the Council. The views or beliefs expressed by the Speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the beliefs or views of any speaker.

C-1 Call to Order / Roll Call

C-2 Announcement of Closed Session

a) Pending Litigation: Government Code §54956.9(a); One Case; Judy Munshower v. City of Lodi; San Joaquin County Superior Court; Case No. 39-2014-00313952-CU-PO-STK (CA)

b) Conference with Adele Post, Human Resources Manager, and Jordan Ayers, Deputy City Manager (Labor Negotiators), Regarding Lodi City Mid-Management Association, AFSCME General Services and Maintenance & Operators, International Brotherhood of Electrical Workers, Police Mid-Managers, Lodi Police Officers Association, Lodi Police Dispatchers Association, Fire Mid-Managers, Lodi Professional Firefighters, and Unrepresented Confidential Employees; and Conference with Adele Post, Human Resources Manager, and Stephen Schwabauer, City Manager (Labor Negotiators), Regarding Unrepresented Executive Management Pursuant to Government Code §54957.6 (CM)

C-3 Adjourn to Closed Session

NOTE: THE FOLLOWING ITEMS WILL COMMENCE NO SOONER THAN 7:00 P.M.

C-4 Return to Open Session / Disclosure of Action

A. Call to Order / Roll Call

B. Presentations – None

C. Consent Calendar (Reading; Comments by the Public; Council Action)

C-1 Receive Register of Claims in the Amount of $6,839,940.24 (FIN)

C-2 Approve Minutes (CLK)
- a) October 27, November 3, and November 10, 2015 (Shirtsleeve Sessions)
- b) November 4, 2015 (Regular Meeting)
- c) November 4 and November 10, 2015 (Special Meetings)

C-3 Report of Sale of Surplus Equipment (PW)

Res. C-4 Adopt Resolution Approving Standardization of Bus-Mounted Destination Signs and Authorizing City Manager to Execute Purchase Order for Bus Destination Signs from Luminator Technology Group, of Plano, Texas ($37,083) (PW)

Res. C-5 Adopt Resolution Rejecting Non-Responsive Bid and Awarding Contract for Salas Park – Sports Lighting Improvements (Phase 1) to Modesto Executive Electric, Inc., of Modesto ($75,502) (PW)

Res. C-6 Adopt Resolution Authorizing City Manager to Execute Contract for Harney Lane Grade Separation Project with DeSilva Gates Construction, LP, of Dublin ($14,313,075), Approving Extension of Cooperative Work Agreement, and Appropriating Funds ($16,875,182), Subject to Caltrans Approval of Disadvantaged Business Enterprise Documentation (PW)

	C-7	Accept Improvements Under Contract for Water Meter Program Non-Residential Phase (PW)
Res.	C-8	Adopt Resolution Appropriating Funds for Landscape Maintenance Assessment District No. 2003-1 ($25,000) (PW)
Res.	C-9	Adopt Resolution Accepting Rose Gate Subdivision Unit No. 1 (Tract No. 3785) and Unit No. 2 (Tract No. 3813) Public Improvements (PW)
Res.	C-10	Adopt Resolution Approving Collateral Assignment of Power Purchase Agreement to Permit Financing of Astoria 2 Solar Project by EFS Renewables Holdings, LLC, and Approving Related Amendments to Existing Power Purchase Agreement to Effectuate Such Financing as Contained in a Consent and Agreement; a Non-Disturbance and Attornment Agreement; and an Intercreditor and Subordination Agreement (EU)
Res.	C-11	Adopt Resolution Authorizing Lodi Police Department to Participate in the AVOID the 10 Grant Funded by the Office of Traffic Safety; Appropriating Funds ($22,500); and Further Authorizing Chief of Police to Execute the Agreement (PD)
Res.	C-12	Adopt Resolution Authorizing City Manager to Execute Service Maintenance Agreement with Sungard Public Sector, Inc., of Lake Mary, Florida ($147,495.72) (PD)
Res.	C-13	Adopt Resolution Setting Off-Season Rate for Lodi Lake Park Running Events (PRCS)
Res.	C-14	Adopt Resolution Approving Various Public Works Policies and Various Public Works Fees, Charges, and Penalties (PW)
Res.	C-15	Adopt Resolution Authorizing Lodi Police Department to Waive Bicycle Licensing Fees for Lodi Adopt-A-Child for the Month of December (PD)
Res.	C-16	Adopt Resolution Authorizing City Manager to Donate One Retired Police Patrol Vehicle to San Joaquin Delta College Police Academy (PD)
Res.	C-17	Adopt Resolution Directing Staff to File 2015-2023 Draft Housing Element with the Department of Housing and Community Development for Review (CD)
Res.	C-18	Adopt Resolution Revising Debt Management Policy (CM)
	C-19	Approve Hutchins Street Square North Parking Lot Tree Removal (PRCS)
	C-20	Receive Annual Americans with Disabilities Act Committee Report (CD)
	C-21	Receive Update on Emergency Condition at White Slough Water Pollution Control Facility Digesters No. 1 and No. 2 (PW)

D. Comments by the Public on Non-Agenda Items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

Public comment may only be made on matters within the Lodi City Council's jurisdiction (Government Code Section 54954.3, Lodi City Council Protocol Manual Section 6.3l). The Council cannot take action or deliberate on items that are not on this agenda unless there is an emergency and the need to take action on that emergency arose after this agenda was posted (Government Code Section 54954.2(b)(2)). All other items may only be referred for review to staff or placement on a future Council agenda.

E. Comments by the City Council Members on Non-Agenda Items

F. Comments by the City Manager on Non-Agenda Items

G. Public Hearings – None

H. Communications – None

I. Regular Calendar

Res. I-1 Adopt Resolution Approving a Retiree Health Savings Account for Affected Members of the Lodi Police Dispatchers Association and Appropriating Funds ($76,900) (CM)

Res. I-2 Adopt Resolution of Change Declaring Election Results and Introduce Ordinance to
Ord. Reduce Special Taxes and Annual Index for Community Facilities District No. 2007-1 (CM)
(Introduction)

J. Ordinances

Ord. J-1 Ordinance No. 1917 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal
(Adopt) Code Title 13 – Public Services – by Repealing and Re-Enacting Chapter 13.04, 'Service Generally,' and Chapter 13.08, 'Water Service,' in Their Entirety" (CLK)

K. 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

All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the City Clerk, located at 221 W. Pine Street, Lodi, and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the City Clerk's Office as soon as possible and at least 72 hours prior to the meeting date. Language interpreter requests must be received at least 72 hours in advance of the meeting to help ensure availability. Contact Jennifer M. Ferraiolo at (209) 333-6702. Solicitudes de interpretación de idiomas deben ser recibidas por lo menos con 72 horas de anticipación a la reunión para ayudar a asegurar la disponibilidad. Llame a Jennifer M. Ferraiolo (209) 333-6702.

Meetings of the Lodi City Council are telecast on SJTV, Channel 26. The City of Lodi provides live and archived webcasts of regular City Council meetings. The webcasts can be found on the City's website at www.lodi.gov by clicking the meeting webcasts link.

AGENDA ITEM C-01

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Receive Register of Claims through October 29, 2015 in the total amount of $6,839,940.24

MEETING DATE: November 18, 2015

PREPARED BY: Financial Services Manager

RECOMMENDED ACTION: Receive the attached Register of Claims for $6,839,940.24.

BACKGROUND INFORMATION: Attached is the Register of Claims in the amount of $6,839,940.24 through 10/29/15. Also attached is Payroll in the amount of $2,809,233.06.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: As per attached report.

_____
Ruby R. Paiste
Financial Services Manager

RRP/mlm

Attachments

APPROVED: _____
Stephen Schwabauer, City Manager

Council Report
City of Lodi, CA - v10.5 Live
10/16/2015 through 10/29/2015

Fund	Amount
100 - General Fund	1,350,301.04
120 - Library Fund	11,729.11
140 - Expendable Trust	20,665.00
200 - Parks Rec & Cultural Services	87,151.55
270 - Comm Dev Special Rev Fund	3,185.20
301 - Gas Tax-2105 2106 2107	31,199.15
303 - Measure K Funds	9,860.80
307 - Federal - Streets	3,807.23
350 - H U D	2,873.50
403 - Vehicle Replacement Fund - PD	34,603.05
431 - Capital Outlay/General Fund	418,049.47
432 - Parks & Rec Capital	21,934.71
500 - Electric Utility Fund	3,467,620.70
501 - Utility Outlay Reserve Fund	61,648.24
504 - Public Benefits Fund	37,730.80
508 - Environmental Compliance	1,792.00
530 - Waste Water Utility Fund	81,757.44
531 - Waste Wtr Util-Capital Outlay	94,967.88
560 - Water Utility Fund	47,154.18
561 - Water Utility-Capital Outlay	613,767.41
565 - PCE/TCE Rate Abatement Fund	3,053.01
600 - Dial-a-Ride/Transportation	185,010.83
601 - Transit Capital	87,979.56
650 - Internal Service/Equip Maint	40,620.95
655 - Employee Benefits	98,022.89
665 - Worker's Comp Insurance	23,454.54
Total	6,839,940.24

Council Report: Payroll
City of Lodi, CA - v10.5 Live
Pay Period 10/11/2015

Fund	Description	Amount
100	General Fund	1,645,785.50
120	Library Fund	40,877.02
200	Parks Rec & Cultural Services	209,239.06
214	LPD-OTS Grants	5,452.02
219	LPD-ABC Grant	3,713.74
270	Comm Dev Special Rev Fund	53,150.66
301	Gas Tax-2105 2106 2107	63,464.46
500	Electric Utility Fund	435,903.60
530	Waste Water Utility Fund	247,247.98
560	Water Utility Fund	43,697.50
600	Dial-a-Ride/Transportation	16,524.96
650	Internal Service/Equip Maint	29,582.96
655	Employee Benefits	14,593.60
Report Total		**2,809,233.06**

AGENDA ITEM C-02

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Approve Minutes
a) October 27, 2015 (Shirtsleeve Session)
b) November 3, 2015 (Shirtsleeve Session)
c) November 4, 2015 (Regular Meeting)
d) November 4, 2015 (Special Meeting)
e) November 10, 2015 (Shirtsleeve Session)
f) November 10, 2015 (Special Meeting)

MEETING DATE: November 18, 2015

PREPARED BY: City Clerk

RECOMMENDED ACTION: Approve the following minutes as prepared:
a) October 27, 2015 (Shirtsleeve Session)
b) November 3, 2015 (Shirtsleeve Session)
c) November 4, 2015 (Regular Meeting)
d) November 4, 2015 (Special Meeting)
e) November 10, 2015 (Shirtsleeve Session)
f) November 10, 2015 (Special Meeting)

BACKGROUND INFORMATION: Attached are copies of the subject minutes marked Exhibit A and F, respectively.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

_____
Jennifer M. Ferraiolo
City Clerk

Attachments

APPROVED: _____
Stephen Schwabauer, City Manager

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LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, OCTOBER 27, 2015

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, October 27, 2015, commencing at 7:00 a.m.

Present: Council Member Kuehne, Council Member Mounce, Mayor Pro Tempore Chandler, and Mayor Johnson
Absent: Council Member Nakanishi
Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

NOTE: Council Member Kuehne left at 8:16 a.m.

B. Topic(s)

B-1 Receive Information Regarding Proposed Changes to Public Works Policies, Charges Related to the Provision of Public Works Services, and Changes to Lodi Municipal Code Title 13 - Public Services (PW)

Public Works Director Wally Sandelin provided a PowerPoint presentation on policy changes, code changes, and fees for Public Works services. Specifics topics of discussion included water policies, water service maintenance, sewer policies, wastewater lateral maintenance, fee schedule, and changes to Lodi Municipal Code Title 13 - Public Services.

In response to Council Member Mounce, Mr. Sandelin stated the proposed change to Water Policy No. 6, which would allow private contractors to work on the water system, is not a result of the impending water meter program beginning on the east side of town. He provided the scenario of an owner of a vacant lot who builds a new home and is required to install new water service, stating that this amendment would allow the owner to hire a private contractor to build and connect to the City's system. For those who already have water service, they typically do not change the connection at the main unless they increase the size of their meter at the main, which does not happen often.

Mr. Sandelin reminded Council that its previous direction was to not refund the difference for those property owners who paid $1,400 for a new water meter before the City's water meter program was implemented and those who paid $300 as part of the City-wide program, to which Council Member Mounce stated she believed that was unjust on the City's part. Mr. Sandelin stated there were approximately 2,000 customers since 1992 who paid the higher price and it would cost $1 to $2 million to refund the difference between $1,400 and $300. He further posed the question of who should be refunded: the current property owner or the individual who pulled the permit. Council Member Mounce stated she believed those who replaced their meters at the higher cost while the Council debated the water meter program should be refunded.

Council Member Mounce referenced an individual on the east side of town who claimed that his City-installed water meter leaked, yet the City placed the responsibility of the leak on the property owner, rather than repairing it. Mr. Sandelin stated this particular individual performed work on his meter after the City installed it; therefore, the City denied his request for reimbursement.

Council Member Kuehne stated , from his experience as a pipefitter, it is difficult to crack a fitting or a pipe and he believed the City was generous in allowing a two-year timeframe to repair issues relating to the City's installation of the water meter.

In response to Council Member Mounce, Mr. Sandelin stated the City will, on occasion, extend the two-year warranty if a customer demonstrates that the leak was happening previously, yet they were not aware of the problem until they received their metered bill.

With regard to blocked sewer lines, Council Members Mounce and Kuehne stated the City should reimburse customers for the video inspection of a lateral if it is determined that the blockage was the fault of the City. Mr. Sandelin stated language to that effect can be incorporated into the ordinance when it returns to Council for approval.

In response to Mayor Johnson, Mr. Sandelin stated video inspections occur a couple times a year, to which Mayor Johnson suggested City crews handle that task, rather than requiring a customer to hire a plumbing service. Mr. Sandelin stated City crews occasionally perform the service; however, the common scenario is that staff will inspect the main only and, if there is no blockage, inform the customer that it is their responsibility to clean the lateral. Typically, the customer is not charged for repairs from the main to the lateral.

In response to Council Member Mounce, Mr. Sandelin stated the policy recommendation is to solidify the practice of requiring the customer to repair the lateral from the main to the home, and, as a result of Council's discussion this morning, provide consistency on the video inspection of laterals and adding language to reimburse customers if they demonstrate that the lateral was not plugged.

In response to Council Member Mounce, Mr. Sandelin stated the current charge for special events, such as the Farmers' Market, Parade of Lights, and the Amgen tour, is $42 and the proposed fee is $200, which is a partial cost recovery. Council Member Mounce expressed concern that the higher fee is passed onto those putting on the event and suggested that economic development could back charge some of those costs. City Manager Schwabauer stated the reason behind the increased cost is to encourage organizers to hold their events in places other than the street because road closures are an inconvenience to neighbors and businesses. In further response to Council Member Mounce, Mr. Schwabauer stated there could be an exemption for historic events, and Mr. Sandelin added there is currently an exemption for the National Night Out event. Council Member Mounce suggested exempting the Farmers' Market and Parade of Lights.

Mayor Johnson stated he would not support the recommendation of exempting events because there is a cost associated with maintaining the streets and sidewalks after each event and, if that is the cost of doing business, he would not argue against it.

Council Member Kuehne stated the Farmers' Market generates a significant amount of mess afterward and he has cleaned up spills from vendors at a cost well over $200. Despite the fact that it is a Chamber event, the City maintains the streets and sidewalks following the event; therefore, he was not opposed to increasing the fee. He stated he believed $200 was not an onerous cost for many of these organizers, many of whom make a profit from their events.

In response to Mayor Pro Tempore Chandler, Mr. Sandelin stated the fees for building permits and inspections relating to fats, oils, and grease were calculated using data on the time it takes to issue the permits for residential and non-residential customers, including the coordinated efforts of Community Development and engineering technicians. He added the proposed fees are inexpensive compared to other communities.

In response to Council Member Mounce, Mr. Sandelin confirmed the proposed fees were shared with the building community. Further, he stated that, pursuant to State regulation, this schedule will establish requirements for grease traps, set requirements for maintenance, and provide education for business owners and staff, which is currently not being done.

In response to Council Member Mounce, Mr. Sandelin stated the current fines for water wasters is nominal and the first through third citations are the same fee amount, adding the new fees are in response to the Governor's executive order that cities are not meeting the water conservation target. Council Member Mounce stated that, before these new fines are imposed, the City needs

to ensure it is meeting the watering requirements because citizens will be displeased to receive citations and penalties when the City itself is not meeting the requirements.

Mayor Johnson suggested the proposed water waste fines be further compacted with stiffer penalties to add encouragement for water conservation. Mr. Sandelin stated the theme was to be customer sensitive and friendly, but staff is looking to Council for direction on this issue, to which Mayor Johnson responded the chronic abusers are the ones who should be penalized.
Mr. Sandelin stated, when this item returns before Council, he will provide a summary of the water waste fines from surrounding communities and suggested that another option would be a compressed enforcement schedule that would allow for three warnings before imposing stiff penalties.

In response to Council Member Kuehne, Mr. Sandelin stated he did not have a specific explanation, but would research further, for the reason why Lodi has missed the water conservation target by increasing percentages. He stated one possible reason is that the weather in September 2013, which is the comparison year, may have been such that it necessitated less water use, thereby making it difficult to accomplish a lower number.

Council Member Kuehne questioned what the regulation is on draining swimming pools because his neighbor drains his pool once a month, causing water to flow into the storm drain and down the front of his parcel, in addition to flooding his backyard, and he has received warnings for his neighbor's actions. Mr. Sandelin stated pool water is not permitted to be drained into the stormwater system, and Mr. Schwabauer added the chlorine and salt are harmful to the system.

Council Member Mounce understood the reason behind increasing the water waste fines; however, a $35 fine for a senior living on a fixed-income on the east side of town would be a hardship. She stated some may not be overwatering, but their sprinklers may run onto the sidewalk. Mr. Sandelin stated staff will contact individuals to educate them on setting their sprinkler timers, adding there is also a rebate available for timers.

In response to Mayor Johnson, Mr. Sandelin stated transportation charges are applied to extra wide or long truck loads that travel through the City.

Mr. Sandelin pointed out the proposed code changes will continue to allow the City to terminate both electric and water services for non-payment at the same time and that staff is looking for Council direction on how to implement that code section. A home with no services is considered uninhabitable, and when only electricity is terminated, a property owner can still reside in a home because water and sewer services continue to exist.

Council Member Mounce stated she understood the reasoning to be prudent in collections to ensure the community does not pay the bad debt of other customers; however, she believed it was disgraceful to turn off all services and displace people for non-payment. Mr. Schwabauer recommended staff be given that option because there are scenarios where this would be appropriate, particularly for those who heavily abuse the system with excessively high, unpaid utility bills. Council Member Mounce stated she believed this practice would worsen the homeless situation by displacing citizens and questioned who would make those decisions once this regulation was added to the code. In response to Council Member Mounce, Deputy City Manager Jordan Ayers confirmed that the shut-off time is 46 days from the initial utility bill date.

Council Member Kuehne concurred with Council Member Mounce, stating that, if the regulation is included in the policy, there should be a reasonable threshold such as a dollar amount or a length of time without paying a bill.

Council Member Mounce agreed, stating the policy needs to be clear so that those enforcing it know the limits.

Mayor Pro Tempore Chandler added he would like to see language added to the policy that notification of shut off not be solely by mail, to which Council Member Mounce agreed.

Mr. Ayers confirmed utility shut offs are handled by Field Services in Electric Utility and, if a list is too extensive, staff will pare it down to the worst offenders and shut those services off first.

In response to Mayor Johnson, Mr. Ayers confirmed the current billing timeline went into effect March 2012, a bill becomes delinquent on the 26th day, late fees are then assessed if not paid in full, and shut off occurs 46 days after the initial bill.

In response to Council Member Mounce, Mr. Ayers stated the billing timeline and cycle will come before Council at a Shirtsleeve Session in mid-November.

Council Member Kuehne stated he believed that the required payment on a small late amount was gratuitous, there is very little grace given on electric utility accounts, no terms are offered on payments, and Finance is particular when it comes to accepting payments made by check.

In response to Council Member Mounce, Mr. Sandelin stated many property owners want their tenants to be billed for water and sewer services and State law requires the water utility to bill for what a meter registers for water service to the parcel. Council Member Mounce stated she believed it was achievable to meet the law by sending individual bills to the tenants and trueing up at the end of the year with the property owner so that the bill reflects the meter.

In response to Council Member Mounce, Electric Utility Director Elizabeth Kirkley stated research shows that the electric meter testing charge is $18; not $75 as previously quoted.

Mayor Johnson disagreed with the policy of discounting the charge on residential fire protection systems when State law imposes the requirement; instead, the property owner should pay the cost of installing the system. Mr. Sandelin stated the policy can be amended and currently it was reflective of past direction.

Council Member Kuehne concurred, stating the cost should be passed onto the customer, most of whom receive a break on insurance for fire suppression.

Council Member Mounce stated the City should absorb the cost and not charge for it.

Mayor Pro Tempore Chandler requested some discretion be used on fining residents for watering during a rain event because homeowners may not know or be home to change their sprinkler timers when there is only a small amount of rain.

Mr. Sandelin stated staff will bring back the various amendments from this meeting when the item comes back before the Council.

Mike Lusk referred to his Blue Sheet item (filed), in which he requested an addendum to the ordinance that would require the collected late charges to be applied directly to the appropriate utility instead of to the general fund and that services performed by departments be back charged for in-lieu of services rendered for each utility. He further stated it was premature to enact this ordinance while Council is still debating rates and issues related to the Electric Utility. Mr. Lusk stated the City should not charge for a first-time meter inspection to verify if the meter is providing adequate service. With regard to the charges, Mr. Lusk questioned why there was no reference to Proposition 218, which requires a vote of the citizens, and why the word "charges" was changed to "penalties" when referring to late charges on utility bills.

In response, Ms. Magdich stated the code in question regarding penalties mirrors the language in the Government Code, which allows for the enforcement and assessment of penalties for those who do not pay their bill on time and a shut-off procedure, and that Proposition 218 does not apply in this case.

Mr. Lusk further stated he believed it is unfair that the City is exempt from following watering rules and suggested that the City could appropriately set sprinkler timers to fully water even large parks. Mr. Schwabauer explained the pump stations in the parks are insufficient to water a large area in one timeframe and that the entire area for the larger parks could not be watered during

the allowable watering period. Parks, Recreation, and Cultural Services Director Jeff Hood added the allowable watering days often fall on a high-use day, such as Saturday or Sunday; it is unadvisable to water prior to a scheduled park activity; the grass typically needs to be resuscitated on Mondays to get it healthy; and the number of watering cycles goes beyond what can be accomplished in a day.

Mr. Lusk stated, with regard to over spraying, there should be some leeway in the language because it is difficult to adjust sprinklers so that no water gets onto the sidewalk or median.

Council Member Mounce expressed concern that citizens could be charged for over spraying, particularly when it involves watering City property. Many of the City median strips are in older parts of town where a majority of low-income families reside who are charged to maintain and water the City property and, with this ordinance, could also be penalized for over watering. She believed that to be unfair.

In response to Council Member Mounce, Mr. Schwabauer stated the general fund purchased the land at White Slough; therefore, the rent that Northern California Power Agency pays is returned to the general fund.

Myrna Wetzel reminded everyone to be compassionate toward one another, especially for those low-income individuals who are struggling to pay their bills on time.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 8:29 a.m.

ATTEST:

Jennifer M. Ferraiolo
City Clerk

Exhibit B

LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, NOVEMBER 3, 2015

The Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council of Tuesday, November 3, 2015, was cancelled due to lack of a quorum. An informal presentation was made on both topics - Parks, Recreation, and Cultural Services Report for Fiscal Year 2014/15 and Presentation on the 2015 Lodi Bicycle Summit - with background materials and PowerPoint presentations on file in the City Clerk's Office.

ATTEST:

Jennifer M. Ferraiolo
City Clerk

LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, NOVEMBER 4, 2015

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of November 4, 2015, was called to order by Mayor Johnson at 5:30 p.m.

Present: Mayor Pro Tempore Chandler, Council Member Kuehne, Council Member Mounce, Council Member Nakanishi, and Mayor Johnson
Absent: None
Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

NOTE: City Council Appointees Schwabauer, Magdich, and Ferraiolo were only present during their individual evaluations before the City Council.

C-2 Announcement of Closed Session

a) Review of Council Appointees - City Manager, City Attorney, and City Clerk to include compensation evaluation for City Attorney and City Clerk (Gov. Code 54957)

C-3 Adjourn to Closed Session

At 5:30 p.m., Mayor Johnson adjourned the meeting to a Closed Session to discuss the above matter. The Closed Session adjourned at 6:55 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:00 p.m., Mayor Johnson reconvened the City Council meeting and disclosed the following action.

Item C-2 (a) was discussion only with no reportable action.

A. Call to Order / Roll Call

The Regular City Council meeting of November 4, 2015, was called to order by Mayor Johnson at 7:00 p.m.

Present: Mayor Pro Tempore Chandler, Council Member Kuehne, Council Member Mounce, Council Member Nakanishi, and Mayor Johnson
Absent: None
Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

B. Presentations

B-1 Lodi Citizens in Action Presentation (CLK)

June Aacker with the Lodi Citizens in Action presented a check in the amount of $8,133 to Tracy Williams and Shana Brucia with the Lodi Police Foundation in celebration of the success of the recent Lodi Law Enforcement Appreciation Event held at Lodi Lake. Ms. Aacker announced that the goal of Lodi Citizens in Action is to make this an annual event. Ms. Brucia thanked the organization and stated that the funds will go toward the Police Department's new electric motorcycles.

B-2 Runaway Homeless Youth Awareness Month Proclamation (CLK)

Mayor Johnson presented a proclamation to Melissa Amos, Youth Shelter Manager with the Women's Center of San Joaquin Youth and Family Services, proclaiming the month of November 2015 as "Runaway Homeless Youth Awareness Month" in the City of Lodi.

C. Consent Calendar (Reading; Comments by the Public; Council Action)

Council Member Mounce made a motion, second by Mayor Pro Tempore Chandler, to approve the following items hereinafter set forth in accordance with the report and recommendation of the City Manager.

VOTE:
The above motion carried by the following vote:
Ayes: Mayor Pro Tempore Chandler, Council Member Kuehne, Council Member Mounce, Council Member Nakanishi, and Mayor Johnson
Noes: None
Absent: None

C-1 Receive Register of Claims in the Amount of $3,542,634.12 (FIN)

Claims were approved in the amount of $3,542,634.12.

C-2 Approve Minutes (CLK)

The minutes of October 20, 2015 (Shirtsleeve Session) and October 21, 2015 (Regular Meeting) were approved as written.

C-3 Accept Quarterly Report of Purchases between $10,000 and $20,000 (CM)

Accepted the Quarterly Report of Purchases between $10,000 and $20,000.

C-4 Accept Quarterly Investment Report as Required by the City of Lodi Investment Policy (CM)

Accepted the Quarterly Investment Report as required by the City of Lodi Investment Policy.

C-5 Approve Specifications and Authorize Advertisement for Bids to Procure Padmount Transformers (EU)

Approved the specifications and authorized advertisement for bids to procure padmount transformers.

C-6 Approve Specifications and Authorize Advertisement for Bids to Procure Polemount Transformers (EU)

Approved specifications and authorized advertisement for bids to procure polemount transformers.

C-7 Adopt Resolution Authorizing City Manager to Award Contract for Lodi Lake Park - Boat Launch Facility Improvements to the Lowest Responsive Bidder (Not to Exceed $900,000) and Appropriating Funds ($190,000) (PW)

Adopted Resolution No. 2015-188 authorizing the City Manager to award the contract for Lodi Lake Park - Boat Launch Facility Improvements to the lowest responsive bidder in an amount not to exceed $900,000 and appropriating funds in the amount of $190,000.

C-8 Adopt Resolution Awarding Contract for Michael David Winery Force Main Project to Vinciguerra Construction, of Sutter Creek ($831,600); Authorizing City Manager to Execute

Professional Services Agreement with Kjeldsen, Sinnock & Neudeck, Inc., of Stockton, for Construction Services ($25,300); and Appropriating Funds ($942,590) (PW)

Adopted Resolution No. 2015-189 awarding the contract for the Michael David Winery Force Main Project to Vinciguerra Construction, of Sutter Creek, in the amount of $831,600; authorizing the City Manager to execute a Professional Services Agreement with Kjeldsen, Sinnock & Neudeck, Inc., of Stockton, for construction services, in the amount of $25,300; and appropriating funds in the amount of $942,590.

C-9 Accept Improvements Under Contract for Well 6R Pump Replacement Project (PW)

Accepted improvements under the contract for the Well 6R Pump Replacement Project.

C-10 Accept Improvements Under Contract for Henry Glaves Park Pump Station Improvement Project (PW)

Accepted improvements under the contract for the Henry Glaves Park Pump Station Improvement Project.

C-11 Adopt Resolution Authorizing City Manager to Execute Professional Services Agreement with Otis Elevator Company, of North Highlands, for Elevator Services and Authorizing Public Works Director to Execute Extension ($37,500) (PW)

Adopted Resolution No. 2015-190 authorizing the City Manager to execute a Professional Services Agreement with Otis Elevator Company, of North Highlands, for elevator services and authorizing the Public Works Director to execute an extension, in the amount of $37,500.

C-12 Adopt Resolution Authorizing City Manager to Execute Professional Services Agreement with Moore Twining Associates, of Fresno, for Public Works Water/Wastewater Laboratory Services (Not to Exceed $150,000) (PW)

Adopted Resolution No. 2015-191 authorizing the City Manager to execute a Professional Services Agreement with Moore Twining Associates, of Fresno, for Public Works water/wastewater laboratory services, in an amount not to exceed $150,000.

C-13 Adopt Resolution Authorizing City Manager to Execute Professional Services Agreement with Petralogix Engineering, of Galt, for Engineering and Environmental Services for White Slough Water Pollution Control Facility ($66,725) and Appropriating Funds ($100,000) (PW)

Adopted Resolution No. 2015-192 authorizing the City Manager to execute a Professional Services Agreement with Petralogix Engineering, of Galt, for engineering and environmental services for White Slough Water Pollution Control Facility, in the amount of $66,725, and appropriating funds in the amount of $100,000.

C-14 Adopt Resolution Authorizing City Manager to Execute Amendment No. 1 to Professional Services Agreement with Interwest Consulting Group, of Elk Grove, for Geographical Information System Consulting Services ($40,650) (PW)

Adopted Resolution No. 2015-193 authorizing the City Manager to execute Amendment No. 1 to the Professional Services Agreement with Interwest Consulting Group, of Elk Grove, for geographical information system consulting services, in the amount of $40,650.

C-15 Adopt Resolution Appropriating $10,000 for Parks, Recreation, and Cultural Services Copier Purchase (PRCS)

Adopted Resolution No. 2015-194 appropriating $10,000 for Parks, Recreation, and Cultural Services copier purchase.

C-16 Adopt Resolution Approving Impact Mitigation Fee Program Annual Report for Fiscal Year 2014/15 (PW)

Adopted Resolution No. 2015-195 approving the Impact Mitigation Fee Program Annual Report for Fiscal Year 2014/15.

C-17 Adopt Resolution Approving City of Lodi Post-Construction Stormwater Development Standards Manual (PW)

Adopted Resolution No. 2015-196 approving the City of Lodi Post-Construction Stormwater Development Standards Manual.

C-18 Set Public Hearing for December 16, 2015, to Consider Adopting Resolution Setting Pre-Approved Engineering News Record Adjustment Index for Usage-Based and Flat Water Rates for Residential, Commercial, and Industrial Customers (PW)

Set a public hearing for December 16, 2015, to consider adopting a resolution setting pre-approved Engineering News Record adjustment index for usage-based and flat water rates for residential, commercial, and industrial customers.

D. Comments by the Public on Non-Agenda Items
THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.
Public comment may only be made on matters within the Lodi City Council's jurisdiction (Government Code Section 54954.3, Lodi City Council Protocol Manual Section 6.3l). The Council cannot take action or deliberate on items that are not on this agenda unless there is an emergency and the need to take action on that emergency arose after this agenda was posted (Government Code Section 54954.2(b)(2)). All other items may only be referred for review to staff or placement on a future Council agenda.

Mamie Starr and volunteers with the Lodi Sandhill Crane Association gave a presentation on the 2015 Sandhill Crane Festival at Hutchins Street Square from November 6 to 8. Ms. Starr highlighted the many events, such as the awards dinner, art show and reception, 50 scheduled tours, and presentations, including one from keynote speaker Gary Ivey from the International Crane Foundation. Ms. Starr reported the Festival has turned into the busiest overnight stay weekend of the year and is of great economic benefit for Lodi. Kathy Grant stated many articles have been published on the Festival, bloggers have been discussing the event, and Fox 40 News will be at Dancing Fox to feature its Sandhill Crane bread loaf and at Woodbridge Winery to feature its wines.

Mayor Pro Tempore Chandler commended the group for organizing this high-quality festival, adding that it is not solely the wine industry that makes Lodi special, it is also its nature, the Crane Festival, and the community's authenticity.

Kristin Williams with The Reuse People of America, Inc., introduced the non-profit company, which encourages the deconstruction of residential structures and donations. She stated there were two recently-demolished buildings in Lodi that were good candidates for this program, including an older home south of the Wal-Mart development and another building on Lower Sacramento Road and Woodbridge Road. Projects are more feasible because of the tax deduction, and materials are salvaged and sold second hand. Ms. Williams added recent legislation went into affect that increases the required landfill reduction from 50 percent to 75 percent by 2020, which makes deconstruction more of a necessity. She believed this was a permitting issue, as well as a waste management issue, and she encouraged the City to make it a goal to create incentives at the Community Development permitting level. Ms. Williams requested a more thorough presentation be scheduled for a future Shirtsleeve Session.

Marilyn Hughes spoke in support of the City offering pickle ball as a sport, stating the US Pickle Ball Association has agreed to offer demonstrations and lessons in Lodi, as well as use of materials, if a location is provided. She encouraged Council to support the activity and approve a

suitable location, such as a tennis or basketball court, which can be striped for pickle ball.

Council Member Kuehne expressed support for bringing the sport of pickle ball to Lodi and stated he believed it would be inexpensive to set up appropriate courts.

Duane Simpfenderfer with the Day-to-Day Diabetes Support Group asked the Council to recognize November 2-15, 2015, as National Diabetes Month and reported that November 14 is Worldwide Global Diabetes Day. Mr. Simpfenderfer stated an outreach program called Trial Net will be held on November 19 at 4 p.m. to test families for certain antibodies of Type 1 diabetes. Check-in will be at the Lodi Public Library, with the tests run at the Lodi News-Sentinel employee lunch room. Susan Sanchez, registered nurse, reported San Joaquin County is one of the worst counties in caring for diabetes; Sandy Whitbeck stated she arranges for monthly speakers at group meetings, with varying topics on food, nutrition, fitness, and health; and Bonnie Bittle expressed support for the assistance and understanding this group has given to her as a Type 1 diabetic. Mayor Johnson presented the group with a proclamation proclaiming the month of November 2015 as "National Diabetes Month" in the City of Lodi.

E. Comments by the City Council Members on Non-Agenda Items

Mayor Pro Tempore Chandler reported Lodi Wine Enthusiast magazine named Lodi the Wine Region of 2015, which received front-page coverage in the Lodi News-Sentinel. He stated this was a testament to the grapegrowers, wineries, and Visit Lodi! and congratulated the industry on this achievement. Further, Mayor Pro Tempore Chandler reported he spoke on behalf of the Mayor at the Mayor's State of the City Address, at which the Chamber outlined its Vision 2020 program and the City Manager explained the current state of the City. In the afternoon, he participated in the swearing-in ceremony of new Police Chief Tod Patterson, at which a record number of people attended with pride and affection for Chief Patterson. He commended the City Manager on making a good selection and stated he looked forward to a great future with the Lodi Police Department.

Council Member Mounce reminded that at the last meeting she brought up the concept of a new commission as an oversight group for the Electric Utility, for which another Council Member expressed interest. She requested the matter be brought before Council at a meeting in the near future so that Council can decide how to form the group. Ms. Mounce believed this commission would bring value to the Council by bringing issues forward that it may not be aware of, adding that, had this group existed, Council could have been working on an improved product and better customer service instead of leaving citizens to struggle under financial duress. Council Member Mounce reported the Electric Utility Director is arranging for a tour of the Electric Utility and urged anyone from the FaceBook group, Citizens Against City of Lodi Electric Utility Rates & Charges, to contact her if interested in participating. Further, Council Member Mounce informed the public that her City e-mail account has not properly functioned for the last seven years; therefore, anyone wishing to reach her can do so through her private e-mail address: jmounce@lodicitycouncil.com.

Council Member Nakanishi reported he attended the Mayor's State of the City Address and responded to the Lodi News-Sentinel article that criticized the Council for holding the event in Woodbridge, stating the event is, and always has been, sponsored by the Lodi District Chamber of Commerce. He stated it has traditionally been held at Hutchins Street Square; however, the Chamber opted to look elsewhere because the City started charging the Chamber to utilize the facility in order to cover expenses. In a recent report by Parks, Recreation, and Cultural Services Director Jeff Hood, it was reported the Department was able to pay back $800,000 of debt and to begin accumulating a fund balance due to the fact that it cut staff and began charging for use of City property instead of renting it out at no charge to certain organizations. Council Member Nakanishi recognized the Chamber for hosting the event and commended Mayor Pro Tempore Chandler and City Manager Schwabauer for their presentations.

F. Comments by the City Manager on Non-Agenda Items

None.

G. Public Hearings

G-1 Public Hearing to Consider Adopting Resolution Setting the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan Development Fees for 2016 (CD)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Johnson called for the public hearing to consider adopting a resolution setting the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan development fees for 2016.

Senior Planner Craig Hoffman provided a presentation regarding the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan development fees for 2016. Specific topics of discussion included original Plan adoption in 2001, schedule of fees for property owners to develop with non-agricultural use, mitigation of cumulative impacts of new development on habitat lands, and annual review of fees. Mr. Hoffman stated this is not a City of Lodi fee and is paid by developers for land surrounding the community for open space and agriculture. The 2016 fees, which were approved by San Joaquin Council of Governments (SJCOG), are increasing by 7 percent; each local jurisdiction is requested to approve the new fee schedule; and the fees will be effective January 1, 2016. Mr. Hoffman stressed this is not a City fee that citizens pay; it is paid by land owners for their projects.

In response to Mayor Pro Tempore Chandler, Mr. Hoffman stated the fees are based per acre and it is a great program that most developers prefer to use because it streamlines and quickens the process instead of working with the Department of Fish and Wildlife.

Mayor Johnson opened the public hearing for public comment.

An unidentified individual requested a further explanation of the fee, stating she felt it was unjust. Mr. Hoffman explained the developer is not required to participate in the program or pay the fee. The developer can opt to work with the Department of Fish and Wildlife to create a mitigation strategy instead of paying the fee, but most choose the fee because it is a streamlined approach that moves the project along in a timely fashion.

Council Member Mounce added this mitigation comes from the California Environmental Quality Act (CEQA) process, which states developers who convert land, such as farmland, into a commercial or residential use, must participate in extremely restrictive mitigation measures. She added the League of California Cities is working to lessen the effects of CEQA, but it is a slow-moving process.

Council Member Kuehne further explained there are mitigation fees that developers must pay one way or the other: they can opt to work through the Department of Fish and Wildlife, which can take years to mitigate, or they can pay the fee to SJCOG, which will go toward the purchase of an equal amount of land purchased elsewhere that would remain undeveloped as open space. This process is supported by the Business Industry Association and is positive for both developers and citizens because it does not hold up development for years and it provides for large open spaces for future growth.

In response to Council Member Nakanishi, Mr. Hoffman stated this program started in 2001, with the fees renewed annually. He added, in some years, the fees remained the same or decreased when development was low.

There being no further public comments, Mayor Johnson closed the public hearing.

Council Member Kuehne made a motion, second by Mayor Pro Tempore Chandler, to adopt Resolution No. 2015-197 setting the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan Development Fees for 2016.

VOTE:
The above motion carried by the following vote:
Ayes: Mayor Pro Tempore Chandler, Council Member Kuehne, Council Member Mounce, Council Member Nakanishi, and Mayor Johnson
Noes: None
Absent: None

H. Communications - None

I. Regular Calendar

I-1 Introduce Ordinance Amending Lodi Municipal Code Title 13 - Public Services - by Repealing and Re-Enacting Chapter 13.04, "Service Generally," and Chapter 13.08, "Water Service," in Their Entirety (PW)

Public Works Director Wally Sandelin provided a PowerPoint presentation regarding revisions to Lodi Municipal Code Chapters 13.04, Service Generally, and Chapter 13.08, Water Service. Specific topics of discussion included a review of each section and the recommended changes, including any amendments made as a result of the comments made at the October 27 Shirtsleeve Session.

Council Member Mounce expressed concern with turning off both electricity and water services for non-payment, which makes a home uninhabitable, stating she would not support an amendment that could potentially displace residents.

Council Member Kuehne appreciated the change in verbiage regarding the assessment of penalties, which added a threshold of 120 days or delinquent utility charges in excess of $3,000 and the 48-hour notification requirement, stating he was amenable to supporting the amendment; however, he questioned if staff was comfortable with this change or if there was a better alternative. City Manager Schwabauer responded staff is satisfied with this approach, adding there are customers who never pay their water bill and currently there is no mechanism to turn off water. He further explained the amendment includes an appeal process if there is a special need.

Mayor Pro Tempore Chandler stated he was the one who requested language regarding personal notice and stated he was satisfied with the amendment.

In response to Council Member Mounce, Mr. Schwabauer explained the personal notice is 48 hours prior to termination of water service; however, a customer receives a cut-off notice from the first failure to pay under the ordinary ordinance procedure, which is two months before the final notice of termination. In further response, City Attorney Magdich stated, under this code, appeals are directed to and handled by the Director of Finance prior to discontinuance of service.

In response to Council Member Mounce, Mr. Sandelin stated staff did not notify apartment complex owners of the changes to the section relating to apartments, condominiums, and flats and added this modification brings the code into compliance with the water meter program and State law. Council Member Mounce questioned if this particular amendment achieves water conservation, which is the purpose of the water meter program, to which Ms. Magdich responded the amendment comports with State law. Council Member Mounce reiterated her suggestion from the Shirtsleeve Session on this topic that individual occupants be billed for water and the property owner true up the water bill at the end of the year. In the next cycle, the individual bills can be adjusted higher or lower, if necessary, and still be in compliance with State law. In response to Council Member Mounce, Ms. Magdich stated she could not opine at the dais if this method could be followed. Mr. Sandelin pointed out this amendment brings the Municipal Code into compliance with State regulations and, if approved as worded, there is nothing prohibiting Council from taking action in the future to align the code with the concept outlined by Council Member Mounce. Council Member Mounce stated she would prefer to leave the amended language out of the code and bring it forward at a later date after staff researches whether or not this concept complies with State law.

In response to Council Member Mounce, Mr. Sandelin stated Public Works staff would be reasonable and use their best judgment with customers as it relates to overspray from sprinklers because it is understood that it is not feasible to completely eliminate overspray. He stressed this language needs to be in the code to be compliant with State regulations. Council Member Mounce suggested adding the word "excessive" to the code in relation to overspray, to which Mr. Sandelin agreed.

In response to Mayor Pro Tempore Chandler, Mr. Sandelin stated, with regard to testing, maintenance, and repair of backflow prevention assemblies, property owners are required on an annual basis to perform preventative maintenance. Once the work is completed, the property owner is required to provide proof of inspection that the system is working accurately. If that does not occur, Public Works follows up with a notice and, if the work is not completed, staff will perform the work.

Ms. Magdich concurred the addition of the word "excessive" in relation to overspray of sprinklers to the code section is allowable and pointed out the section describes overspray as water that flows onto an impervious surface, such as on the sidewalk and into the gutter.

Council Member Mounce stated she is concerned that some citizens in the older portions of town already pay to water City property, i.e. medians and parkways, and this amendment would now fine individuals for overspraying of sprinklers. Mr. Sandelin assured Council that staff views each case individually, stating there are true offenders and then there are incidental problems that can be easily fixed.

Nancy Watts expressed concern with the section concerning apartments, condominiums, and flats, stating holding multi-family property owners responsible for the water usage of tenants is unfair. She urged Council to request that the City Attorney research the State mandate to verify whether the concept of billing water usage to individual tenants and truing up the bill with the property owner at the end of the year is viable. The goal of the State mandate is to conserve water; not who pays the bill. The owners of apartments and duplexes feel this regulation needs to be strengthened to make tenants responsible for their water bills.

Marilyn Hughes suggested the code be written to allow the purchase and use of rain barrels for water conservation because some property owners and property managers do not allow residents to install them.

Ardel Gillingwater expressed concern with the water trucks at construction sights and questioned if the City is paid for those loads. She further asked if any State-assessed penalties for not meeting the water conservation goal would be passed onto residents. Mr. Sandelin stated Public Works charges for construction water and this particular water is not included in the Governor's order for water conservation.

Mike Lusk believed the time between the Shirtsleeve Session on this topic and adoption of the ordinance was inadequate and did not allow the public the opportunity to study the matter. In addition, he believed the abbreviated summary presentation at this meeting does not do justice to the ordinance. He requested Council delay action on this matter so that the public can review it in detail and bring forth their concerns. Mr. Lusk expressed concern the charges and penalties conflict with Proposition 218, stating many of the code sections were initiated in the 40s and 50s and likely do not take Proposition 218 into account. Ms. Magdich pointed out the only addition to the redline version of the ordinance from the Shirtsleeve Session was the added language regarding water service termination. With regard to Proposition 218, Ms. Magdich stated none of the penalties or surcharges are subject to Proposition 218, adding there is an appellate case on point from 2010, which distinguishes penalties from taxes. Penalties are assessed after someone fails to do something, i.e. not pay a bill, which does not trigger Proposition 218. Ms. Magdich further stated Proposition 218 does not apply to any of the code amendments proposed in this ordinance. Mr. Lusk requested the matter be delayed until issues from the ratepayers who are concerned about the electric utility situation are resolved. Mr. Schwabauer explained the action on this agenda is to introduce the ordinance and, pursuant to California law, a second reading is required, at which time the ordinance would be approved. The purpose of having two readings is

to publish the ordinance and give the public an additional opportunity to comment. In further response, if additional changes are brought forward at the second reading, the ordinance would need to be re-introduced. He stressed, however, the importance of moving forward with this ordinance, stating four or five large districts were fined recently for not meeting the Governor's conservation goals. In most cases, the districts were fined for taking no action to meet the goal, and he explained this ordinance revision would demonstrate Lodi's diligence in trying to meet the State mandate; otherwise, all of Lodi will pay more. Mr. Lusk stated he believed the urgency was not so great that the ordinance needed to be introduced at this meeting.

Susie Rabusin with the FaceBook group, Citizens Against City of Lodi Electric Utility Rates & Charges, questioned how the penalties for testing of backflow prevention assemblies would be assessed; if it would be added to the water bill or property tax bill; and who is responsible when the tenant pays the water bill but the property owners pays the property tax bill. Mr. Sandelin stated this requirement is only on commercial and industrial properties. Ms. Rabusin stated the number one complaint she receives from people is about the City's fines and she relayed an incident in which she received a verbal warning from Water Conservation about watering a brown spot on her lawn on a non-watering day and then a written notice for allowing her dog to run in the water. She believed the officers need to be reasonable and expressed concern that some are more lenient while others get carried away on enforcing regulations. Another complaint Ms. Rabusin receives from people is that City parks are overwatered and it is unfair to penalize citizens when the City is not subject to the same penalties.

Council Member Kuehne stated he was comfortable with all of the recommended amendments with the exception of Section 13.04.060 relating to apartments, condominiums, and flats.

Council Member Mounce concurred, stating she would prefer Section 13.04.060 not be amended at this time.

Council Member Mounce made a motion, second by Council Member Kuehne, to introduce Ordinance No. 1917 amending Lodi Municipal Code Title 13 - Public Services - by repealing and re-enacting Chapter 13.04, "Service Generally," and Chapter 13.08, "Water Service," in their entirety, with the exception of Section 13.04.060 regarding apartments, which will remain unchanged from its original language.

VOTE:
The above motion carried by the following vote:
Ayes: Mayor Pro Tempore Chandler, Council Member Kuehne, Council Member Mounce, and Council Member Nakanishi
Noes: Mayor Johnson
Absent: None

J. Ordinances

J-1 Ordinance No. 1916 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Title 17, Article 6 - Development Code Administration - by Adding Chapter 17.67, 'Reasonable Accommodation'" (CLK)

Council Member Mounce made a motion, second by Council Member Kuehne, (following reading of the title) to waive reading of the ordinance in full and adopt and order to print Ordinance No. 1916 entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Title 17, Article 6 - Development Code Administration - by adding Chapter 17.67, 'Reasonable Accommodation,'" which was introduced at a regular meeting of the Lodi City Council held October 21, 2015.

VOTE:
The above motion carried by the following vote:
Ayes: Mayor Pro Tempore Chandler, Council Member Kuehne, Council Member Mounce, Council Member Nakanishi, and Mayor Johnson

Noes: None
Absent: None

K. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 8:42 p.m. in memory of Joni Rooney, wife of Fire Chief Larry Rooney, who passed away on Thursday, October 29, 2015.

ATTEST:

Jennifer M. Ferraiolo
City Clerk

LODI CITY COUNCIL
SPECIAL CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, NOVEMBER 4, 2015

A. Call to Order / Roll Call

The Special Joint Meeting of the City Council and the Recreation Commission of November 4, 2015, was called to order by Mayor Johnson at 8:51 p.m.

Present: Mayor Pro Tempore Chandler, Council Member Kuehne, Council Member Mounce, Council Member Nakanishi, and Mayor Johnson
Absent: None
Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

Lodi Recreation Commission Members who were present: Commissioners Carouba and Hamilton.

B. Topic(s)

B-1 Presentation by PROS Consulting, Inc., Related to Strategic Plan for Parks, Recreation, and Cultural Services (PRCS)

Neelay Bhatt, Vice President of PROS Consulting, Inc., provided a PowerPoint presentation related to the Parks, Recreation, and Cultural Services Strategic Plan. Specific topics of discussion included levels of service, priority rankings, core values, vision, mission, goals, legacy initiatives, strategy matrix, and next steps.

Mayor Johnson stated opportunities for a large community park or smaller neighborhood parks seem remote in the foreseeable future, especially in light of Lodi's slow growth, and he questioned what the matrix would look like if those were removed from the list. Mr. Bhatt responded that for Lodi's population, Lodi Lake is the jewel of the community and to create another large community park is not realistic; however, smaller neighborhood parks in the 2- to 10-acre range are viable. He stated he could not manually change the survey as this was driven by community responses and the priorities are based on a model. Mr. Bhatt pointed out, however, that it does not mean that priorities will be accomplished in sequential order because it will depend on funding and other factors, such as maintaining existing resources.

In response to Mayor Pro Tempore Chandler, Mr. Bhatt stated Micke Grove Park is outside the City boundaries and was not included in the level of service equation. Mayor Pro Tempore Chandler suggested it be considered because, even though it is half a mile outside of the City limits, it is a jewel and used by the community.

In response to Mayor Johnson, Mr. Bhatt explained an indoor aquatics center would not be used solely for an indoor pool, but it could be an element of a multicultural center that would offer indoor swimming at night or in inclement weather and include a walking/jogging track, fitness activities, cultural and artistic activities, dance, and various classes. It would be an indoor community recreation space with different uses.

Council Member Mounce pointed out there are City facilities that are in dire need of repair or funding to complete, such as the Grape Bowl and DeBenedetti Park, and asked why the Hutchins Street Square pool is not open at night for swimming. Parks, Recreation, and Cultural Services Director Jeff Hood responded the warm temperature of the pool is not conducive for swimming; it is primarily used for exercise; and the temperature is difficult to vary throughout the day because it holds too much heat. In response to Council Member Mounce, City Manager Schwabauer stated it appears that a therapeutic swimming pool at Lodi Memorial Hospital is not a

priority for the new chief executive officer and the project will likely be shelved for a number of years. Council Member Mounce stated she would like to see the Hutchins Street Square pool converted to a new use once there is a viable alternative for seniors. Mr. Hood stated Mr. Bhatt has indicated the pool does not meet the needs of a community. Mr. Bhatt added the goal is to create a swimming location that does not separate the community into seniors' versus children's use and stressed the need for year-round swimming lessons.

In response to Council Member Nakanishi, Mr. Bhatt suggested the City of Carlsbad as a wonderful example of a community that is fiscally conservative, yet was able to create the Alga Norte Community Park, which is a true community gathering place that includes a pool, dog park, skate park, and a multitude of activities.

In response to Mayor Pro Tempore Chandler, Mr. Hood stated Blakely Park pool is used primarily for swim lessons in the summer for six to eight weeks. In 2013 and 2014, free swimming was offered through a fundraising opportunity; however, at the end of the year, problems with participant conduct from repeat offenders ended the free swim offering. The program returned this year at the $1.50 charge, and staff closed the pool early in the season due to lack of participation. Mayor Pro Tempore Chandler stated he believed there was a disconnect between this plan and actual experience, to which Mr. Hood pointed out that the Blakely Park pool is 60 years old. Mr. Bhatt added the quality of the experience is also important, as is creating a multicultural, multigenerational use.

In response to Council Member Nakanishi, Mr. Bhatt stated partnerships with a school district for swim lessons is an option and some communities have joint use agreements for pools and parks where they become public after certain hours; however, he added it is challenging to build and sustain a positive partnership that still addresses the community expectations. Mr. Schwabauer agreed about the challenge, stating Lodi has a six-week summer program at Tokay High School, but the pool is heavily scheduled for competitive swimming and it is difficult to arrange City use.

In response to Mayor Johnson, Mr. Bhatt stated there is not a huge demand for pocket parks and a 2- to 10-acre neighborhood park with a two- to three-hour window of multiple uses is more viable for Lodi.

Mark Hamilton, Recreation Commissioner, commended Parks and Recreation staff for bringing the Department back into the black by way of cuts and deferred maintenance. He stated the plan is phenomenal, but the reality is that a funding mechanism needs to be developed to maintain City resources that currently exist and to educate the public on what it will cost to maintain them. Mr. Hamilton stated the City will need to be creative in developing walking/biking trails, in serving seniors, in encouraging better utilization of neighborhood parks, and in providing opportunities for adult fitness, special events, and cultural activities. He stated a greater number of public-private partnerships, similar to the kayak rentals at Lodi Lake, should be explored for the Grape Bowl or Lodi Lake. Mr. Hamilton stated the only pushback on the increased fees at Lodi Lake were from non-profit organizations that did not want to pay the fee because the event was a public benefit. He stated he believed the City does not charge enough for City resources and suggested increasing fees at the boat ramp.

Mike Carouba, Recreation Commissioner, stated he believed the reason for the Strategic Plan is to educate the public on what to expect, to demonstrate what other communities have accomplished, and to show the costs associated with the needs. The City lacks adequate funding to complete projects already in motion, and the public needs to be aware of that fact. Mr. Carouba stated he routinely walks the Woodbridge Irrigation District (WID) canal behind his house and expressed disappointment that the area was fenced by WID and can no longer be used as a walking trail. He stated Lodi does not grow at a rate that covers the cost of inflation; therefore, the community must be asked to pay more money to finish existing projects and to undertake new endeavors from the plan with leftover funding. He reiterated the importance of educating the public on the challenges to fund the wants and needs of the community and that this plan works toward that endeavor.

Ed Miller suggested, instead of spreading the limited amount of money the City has over multiple

projects, it should concentrate its funding and resources on one project that it can complete, such as improving Lodi Lake. Further, he suggested forming partnerships with health clubs, of which there are many in Lodi, to spread fitness services across town; with partners that could improve the Grape Bowl; and with entities that could include walking/biking trails along the canal system. Such partnerships would better attract tourism to the wine, hotel, and restaurant industries and further enable the City to better focus its attention and resources toward improving Lodi Lake and other existing parks that need upgrading.

Mr. Schwabauer stated the concept of utilizing WID's canal as a walking trail has been discussed with WID and it appears likely the idea will not be supported by the current board and administration. He added, however, a second concept has been discussed about adding the 101 acres at Knights Lake, owned by WID, to Lodi Lake's park and trail system. This concept had a positive response from WID.

Council Member Mounce stated she often encounters organizations through the League of California Cities who enter into public-private partnerships for promotions and upgrades. Further, she stressed that several years ago, the Council determined Lodi Lake should remain a passive park and that, before this goes any further, another discussion needs to take place to determine whether the City's direction is to keep the park in its passive state or promote it with public events and festivals.

C. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 9:54 p.m.

ATTEST:

Jennifer M. Ferraiolo
City Clerk

LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, NOVEMBER 10, 2015

The November 10, 2015, Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was canceled.

ATTEST:

Jennifer M. Ferraiolo
City Clerk

LODI CITY COUNCIL
SPECIAL CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, NOVEMBER 10, 2015

A. Call to Order / Roll Call

The City Council Closed Session meeting of November 10, 2015, was called to order by Mayor Johnson at 7:00 a.m.

Present: Mayor Pro Tempore Chandler, Council Member Kuehne, Council Member Mounce, Council Member Nakanishi, and Mayor Johnson
Absent: None
Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

NOTE: Mayor Pro Tempore Chandler arrived at 7:02 a.m.

NOTE: City Council Appointees Schwabauer, Magdich, and Ferraiolo were only present during their individual evaluations before the City Council.

B. Closed Session

B-1 Review of Council Appointees - City Manager, City Attorney, and City Clerk to Include Compensation Evaluation for City Attorney and City Clerk (Government Code 54957)

At 7:00 a.m., Mayor Johnson adjourned the meeting to a Closed Session to discuss the above matter. The Closed Session adjourned at 7:43 a.m.

C. Return to Open Session / Disclosure of Action

At 7:43 a.m., Mayor Johnson reconvened the City Council meeting and disclosed the following action.

Item B-01 was discussion only with no reportable action.

D. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 7:43 a.m.

ATTEST:

Jennifer M. Ferraiolo
City Clerk

AGENDA ITEM C-03

CITY OF LODI
COUNCIL COMMUNICATION

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AGENDA TITLE: Report of Sale of Surplus Equipment

MEETING DATE: November 18, 2015

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Report of sale of surplus equipment.

BACKGROUND INFORMATION: The Public Works Fleet Services Division oversees the removal of vehicles and equipment from the City's fleet, provides quarterly reporting of surplus vehicles/equipment sales to the City Council, and coordinates the disposal process and paperwork once the City Manager and the Deputy City Manager authorize the dispositions.

During the second calendar quarter of 2015, the City sold the following surplus vehicles/equipment through First Capitol Auctions, Inc., of Vallejo. The City received the following amount from the sale:

Vehicle	Department	Mileage/Hours	Sales Revenue
1995 Dodge Intrepid (674895)	EUD	89,581	$ 390.00
1997 Dodge Ram Utility Truck (546480)	EUD	44,755	$7,472.50
1997 Dodge Ram Utility Truck (546481)	EUD	73,440	$6,077.50
2000 Chevy Utility Truck (424758)	EUD	96,134	$1,660.00
2002 Dodge Dakota Pickup (577800)	Comm Dev	82,170	$1,552.50
1995 Ford Crown Victoria (151147)	Fire Dept	101,092	$ 762.00
1987 Dodge Ram (302866)	PRCS	143,179	$1,041.00
1997 Chrysler Concorde (744911)	PW Streets Div	115,840	$ 576.00
2000 Honda Civic (000455)	PW Admin	45,296	$2,715.00
2000 Dodge Ram Cargo Van (178433)	PW Admin	39,057	$1,320.00
2007 Ford Bus (83603)	Transit	108,669	$2,311.00
2007 Ford Bus (18783)	Transit	123,005	$2,311.00
2008 Ford Bus (83604)	Transit	116,846	$2,590.00
2007 Ford Bus (18765)	Transit	125,885	$2,590.00
2007 Ford Bus (18767)	Transit	120,476	$1,195.00
2007 Ford Bus (83608)	Transit	103,796	$2,357.50
2007 Ford Bus (18779)	Transit	107,889	$2,125.00
2007 Ford Bus (18780)	Transit	140,436	$2,590.00
2007 Ford Bus (18782)	Transit	125,885	$1,846.00
2007 Ford Bus (18784)	Transit	143,039	$2,962.00
2007 Ford Bus (83605)	Transit	113,480	$2,962.00
2007 Ford Bus (83569)	Transit	117,188	$1,892.50
2007 Ford Bus (18773)	Transit	126,427	$3,055.00
2007 Eldorado Bus (57945)	Transit	169,278	$1,567.00
2007 Eldorado Bus (57943)	Transit	146,608	$1,474.00
		Total:	$57,394.50

APPROVED: _____

Stephen Schwabauer, City Manager

Revenues received from the sale of vehicles are credited to the General Fund Equipment Replacement or the appropriate Enterprise Capital fund, according to the previous assignment of the vehicle sold.

FISCAL IMPACT: Revenues received from the sale of vehicle are credited as follows and are used to help fund the replacement of these vehicles.

General Fund Equipment Replacement (1201)	$ 7,390.50
Electric Utility (1601)	$15,600.00
Public Works – Streets Division (3211)	$ 576.00
Transit (12501)	$33,828.00
Total	$57,394.50

FUNDING AVAILABLE: Not applicable.

F. Wally Sandelin
Public Works Director

Prepared by Randy Laney, Fleet Services Supervisor
cc: Jordan Ayers, Deputy City Manager/Internal Services Director
Anne Poggio, Management Analyst
Joseph Wood, Lodi Grip Program Manger
Kirk Evans, Risk Manager
Paula Fernandez, Transportation Manager
Rebecca Areida-Yadav, Management Analyst
Susan Bjork, Supervising Budget Analyst

AGENDA ITEM C-04

CITY OF LODI
COUNCIL COMMUNICATION

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AGENDA TITLE: Adopt Resolution Approving Standardization of Bus-Mounted Destination Signs and Authorizing City Manager to Execute Purchase Order for Bus Destination Signs from Luminator Technology Group, of Plano, Texas ($37,083)

MEETING DATE: November 18, 2015

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution approving standardization of bus-mounted destination signs and authorizing City Manager to execute purchase order for bus destination signs from Luminator Technology Group, of Plano, Texas, in the amount of $37,083.

BACKGROUND INFORMATION: City transit staff is in the process of procuring an Intelligent Transportation System (ITS), comprised of Automatic Vehicle Location, Computer Aided Dispatch, Automatic Stop Annunciation, and Passenger Information Network. This project was included in Transit's FY 2015/16 budget and will allow transit staff and passengers to track the location of transit buses for better reliability and on-time performance.

In order for this project to function properly, all on-board vehicle equipment must be able to communicate with the bus's logic unit. The new bus-mounted destination signs will be programmed to communicate with the new ITS bus logic unit to accurately change the sign display as the bus travels near the GPS-coded bus stop, providing passengers with visual and audible bus stop announcements. All the City's buses are equipped with bus-mounted destination signs, however, only the City's larger 32-foot El Dorado buses are the type that can communicate with our future ITS system. To properly operate the overall ITS project, City staff recommends purchasing eight new destination signs for the smaller Arboc buses assigned to the fixed-route system.

City staff recommends City Council approve standardization of the sign equipment and parts and waive the formal bidding process per Lodi Municipal Code Section 3.20.070, Bidding, for the following reasons:

1. Programming Software – Each bus-mounted destination sign utilizes unique software for programming. Having one program is more cost effective and timely for transit staff updating the transit fleet.
2. Service – City mechanics maintain the City transit vehicles and standardizing the sign type will make it easier for the mechanics to perform trouble shooting.
3. Spare Parts – City mechanics will only need to maintain an inventory for the Luminator signs, reducing parts inventory costs.
4. Luminator Technology Group is the only company that sells Luminator destination signs.

The Luminator signs will be purchased with funds appropriated for the ITS system budgeted in FY 2015/16. The quote is provided as Exhibit A.

APPROVED: _____

Stephen Schwabauer, City Manager

FISCAL IMPACT: Standardizing the bus-mounted destination signs will make maintenance easier for City fleet and transit staff and reduce the need for additional spare parts.

FUNDING AVAILABLE: This project will be funded by Transportation Development Act (60199000).

_____
Jordan Ayers
Deputy City Manager/Internal Services Director

_____
F. Wally Sandelin
Public Works Director

Prepared by Julia Tyack, Transportation Planner
FWS/JT/tb
Attachment

cc: Transportation Manager

Exhibit A

Quotation

Luminator
An LTG Company

10/23/2015 10:54:47 AM
LUMINATOR HOLDING L.P.
900 KLEIN ROAD
PLANO TX 75074

972-424-6511

Customer: M046698

Prospect:

ATTN: JULIA TYACK

City of Lodi
Attn: Accounts Payable
PO Box 3006
Lodi CA 95241-1910
UNITED STATES

Phone:

Fax:

Quotation	Terms	Quote Date	Expiration Date	Salesperson	Customer Currency
B000004243	NET 30 DAYS	8/21/2015	12/31/2015		USD US Dollar

Quantity	Item		Unit Price		Extended Price
8.000	510929002	FRONT SIGN,COMMUTER,14X112,AMBER	2,300.00000	EA	18,400.00
8.000	510939001	SIGN ASSY,SIDE,8x64,AMBER,SMD	1,244.00000	EA	9,952.00
8.000	510632344	ASSY,ODK4+,FF	298.00000	EA	2,384.00
8.000	900001000	INSTALLATIONS (FIELD)	450.00000	EA	3,600.00

Unit Total: **4,292.00000**

REFERENCE: CITY OF LODI

* LUMINATOR SUPPLIES A STANDARD SIX (6)
YEAR WARRANTY ON PARTS AND LABOR FROM TIME
OF ACCEPTANCE.

Prices quoted are firm for 180 days after the date of quote. After that time, prices are subject to change without notice. Terms: Net 30 days F.O.B. our plant Luminator is not responsible for any applicable taxes and duties unless otherwise stated. All amounts in USD. Delivery 10 - 12 weeks after order is received. Additional terms and conditions will be provided.

Sale Amount: 34,336.00

Quotation

10/23/2015 10:54:47 AM
LUMINATOR HOLDING L.P.
900 KLEIN ROAD
PLANO TX 75074

972-424-6511

Customer: M046698

Prospect:

ATTN: JULIA TYACK

City of Lodi
Attn: Accounts Payable
PO Box 3006
Lodi CA 95241-1910
UNITED STATES

Phone:

Fax:

Quotation	Terms	Quote Date	Expiration Date	Salesperson	Customer Currency
B000004243	NET 30 DAYS	8/21/2015	12/31/2015		USD US Dollar

Order Disc(0.00%):	0.00
Sales Tax:	2,746.88
Misc Charges:	0.00
Total Amount:	37,082.88

RESOLUTION NO. 2015-____

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING STANDARDAZATION OF BUS-MOUNTED DESTINATION SIGNS AND PARTS, AND FURTHER AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR BUS DESTINATION SIGNS FROM LUMINATOR TECHNOLOGY GROUP, OF PLANO, TEXAS

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WHEREAS, City transit staff is in the process of procuring an Intelligent Transportation System (ITS), comprised of Automatic Vehicle Location (AVL), Computer Aided Dispatch (CAD), Automatic Stop Annunciation (ASA), and Passenger Information Network (PIN); and

WHEREAS, one piece of this project entails the use of bus-mounted destination signs, allowing the ITS system to communicate with the destination sign; and

WHEREAS, all the City's buses are equipped with bus-mounted destination signs, however, only the City's larger 32-foot El Dorado buses are able to communicate with our future ITS system; and

WHEREAS, to properly operate the overall ITS project, City staff recommends purchasing eight signs for the smaller ARBOC buses assigned to the fixed-route system; and

WHEREAS, staff recommends that the City Council approve standardization of bus-mounted destination signs and parts from Luminator Technology Group, of Plano, Texas, thereby waiving the formal bidding process pursuant to Lodi Municipal Code Section 3.20.070.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve standardization of bus-mounted destination signs and parts from Luminator Technology Group, of Plano, Texas, and hereby waives the formal bidding process pursuant to Lodi Municipal Code Section 3.20.070; and

BE IT FURTHER RESOLVED that the City Council hereby authorizes the City Manager to execute a purchase order for eight bus-mounted destination signs from Luminator Technology Group, of Plano, Texas, in the amount of $37,083.

Dated: November 18, 2015

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I hereby certify that Resolution No. 2015-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 18, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAIOLO
City Clerk

AGENDA ITEM C-05

CITY OF LODI
COUNCIL COMMUNICATION
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AGENDA TITLE: Adopt Resolution Rejecting Non-Responsive Bid and Awarding Contract for Salas Park - Sports Lighting Improvements (Phase 1), to Modesto Executive Electric, Inc., of Modesto ($75,502)

MEETING DATE: November 18, 2015

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution rejecting non-responsive bid and awarding contract for Salas Park - Sports Lighting Improvements (Phase 1), to Modesto Executive Electric, Inc., of Modesto, in the amount of $75,502.

BACKGROUND INFORMATION: Salas Park is Lodi's primary sports facility for youth baseball, softball, soccer and football. Currently, there are eight wood light poles that due to age, condition and height must be replaced with new, metal poles with upgraded fixtures and components.

At the March 4, 2015 meeting, Council approved the purchase of the new lighting fixtures and components from Musco Corporation and the cost was included in Fiscal Year 2014/15 budget ($160,429). The new lighting fixtures and components are stored at Musco Corporation and will be delivered to Salas Park for installation once the contract is fully executed.

The project will remove eight existing, 40-foot wood light poles and install the City-furnished Musco lighting fixtures and components, including eight 70-foot steel poles and concrete foundations, 41 lamps, pole-top assemblies, wiring, controller and monitoring system, conduit and conductor, a switchboard panel cabinet and other incidental and related work, as shown on the plans and specifications for the above project.

Plans and specifications for this project were approved on April 1, 2015. The City received the following bids for this project on October 14, 2015.

Bidder	Location	Bid
Engineer's Estimate		$ 73,800.00
Big Valley Electric	Stockton	$ 72,050.00
Modesto Executive Electric, Inc.	Modesto	$ 75,501.60
Bockmon & Woody Electric Co., Inc.	Stockton	$ 93,958.00
Eco Energy Solutions, Inc., dba High Volt Electric	Chatsworth	$ 112,454.00
Tennyson Electric, Inc.	Livermore	$ 118,570.00

The bid received from the lowest bidder, Big Valley Electric, did not contain the addendum receipt and is being rejected as non-responsive. Staff recommends awarding the contract to the second-lowest bidder, Modesto Executive Electric, Inc., of Modesto.

APPROVED: _____
Stephen Schwabauer, City Manager

FISCAL IMPACT: The new sports lighting system will decrease maintenance and operations costs in the park's sports lighting system.

FUNDING AVAILABLE: Park Capital (43299000.77020)

Jordan Ayers
Deputy City Manager/Internal Services Director

Jeff Hood
Parks, Recreation & Cultural Services Director

F. Wally Sandelin
Public Works Director

Prepared by Dorothy Kam, Assistant Engineer
FWS/DK/tb

cc: City Engineer/Deputy Public Works Director
Parks, Recreation and Cultural Services Director

CITY OF LODI, CALIFORNIA

THIS CONTRACT made by and between the CITY OF LODI, State of California, herein referred to as the "City," and MODESTO EXECUTIVE ELECTRIC, INC., herein referred to as the "Contractor."

W I T N E S S E T H :

That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other, as follows:

The complete Contract consists of the following documents which are incorporated herein by this reference, to-wit:

Notice Inviting Bids	The July 1992 Edition,
Information to Bidders	Standard Specifications,
General Provisions	State of California,
Special Provisions	Business and Transportation Agency,
Bid Proposal	Department of Transportation
Contract	
Contract Bonds	
Plans	

All of the above documents, sometimes hereinafter referred to as the "Contract Documents," are intended to cooperate so that any work called for in one and not mentioned in the other is to be executed the same as if mentioned in all said documents.

ARTICLE I - That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the City and under the condition expressed in the two bonds bearing even date with these presents and hereunto annexed, the Contractor agrees with the City, at Contractor's cost and expense, to do all the work and furnish all the materials except such as are mentioned in the specifications to be furnished by the City, necessary to construct and complete in a good workmanlike and substantial manner and to the satisfaction of the City the proposed improvements as shown and described in the Contract Documents which are hereby made a part of the Contract.

ARTICLE II - The City hereby promises and agrees with the Contractor to employ, and does hereby employ, the Contractor to provide all materials and services not supplied by the City and to do the work according to the terms and conditions for the price herein, and hereby contracts to pay the same as set forth in Section 5.600, "Measurement, Acceptance and Payment," of the General Provisions, in the manner and upon the conditions above set forth; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

ARTICLE III - The Contractor agrees to conform to the provisions of Chapter 1, Part 7, Division 2 of the Labor Code. The Contractor and any Subcontractor will pay the

general prevailing wage rate and other employer payments for health and welfare, pension, vacation, travel time, and subsistence pay, apprenticeship or other training programs. The responsibility for compliance with these Labor Code requirements is on the prime contractor.

ARTICLE IV - And the Contractor agrees to receive and accept the following prices as full compensation for furnishing all materials and for doing all the work contemplated and embraced in this agreement; also for all loss or damage arising out of the nature of the work aforesaid or from the action of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by the City, and for all risks of every description connected with the work; also for all expenses incurred by or in consequence of the suspension or discontinuance of work and for well and faithfully completing the work, and the whole thereof, in the manner and according to the Plans and Contract Documents and the requirements of the Engineer under them, to-wit:

Perform the work necessary providing all labor, materials and equipment to unload the city furnished Musco Lighting system components that are delivered to the project site. The Contractor shall also provide all labor, materials and equipment to remove existing lighting equipment, electrical switchboard cabinet and concrete pad and install (41) new fixtures, poletop luminaire assemblies, remote electrical component enclosures, pole length wiring harnesses, Control Link controller and monitoring system, electrical switchboard cabinet and concrete pad, (8) 70 foot galvanized steel poles, (8) pre-cast concrete foundation bases, trenching, backfill, compaction, conduit and conductor and other incidental and related work, all as shown on the plans and specifications for the above project. "Salas Park – Sports Lighting Improvements (Phase 1) ".

CONTRACT ITEMS

ITEM NO.	DESCRIPTION	UNIT	EST'D. QTY	UNIT PRICE	TOTAL PRICE
1.	Furnish All Labor, Materials and Equipment to Unload and Secure City Furnished Sports Lighting Components	LS	1	$3,000.00	$3,000.00
2.	Furnish All Labor, Materials and Equipment to Remove and Dispose of the Existing Wood Poles, Fixtures and Luminaire Assemblies	LS	1	$10,045.00	$10,045.00

ITEM NO.	DESCRIPTION	UNIT	EST'D. QTY	UNIT PRICE	TOTAL PRICE
3.	Furnish All Labor, Materials and Equipment to Install (8) 70 Foot Steel Poles, 41 Fixtures, Luminaire Assemblies and (8) Pre Cast Concrete Foundation Bases	LS	1	$26,000.00	$26,000.00
4.	Furnish All Labor, Materials and Equipment to Install Control Link Lighting Controller and Monitoring System and Lighting Contactors	LS	1	$2,555.00	$2,555.00
5.	Furnish and Install 3 Inch Type DB Conduit w/ 1 - #2 AL Tri-Plex and 1 - #2 AL TW Conductor	LF	230	$73.92	$17,001.60
6.	Furnish and Install New Electrical Pull Boxes w/ Vandal Proof Metal Lids	EA	6	$850.00	$5,100.00
7.	Furnish All Labor Materials and Equipment to Remove and Salvage the Existing 400 AMP Electrical Switchboard Cabinet	LS	1	$2,200.00	$2,200.00
8.	Furnish All Labor Materials and Equipment to Remove and Dispose of the Existing Electrical Switchboard Concrete Pad	LS	1	$2,600.00	$2,600.00

ITEM NO.	DESCRIPTION	UNIT	EST'D. QTY	UNIT PRICE	TOTAL PRICE
9.	Furnish All Labor, Materials and Equipment to Install New City Furnished 400 AMP Electrical Switchboard Cabinet with New Concrete Pad	LS	1	$7,000.00	$7,000.00
				TOTAL BID	$75,501.60

ARTICLE V - By my signature hereunder, as Contractor, I certify that I am aware of the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

ARTICLE VI - It is further expressly agreed by and between the parties hereto that, should there be any conflict between the terms of this instrument and the Bid Proposal of the Contractor, then this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

ARTICLE VII - The City is to furnish the necessary rights-of-way and easements and to establish lines and grades for the work as specified under the Special Provisions. All labor or materials not mentioned specifically as being done by the City will be supplied by the Contractor to accomplish the work as outlined in the specifications.

ARTICLE VIII - The Contractor agrees to commence work pursuant to this contract within 15 calendar days after the City Manager has executed the contract and to diligently prosecute to completion within **25 WORKING DAYS**.

WHEN SIGNING THIS CONTRACT, THE CONTRACTOR AGREES THAT THE TIME OF COMPLETION FOR THIS CONTRACT IS REASONABLE AND THE CONTRACTOR AGREES TO PAY THE CITY LIQUIDATED DAMAGES AS SET FORTH IN SECTION 6-04.03 OF THE SPECIAL PROVISIONS. CONTRACTOR AGREES THAT THIS AMOUNT MAY BE DEDUCTED FROM THE AMOUNT DUE THE CONTRACTOR UNDER THE CONTRACT.

IN WITNESS WHEREOF, the parties to these presents have hereunto set their hands the year and date written below.

CONTRACTOR:	CITY OF LODI
_____	By:_____ Stephen Schwabauer City Manager
By:_____	Date:_____
	Attest
_____ Title	
	_____ City Clerk
(CORPORATE SEAL)	Approved As To Form
	_____ Janice D. Magdich City Attorney

RESOLUTION NO. 2015-____

A RESOLUTION OF THE LODI CITY COUNCIL REJECTING NON-RESPONSIVE BID, AWARDING THE CONTRACT FOR THE SALAS PARK – SPORTS LIGHTING IMPROVEMENTS (PHASE1) PROJECT TO MODESTO EXECUTIVE ELECTRIC, INC., OF MODESTO, AND FURTHER AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONTRACT

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WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bids were received and publicly opened on October 14, 2015, at 11:00 a.m., for the Salas Park - Sports Lighting Improvements (Phase 1) Project, described in the plans and specifications therefore approved by the City Council on April 1, 2015; and

WHEREAS, said bid has been checked and tabulated and a report thereof filed with the City Manager as follows:

Bidder	**Bid**
Big Valley Electric	$ 72,050.00 **(Non-Responsive)**
Modesto Executive Electric, Inc.	$ 75,501.60
Bockmon & Woody Electric Co, Inc.	$ 93,958.00
Eco Energy Solutions, Inc., dba High Volt Electric	$ 112,454.00
Tennyson Electric, Inc.	$ 118,570.00

WHEREAS, the lowest bidder, Big Valley Electric, failed to submit the addendum receipt with their bid and is considered non-responsive; and

WHEREAS, staff recommends that the City Council reject the non-responsive bid and award the contract for Salas Park - Sports Lighting Improvements (Phase 1) Project to the lowest responsive bidder, Modesto Executive Electric, Inc., in the amount of $75,501.60.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby reject the non-responsive bid and award the contract for Salas Park - Sports Lighting Improvements (Phase 1) Project to the lowest responsive bidder, Modesto Executive Electric, Inc., of Modesto, California, in the amount of $75,501.60; and

BE IT FURTHER RESOLVED that the City Council hereby authorizes the City Manager to execute the contract.

Dated: November 18, 2015

==========

I hereby certify that Resolution No. 2015-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 18, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAIOLO
City Clerk

AGENDA ITEM C-06

CITY OF LODI
COUNCIL COMMUNICATION

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AGENDA TITLE: Adopt Resolution Authorizing City Manager to Execute Contract for Harney Lane Grade Separation Project, to DeSilva Gates Construction, LP, of Dublin, ($14,313,075), Approving the Extension of Cooperative Work Agreement, and Appropriating Funds ($16,875,182), Subject to Caltrans Approval of Disadvantaged Business Enterprise Documentation

MEETING DATE: November 18, 2015

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution authorizing City Manager to execute contract for Harney Lane Grade Separation Project, to DeSilva Gates Construction, LP, of Dublin, in the amount of $14,313,075, approving the extension of Cooperative Work Agreement, and appropriating funds, in the amount of $16,875,182, subject to Caltrans approval of Disadvantaged Business Enterprise Documentation.

BACKGROUND INFORMATION: The project consists of constructing, widening, and realigning Harney Lane, including the construction of a new three-span, cast- in-place, post-tensioned concrete box girder, approximately 248 feet long and 88 feet wide, to grade separate Harney Lane at the Union Pacific Rail Road track. Work includes signal modifications (temporary and permanent), drainage and utility installation, street lighting, landscaping, constructing raised medians, curbs, gutters and sidewalks, and other incidental and related work, in accordance with the plans and specifications.

Plans and specifications for this project were approved on July 15, 2015. The City received the authorization to proceed from Caltrans on September 4, 2015. The City received the following nine bids for this project on October 29, 2015.

Bidder	Location	Bid
Engineer's Estimate		$14,747,378.00
DeSilva Gates Construction, LP	Dublin	$14,313,074.75
Goodfellow Top Grade Construction, LLC	Livermore	$15,087,765.00
George Reed, Inc.	Modesto	$15,510,635.00
Bay Cities Paving & Grading, Inc.	Concord	$15,779,658.38
RGW Construction, Inc.	Livermore	$15,790,794.70
Viking Stephens Joint Venture	Lodi	$16,070,432.05
Teichert Construction	Fowler	$16,124,862.00
McGuire Hester	Oakland	$16,352,357.00
Brosamer & Wall, Inc.	Walnut Creek	$18,458,584.00

Regional Surface Transportation Program funds in the approximate amount of $600,000 have been allocated to the project and are scheduled to lapse on June 30, 2016. In order to preserve this funding source, it is necessary to request an extension of the associated Cooperative Working Agreement (CWA) with Caltrans Local Assistance that administers these federal funds.

Staff recommends that Council award the project to the low bidder, DeSilva Gates Construction, LP, and authorize City Manager to execute contract within the appropriation, subject to Caltrans approval of Disadvantaged Business Enterprise documentation. Staff also recommends that Council extend the CWA.

APPROVED: _____

Stephen Schwabauer, City Manager

The requested appropriation covers the construction contract, construction management by City staff, testing and inspection services (contract to be approved by City Council at a later date), San Joaquin Council of Governments Incidental Take Minimization Measures Agreement, and project contingencies.

FISCAL IMPACT: There will be a slight increase in the long-term maintenance of the streetlights, landscape, and streetscape, and a short-term decrease in street maintenance costs.

FUNDING AVAILABLE: Requested appropriation:

Regional Surface Transportation Program (30799000)	$1,996,182
State Transportation Improvement Program (30799000)	$12,100,000
Section 190 (30799000)	$2,000,000
Union Pacific Railroad Contribution (30799000)	$422,000
Regional Transportation Impact Fee (31499000)	$330,000
Measure K (30399000)	$27,000
Total	$16,875,182

Jordan Ayers
Deputy City Manager/Internal Services Director

F. Wally Sandelin
Public Works Director

Prepared by Gary Wiman, Construction Project Manager
FWS/GW/tdb
Attachment

cc: Deputy Public Works Director/City Engineer
Management Analyst
DeSilva Gates Construction, LP

CITY OF LODI, CALIFORNIA

THIS CONTRACT made by and between the CITY OF LODI, State of California, herein referred to as the "City," and DESILVA GATES CONSTRUCTION L.P., herein referred to as the "Contractor."

W I T N E S S E T H :

That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other, as follows:

The complete **GRADE SEPARATION HARNEY LANE AT UPRR** Contract consists of the following documents which are incorporated herein by this reference, to-wit:

Notice Inviting Bids
- Instruction to Bidders
- Bid Forms
- Contract
- Contract Bonds
- General Conditions
- General Requirements (Division 1)
- Technical Specifications
- Plans
- Addenda

All of the above documents, sometimes hereinafter referred to as the "Contract Documents," are intended to cooperate so that any work called for in one and not mentioned in the other is to be executed the same as if mentioned in all said documents.

ARTICLE I - That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the City and under the condition expressed in the two bonds bearing even date with these presents and hereunto annexed, the Contractor agrees with the City, at Contractor's cost and expense, to do all the work and furnish all the materials except such as are mentioned in the specifications to be furnished by the City, necessary to construct and complete in a good workmanlike and substantial manner and to the satisfaction of the City the proposed improvements as shown and described in the Contract Documents which are hereby made a part of the Contract.

ARTICLE II - The City hereby promises and agrees with the Contractor to employ, and does hereby employ, the Contractor to provide all materials and services not supplied by the City and to do the work according to the terms and conditions for the price herein, and hereby contracts to pay the same as set forth Clauses 65 and 66 of the General Conditions, in the manner and upon the conditions above set forth; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

ARTICLE III - The Contractor agrees to conform to the provisions of Chapter 1, Part 7, Division 2 of the Labor Code. The Contractor and any Subcontractor will pay the general prevailing wage rate and other employer payments for health and welfare, pension, vacation, travel time, and subsistence pay, apprenticeship or other training programs. The responsibility for compliance with these Labor Code requirements is on the prime contractor.

ARTICLE IV - And the Contractor agrees to receive and accept the following prices as full compensation for furnishing all materials and for doing all the work contemplated and embraced in this agreement; also for all loss or damage arising out of the nature of the work aforesaid or from the action of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by the City, and for all risks of every description connected with the work; also for all expenses incurred by or in consequence of the suspension or discontinuance of work and for well and faithfully completing the work, and the whole thereof, in the manner and according to the Plans and Contract Documents and the requirements of the Engineer under them, to-wit:

Perform the work necessary to construct widening and realignment Harney Lane including the construction of a new three-span, cast in place, post tensioned concrete box girder approximately 248 feet long and 88 feet wide to grade separate Harney Lane at the Union Pacific Rail Road track. Work includes signal modifications (temporary & permanent), drainage and utility installation, street lighting, landscaping, construction of raised medians, curb gutter and sidewalk, and other incidental and related work, in accordance with Plans and Specifications for **GRADE SEPARATION HARNEY LANE AT UPRR**.

BID ITEMS

Item	Description	Unit	Qty	Unit Cost	Total Cost
	Roadway Items				
1	Construction Notifications	LS	1	$2,000	$2,000
2	Excavation Safety	LS	1	$10,000	$10,000
3	Storm Water Pollution Prevention Plan and Construction Site Monitoring and Reporting Plan	LS	1	$5,000	$5,000
4	Potholing	LS	1	$20,000	$20,000
5	Progress Schedule (Critical Path Method)	LS	1	$5,000	$5,000
6	Temporary Fence (Type CL-6) with Privacy Slats	LF	440	$12	$5,280
7	Temporary Fence (Type CL-6)	LF	2880	$12	$34,560
8	Construction Site Management	LS	1	$20,000	$20,000
9	Street Sweeping	LS	1	$10,000	$10,000
10	Move-in/Move-out Temporary Erosion Control	EA	2	$650	$1,300
11	Temporary Erosion Control Blanket	SY	6,200	$4	$24,800
12	Temporary Fiber Roll	LF	32,700	$3	$98,100

13	Temporary Silt Fence	LF	210	$4	$840
14	Temporary Concrete Washout Facility	EA	6	$2,500	$15,000
15	Temporary Construction Entrance	EA	8	$2,500	$20,000
16	Temporary Drainage Inlet Protection	EA	38	$300	$11,400
17	Erosion Control (Hydroseed)	SF	146,000	$0.10	$14,600
18	Temporary Check Dam	EA	35	$40.00	$1,400
19	Construction Area Signs	LS	1	$20,000	$20,000
20	Traffic Control System	LS	1	$90,000	$90,000
21	Type II Barricade	EA	6	$50	$300
22	Type III Barricade	EA	23	$100	$2,300
23	Temporary Traffic Stripe (Tape)	LF	1,000	$2.00	$2,000
24	Temporary Pavement Marking (Paint)	SF	670	$3	$2,010
25	Temporary Traffic Stripe (Paint)	LF	25,700	$0.75	$19,275
26	Channelizer (Surface Mounted)	EA	206	$35	$7,210
27	Traffic Plastic Drum	EA	462	$50	$23,100
28	Temporary Pavement Marker	EA	515	$5	$2,575
29	Portable Changeable Message Sign	EA	4	$7,500	$30,000
30	Temporary Railing (Type K)	LF	4,120	$20	$82,400
31	Alternative Temporary Crash Cushion	EA	9	$3,000	$27,000
32	Temporary Retaining Wall	SF	6,000	$25	$150,000
33	Abandon Septic Tank	LS	1	$3,000	$3,000
34	Abandon Leach Field	LS	1	$2,000	$2,000
35	Abandon 10" Water Line	LF	270	$30	$8,100
36	Abandon Culvert	LF	440	$35	$15,400
37	Abandon Drainage Inlet	EA	1	$1,000	$1,000
38	Relocate Boulder	EA	13	$200	$2,600
39	Remove Fence	LF	3,210	$1	$3,210
40	Remove Wall	LF	70	$60	$4,200
41	Remove Bollard	EA	1	$250	$250
42	Remove Traffic Stripe	LF	8,120	$1	$8,120
43	Remove Pavement Marking	SF	550	$3	$1,650
44	Remove Roadside Sign	EA	8	$50	$400
45	Reset Roadside Sign	EA	3	$150	$450
46	Remove Concrete Curb	LF	420	$10	$4,200

47	Remove Concrete	SF	3,670	$5	$18,350
48	Remove Culvert	LF	190	$50	$9,500
49	Remove Drainage Inlet	EA	5	$1,000	$5,000
50	Remove K-rail	LF	210	$10	$2,100
51	Relocate Mailbox	EA	1	$150	$150
52	Relocate Fire Hydrant	EA	1	$5,000	$5,000
53	Relocate 10" Water Line	LF	60	$100	$6,000
54	Remove Base and Surfacing	CY	220	$10	$2,200
55	Relocate Roadside Sign	EA	13	$150	$1,950
56	Relocate Sliding Gate	EA	1	$2,000	$2,000
57	Relocate Sign Structure (Valley Iron Works)	EA	1	$5,000	$5,000
58	Adjust Manhole to Grade (Std Plan 123)	EA	9	$700	$6,300
59	Adjust Utility Cover to Grade (Std Plan 123)	EA	26	$500	$13,000
60	Install Manhole (AT&T)	EA	4	$6,000	$24,000
61	Install Electric Vault (LE)	EA	6	$6,000	$36,000
62	Cold Plane Asphalt Concrete Pavement	SY	2,400	$2	$4,800
63	Clearing and Grubbing	LS	1	$190,000	$190,000
64	Clearing and Grubbing (Vineyard)	LS	1	$15,000	$15,000
65	Remove Tree	EA	316	$85	$26,860
66	Develop Water Supply	LS	1	$30,000	$30,000
67	Roadway Excavation	CY	14,320	$20	$286,400
68	Imported Borrow	CY	150,340	$16.70	$2,510,678
69	Redwood Header Board	LF	90	$10	$900
70	Aggregate Base (Class 2)	CY	15,850	$46	$729,100
71	Hot Mix Asphalt (Type A)	TN	12,980	$80	$1,038,400
72	Hot Mix Asphalt (Type B)	TN	90	$125	$11,250
73	Slurry Seal (Type II)	TN	165	$240	$39,600
74	HMA Dike (Type A)	LF	110	$15	$1,650
75	Pavement Reinforcing Fabric	SY	5,630	$1.00	$5,630
76	16" Cast-in-drill-hole Concrete Piling (Sound Wall)	LF	2,450	$68	$166,600
77	Structural Concrete (Sound Wall)	CY	132	$700	$92,400
78	Masonry Block (Sound Wall)	SF	15,600	$36	$561,600
79	Roadside Sign - One Post	EA	21	$200	$4,200

80	Install Sign (Strap And Saddle Bracket Method)	EA	31	$80	$2,480
81	Joint Trench Excavation / Bedding / Backfill and Restore	LF	2,260	$30	$67,800
82	2" Schedule 40 PVC Conduit (LE)	LF	9,600	$8	$76,800
83	6" Schedule 40 PVC Conduit (LE)	LF	4,800	$10	$48,000
84	4" Type C PVC Conduit (AT&T)	LF	9,600	$9	$86,400
85	Jacked 16" Welded Steel Pipe Casing (AT&T) (UPRR Crossing)	LF	140	$500	$70,000
86	Jacked 18" Welded Steel Pipe Casing (LE) (UPRR Crossing)	LF	140	$500	$70,000
87	Jacked 14" Welded Steel Pipe Casing (UPRR Crossing)	LF	140	$500	$70,000
88	Irrigation Crossover (4" Schedule 40 PVC)	LF	820	$45	$36,900
89	6" PVC Pipe (C900) (DR14) (Water Line)	LF	110	$60	$6,600
90	10" PVC Pipe (C900) (DR14) (Water Line)	LF	690	$60	$41,400
91	10" PVC Pipe (C900) (DR18) (Recycled Water Line)	LF	3,540	$60	$212,400
92	6" Gate Valve (Std Plan 402)	EA	3	$1,500	$4,500
93	10" Gate Valve (Std Plan 402)	EA	10	$2,000	$20,000
94	10" Butterfly Valve (Recycled Water Line)	EA	2	$2,500	$5,000
95	1" Air Release Valve	EA	2	$3,500	$7,000
96	4" Blow-off Valve (Std Plan 404)	EA	2	$3,000	$6,000
97	Temporary 4" Blow-off Valve (Std Plan 409)	EA	2	$3,000	$6,000
98	12" PVC Pipe	LF	490	$75	$36,750
99	12" Reinforced Concrete Pipe (Class III)	LF	520	$80	$41,600
100	12" Ductile Iron Pipe	LF	90	$80	$7,200
101	18" Reinforced Concrete Pipe (Class III)	LF	1,770	$90	$159,300
102	12" Concrete Flared End Section	EA	1	$2,500	$2,500
103	18" Concrete Flared End Section	EA	3	$3,000	$9,000
104	Drainage Inlet - Type GO	EA	9	$4,500	$40,500
105	Drainage Inlet - Type G1	EA	1	$4,500	$4,500
106	Drainage Inlet - Type OCP	EA	1	$4,500	$4,500
107	Drainage Inlet - Side Inlet Catch Basin (Std Plan 303)	EA	8	$3,500	$28,000
108	Drainage Inlet - Drop Inlet Catch Basin (Std Plan 304)	EA	2	$3,500	$7,000

109	48" Manhole (Std Plan 301)	EA	11	$3,500	$38,500
110	Wastewater Service (Std Plan 203)	EA	1	$1,500	$1,500
111	1" Water Service (Std Plan 403)	EA	2	$2,000	$4,000
112	Fire Hydrant (Std Plan 401)	EA	2	$4,500	$9,000
113	Rock Slope Protection (Facing, Method B)113	CY	8	$500	$4,000
114	Rock Slope Protection Fabric	SY	20	$25	$500
115	Minor Concrete (Backfill)	CY	19	$235	$4,465
116	Minor Concrete - Curb Type "A1-6"	LF	680	$20	$13,600
117	Minor Concrete - Curb Type "A1-Mod"	LF	6,780	$35	$237,300
118	Minor Concrete - Rolled Curb & Gutter (Std Plan 136)	LF	90	$20	$1,800
119	Minor Concrete - Vertical Curb & Gutter (Std Plan 135)	LF	5,300	$20	$106,000
120	Minor Concrete - Sidewalk	SF	25,360	$4	$101,440
121	Minor Concrete - Commercial Driveway (Std Plan 114)	SF	5,840	$6	$35,040
122	Minor Concrete - Misc Areas	SF	3,660	$6	$21,960
123	Minor Concrete - Residential Driveway (Std Plan 135)	SF	550	$4	$2,200
124	Minor Concrete - Texture Paving	SF	11,550	$6	$69,300
125	Minor Concrete (Curb Ramp)	EA	13	$800	$10,400
126	Concrete Ditch	LF	490	$40	$19,600
127	Pipe Gate	EA	3	$3,000	$9,000
128	Chain Link Fence (Type CL-6)	LF	1,320	$12	$15,840
129	Chain Link Fence (Type CL-6 MOD)	LF	1,500	$15	$22,500
130	Chain Link Gate (Dual 12' - Type CL-6)	EA	4	$2,000	$8,000
131	Chain Link Gate (Dual 16' - Type CL-6 MOD)	EA	2	$1,500	$3,000
132	Chain Link Gate (Dual Automatic 12' CL-6)	EA	2	$7,500	$15,000
133	Access Road Automatic Sliding Gate (50')	EA	1	$40,000	$40,000
134	Object Marker (Type N-1)	EA	2	$50	$100
135	Object Marker (Type K-1)	EA	6	$50	$300
136	Dead-End Barricade (Swk) (Std Plan 128)	EA	8	$400	$3,200
137	Thermoplastic Traffic Stripe	LF	25,100	$0.50	$12,550
138	Thermoplastic Pavement Marking	SF	2,550	$3	$7,650
139	Pavement Marker	EA	500	$5	$2,500

140	UPRR Flagging	DAY	120	$1,400	$168,000
141	Mobilization/Demobilization	LS	1	$1,430,000	$1,430,000
	Structure Items				
142	Structure Excavation (Bridge)	CY	1,411	$40	$56,440
143	Structure Backfill (Bridge)	CY	820	$80	$65,600
144	24" CIDH Concrete Piling	LF	3,996	$42	$167,832
145	Prestressing Cast In Place Concrete	LS	1	$70,000	$70,000
146	Structural Concrete, Bridge Footing	CY	410	$400	$164,000
147	Structural Concrete, Bridge	CY	1,849	$700	$1,294,300
148	Structural Concrete, Approach Slab (Type N)	CY	196	$700	$137,200
149	Drill and Bond Dowel	LF	138	$30	$4,140
150	Joint Seal (MR 2")	LF	172	$100	$17,200
151	Bar Reinforcing Steel (Bridge)	LB	677,409	$0.75	$508,056.75
152	24" Welded Steel Pipe Casing (Bridge)	LF	158	$115	$18,170
153	Slope Paving (Concrete)	CY	101	$600	$60,600
154	Minor Concrete (Bridge Median)	CY	45	$600	$27,000
155	Miscellaneous Metal (Bridge)	LB	684	$3	$2,052
156	Chain Link Railing (Type 6 Modified)	LF	553	$100	$55,300
157	Concrete Barrier (Type 26 Modified)	LF	555	$160	$88,800
	Landscape Items				
158	Irrigation System	LS	1	$250,000	$250,000
159	Import Top Soil, Soil Preparation, Amendments & Fine Grading	LS	1	$25,000	$25,000
160	2" Bark Mulch	CY	510	$60	$30,600
161	Root Control Barriers	EA	840	$20	$16,800
162	Trees (15 Gal.)	EA	195	$75	$14,625
163	Shrubs (5 Gal.)	EA	1,359	$18	$24,462
164	Shrubs (1 Gal.)	EA	1,979	$6	$11,874
165	Plant Establishment Period (730 Calendar Day)	LS	1	$40,000	$40,000
	Electrical Items				
166	Traffic Signal Modification - Hutchins Street	LS	1	$200,000	$200,000
167	Traffic Signal Modification - Stockton Street	LS	1	$125,000	$125,000
168	LED Street Lighting Installation	LS	1	$200,000	$200,000

169	Future SIC and Utility Conduit	LS	1	$50,000	$50,000
170	Opticom Emitters	EA	3	$1,000	$3,000
171	Temp Lighting	LS	1	$50,000	$50,000
172	Traffic Signal (Temporary)	LS	1	$200,000	$200,000
173	All Other Items	LS	1	$75,000	$75,000
	Total Amount				**$14,313,074.75**

ARTICLE V - By my signature hereunder, as Contractor, I certify that I am aware of the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

ARTICLE VI - It is further expressly agreed by and between the parties hereto that, should there be any conflict between the terms of this instrument and the Bid Proposal of the Contractor, then this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

ARTICLE VII - The City is to furnish the necessary rights-of-way and easements and to establish lines and grades for the work as specified under the Technical Specifications. All labor or materials not mentioned specifically as being done by the City will be supplied by the Contractor to accomplish the work as outlined in the specifications.

ARTICLE VIII - The Contractor agrees to commence work pursuant to this contract on the date stipulated in the Notice to Proceed and to diligently prosecute to completion within 535 CALENDAR DAYS.

This Agreement provides for liquidated damages in the amount of $6,700 per day for each day the work is not completed by the Contractor beyond the time specified in this Article.

WHEN SIGNING THIS CONTRACT, THE CONTRACTOR AGREES THAT THE TIME OF COMPLETION FOR THIS CONTRACT IS REASONABLE AND THE CONTRACTOR AGREES TO PAY THE CITY LIQUIDATED DAMAGES AS SET FORTH ABOVE. CONTRACTOR AGREES THAT THIS AMOUNT MAY BE DEDUCTED FROM THE AMOUNT DUE THE CONTRACTOR UNDER THE CONTRACT.

IN WITNESS WHEREOF, the parties to these presents have hereunto set their hands the year and date written below.

CONTRACTOR:

CITY OF LODI

_____

By:_____
Stephen Schwabauer
City Manager

By:_____

Date:_____

Attest:

_____
Title

_____
Jennifer M. Ferraiolo
City Clerk

(CORPORATE SEAL)

Approved As To Form

_____
Janice D. Magdich
City Attorney

1. AA# _____
2. JV# _____

CITY OF LODI
APPROPRIATION ADJUSTMENT REQUEST

TO:	Internal Services Dept. - Budget Division		
3. FROM:	Rebecca Areida-Yadav	5. DATE:	11/9/2015
4. DEPARTMENT/DIVISION:	Public Works		

6. REQUEST ADJUSTMENT OF APPROPRIATION AS LISTED BELOW

	FUND #	BUS. UNIT #	ACCOUNT #	ACCOUNT TITLE	AMOUNT
A. SOURCE OF FINANCING	307	30700000	56402	Other Federal Grants	$ 16,518,182.00
	303	30300000	56037	Reimb-Measure K	$ 27,000.00
	314		32205	Fund Balance	$ 330,000.00
B. USE OF FINANCING	307	30799000	77020	Capital Projects	$ 16,518,182.00
	303	30399000	77020	Capital Projects	$ 27,000.00
	314	31499000	77020	Capital Projects	$ 330,000.00

7. REQUEST IS MADE TO FUND THE FOLLOWING PROJECT NOT INCLUDED IN THE CURRENT BUDGET

Please provide a description of the project, the total cost of the project, as well as justification for the requested adjustment. If you need more space, use an additional sheet and attach to this form.

Construction contract, staff time, inspection contract and contingencies for Harney Lane Grade Separation project.

If Council has authorized the appropriation adjustment, complete the following:

Meeting Date: _____ Res No: _____ Attach copy of resolution to this form.

Department Head Signature: _____

8. APPROVAL SIGNATURES

Deputy City Manager/Internal Services Manager Date

Submit completed form to the Budget Division with any required documentation.
Final approval will be provided in electronic copy format.

RESOLUTION NO. 2015-____

A RESOLUTION OF THE LODI CITY COUNCIL AWARDING THE BID FOR THE HARNEY LANE GRADE SEPARATION PROJECT TO DESILVA GATES CONSTRUCTION, LP, OF DUBLIN, SUBJECT TO CALTRANS APPROVAL OF DISADVANTAGED BUSINESS ENTERPRISE DOCUMENTATION; APPROVING EXTENSION OF COOPERATIVE WORK AGREEMENT; APPROPRIATING FUNDS; AND FURTHER AUTHORIZING THE CITY MANAGER TO EXECUTE ALL CONTRACTS/AGREEMENTS ON BEHALF OF THE CITY OF LODI

==========

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bids were received and publicly opened on October 29, 2015, at 11:00 a.m., for the Harney Lane Grade Separation Project, described in the plans and specifications therefore approved by the City Council on July 15, 2015; and

WHEREAS, said bid has been checked and tabulated and a report thereof filed with the City Manager as follows:

Bidder	**Bid**
DeSilva Gates Construction, LP	$14,313,074.75
Goodfellow Top Grade Construction, LLC	$15,087,765.00
George Reed, Inc.	$15,510,635.00
Bay Cities Paving & Grading, Inc.	$15,779,658.38
RGW Construction, Inc.	$15,790,794.70
Viking Stephens Joint Venture	$16,070,432.05
Teichert Construction	$16,124,862.00
McGuire Hester	$16,352,357.00
Brosamer & Wall, Inc.	$18,458,584.00

WHEREAS, staff recommends awarding the bid for the Harney Lane Grade Separation Project to the low bidder, DeSilva Gates Construction, LP, of Dublin in the amount of $14,313,074.75, subject to Caltrans approval of Disadvantaged Business Enterprise documentation; and

WHEREAS, Regional Surface Transportation Program funds in the approximate amount of $600,000 have been allocated to the project and are scheduled to lapse on June 30, 2016. In order to preserve this funding source, it is necessary to request an extension of the associated Cooperative Working Agreement with Caltrans Local Assistance that administers these federal funds; and

WHEREAS, staff recommends that City Council approve the extension of the Cooperative Work Agreement; and

WHEREAS, staff recommends that the City Council appropriate funds for the Harney Lane Grade Separation project in the amount of $16,875,182; and

WHEREAS, staff recommends authorizing the City Manager to execute the contract, within the appropriation, subject to Caltrans approval of Disadvantaged Business Enterprise documentation.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby award the bid for the Harney Lane Grade Separation Project to the low bidder, DeSilva Gates Construction, LP, of Dublin, California, in the amount of $14,313,075, subject to Caltrans approval of Disadvantaged Business Enterprise documentation; and

BE IT FURTHER RESOLVED that the Lodi City Council hereby approves the extension of the Cooperative Work Agreement; and

BE IT FURTHER RESOLVED that the Lodi City Council does hereby appropriate funds for the Harney Lane Grade Separation Project in the amount of $16,875,182; and

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to execute all Contracts/Agreements for this project on behalf of the City of Lodi, subject to Caltrans approval of Disadvantaged Business Enterprise documentation.

Dated: November 18, 2015

==========

I hereby certify that Resolution No. 2015-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 18, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAIOLO
City Clerk

AGENDA ITEM C-07

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Accept Improvements Under Contract for Water Meter Program Non-Residential Phase

MEETING DATE: November 18, 2015

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Accept Improvements under contract for Water Meter Program Non-Residential Phase.

BACKGROUND INFORMATION: The contract was awarded to Teichert Construction, of Davis, in the amount of $754,044, on March 19, 2014. The contract has been completed in substantial conformance with the plans and specifications approved by City Council.

The consisted of installing approximately 381 water meters at non-residential parcels, including commercial, industrial, and public uses. The public uses include City-owned properties, such as buildings, parks, and landscape areas. 1,047 sites were investigated for water service connections.

The work was completed within the contract required time frame. The final contract price was $413,417.62. The difference between the contract amount and the final contract price is due to substantial decreases in the required work based on field investigations of each parcel.

Following acceptance by the City Council, as required by law, the City Engineer will file a Notice of Completion with the County Recorder's office. The notice serves to notify vendors and subcontractors that the project is complete and begins their 30-day period to file a stop notice requiring the City to withhold payments from the prime contractor in the event of a payment dispute.

FISCAL IMPACT: Water main leak and service repairs will be reduced. No additional costs will be incurred for reading of the meters as they are automatically read concurrent with the reading of the electric meters.

FUNDING AVAILABLE: This project was funded by Water Capital Fund

_____
F. Wally Sandelin
Public Works Director

FWS/smh
Attachment
cc: Gary Wiman, Construction Project Manager
Tony Valdivia, RMC Water and Environment
Terracon/Neil O. Anderson and Associates
Teichert Construction

APPROVED: _____
Stephen Schwabauer, City Manager

AGENDA ITEM C-08

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Appropriating Funds for Landscape Maintenance Assessment District No. 2003-1 ($25,000)

MEETING DATE: November 18, 2015

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution appropriating funds for Landscape Maintenance Assessment District No. 1, in the amount of $25,000.

BACKGROUND INFORMATION: On June 17, 2015, Council awarded the contract for the City's 2015/16 landscape maintenance. The Council Communication for that item identified that the cost for the Consolidated Landscape Maintenance Assessment District No. 2003-1 (Assessment District) was increasing by $25,180 (compared to the previous year). At that time, staff inadvertently omitted the appropriation of additional funds necessary from the Assessment District.

The amount being collected from the Assessment District annually was correctly calculated in the tax levy and there is sufficient surplus in the account for the appropriation.

FISCAL IMPACT: There will be a reduction of the Assessment District's surplus.

FUNDING AVAILABLE: Requested Appropriation:
Assessment District (80198200.72499) $25,000

_____
Jordan Ayers
Deputy City Manager/Internal Services Director

_____
F. Wally Sandelin
Public Works Director

Prepared by Associate Civil Engineer Nathan
FWS/SN/tb

cc: City Engineer / Deputy Public Works Director

APPROVED: _____
Stephen Schwabauer, City Manager

1. AA# _____
2. JV# _____

CITY OF LODI
APPROPRIATION ADJUSTMENT REQUEST

TO:	Internal Services Dept. - Budget Division		
3. FROM:	Rebecca Areida-Yadav	5. DATE:	10/29/2015
4. DEPARTMENT/DIVISION:	Public Works		

6. REQUEST ADJUSTMENT OF APPROPRIATION AS LISTED BELOW

	FUND #	BUS. UNIT #	ACCOUNT #	ACCOUNT TITLE	AMOUNT
A. SOURCE OF FINANCING	801		32205	Fund Balance	$ 25,000.00
B. USE OF FINANCING	801	80198200	72499	Misc Contract Services	$ 25,000.00

7. REQUEST IS MADE TO FUND THE FOLLOWING PROJECT NOT INCLUDED IN THE CURRENT BUDGET

Please provide a description of the project, the total cost of the project, as well as justification for the requested adjustment. If you need more space, use an additional sheet and attach to this form.

Additional appropriation for assessment district landscape maintenance contract for FY 15/16 due to increased cost in contract from previous FY.

If Council has authorized the appropriation adjustment, complete the following:

Meeting Date: _____ Res No: _____ Attach copy of resolution to this form.

Department Head Signature: _____

8. APPROVAL SIGNATURES

Deputy City Manager/Internal Services Manager Date

Submit completed form to the Budget Division with any required documentation.
Final approval will be provided in electronic copy format.

RESOLUTION NO. 2015-____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROPRIATING FUNDS FOR LANDSCAPE
MAINTENANCE ASSESSMENT DISTRICT NO. 2003-1

==========

WHEREAS, on June 17, 2015, the City Council awarded the contract for the City's 2015/16 landscape maintenance; and

WHEREAS, the Council Communication for that item identified that the cost for the Consolidated Landscape Maintenance Assessment District No. 2003-1 (Assessment District) was increasing by $25,180 (compared to the previous year); and

WHEREAS, at that time, staff inadvertently omitted the appropriation of additional funds necessary from the Assessment District.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby appropriate funds for Landscape Maintenance Assessment District No. 1, in the amount of $25,000.

Dated: November 18, 2015

==========

I hereby certify that Resolution No. 2015-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 18, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAIOLO
City Clerk

AGENDA ITEM C-09

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Accepting Rose Gate Subdivision Unit No. 1 (Tract No. 3785) and Unit No. 2 (Tract No. 3813) Public Improvements

MEETING DATE: November 18, 2015

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution accepting Rose Gate Subdivision Unit No. 1 (Tract No. 3785) and Unit No. 2 (Tract No. 3813) public improvements.

BACKGROUND INFORMATION: Public improvements at Rose Gate Subdivision Unit No. 1 (Tract No. 3785) and Unit No. 2 (Tract No. 3813), as shown on Exhibit A, have been completed in substantial conformance with the requirements of the improvement agreement between the City and Frontier Land Companies approved by City Council on June 18, 2014.

The public improvements include installation of all interior subdivision improvements, along with street frontage improvements, along the north side of Lodi Avenue from Lower Sacramento Road to the westerly project limits. The improvements along Lodi Avenue consist of undergrounding the existing overhead power poles, installation of a round-about, masonry wall, curb, gutter and sidewalk (north side only west of the round-about), landscape and irrigation, street lights, signal improvements, and full-width paving.

The streets to be accepted are as follows:

Streets	**Length in Miles**
Lodi Avenue*	0.32
Interior Streets	1.86
Total New Miles of City Streets	**2.18**

* Lodi Avenue from Lower Sacramento Road to the west boundary of Raley's Center (0.18 miles) consists of landscape and irrigation improvements in an existing street right-of-way and did not add additional miles to the City's street system.

Temporary off-site storm drain and wastewater improvements (also reflected in Exhibit A) have been constructed as a condition of securing the right to develop the Rose Gate Project. The temporary infrastructure will be privately owned and maintained by the developer in accordance with the terms and conditions of the Temporary Maintenance Agreement, also approved by Council on June 18, 2014.

APPROVED: _____
Stephen Schwabauer, City Manager

FISCAL IMPACT: There will be an increase in long-term maintenance costs for public infrastructure and City services, such as police, fire, and parks. This cost will be funded by proceeds from the Community Facilities District No. 2007-1.

FUNDING AVAILABLE: Not applicable.

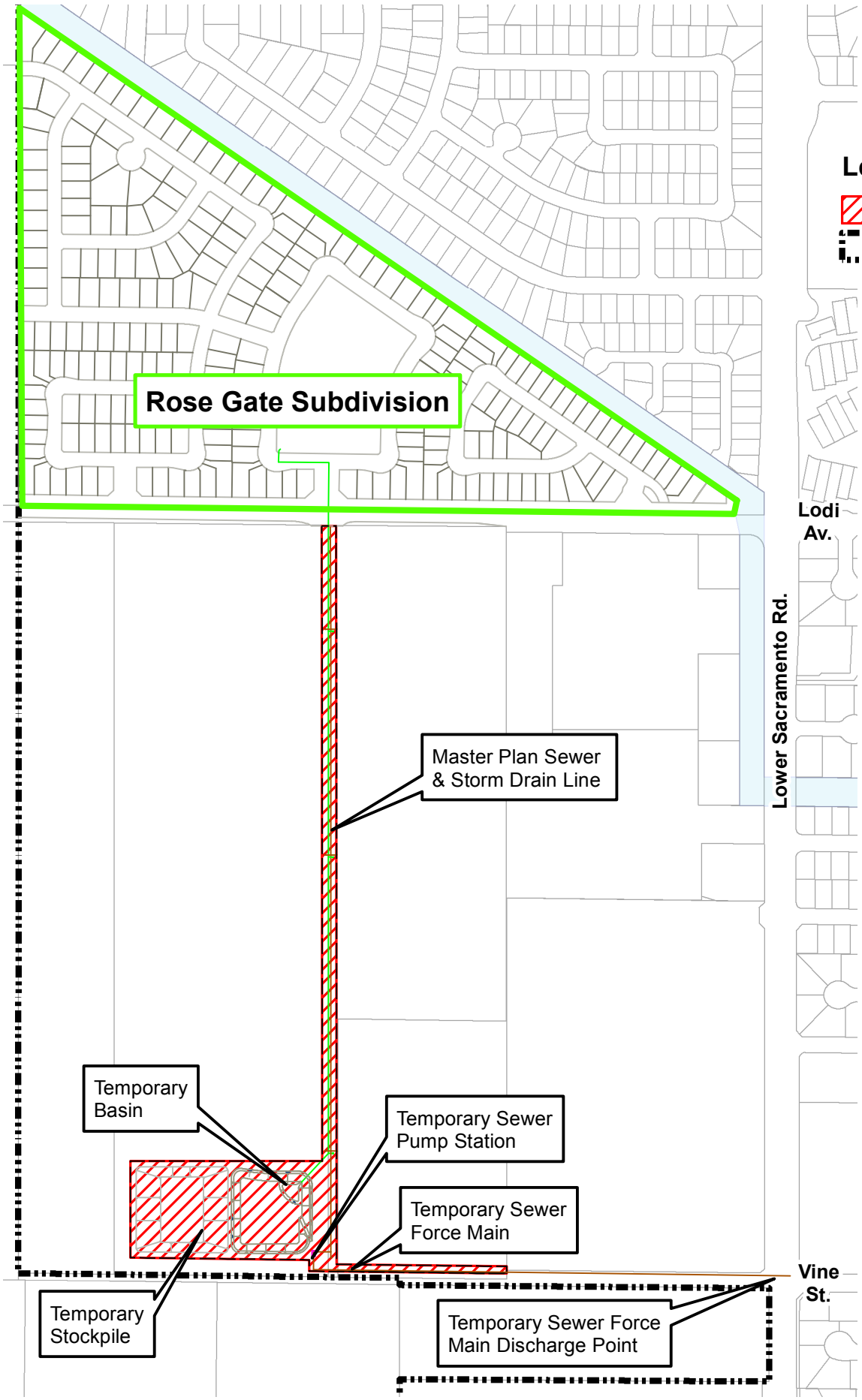
F. Wally Sandelin
Public Works Director

Prepared by Charles E. Swimley, Jr., City Engineer/Deputy Public Works Director
FWS/CES/tb
Attachment

cc: City Attorney Magdich
City Engineer / Deputy Public Works Director Swimley
Senior Civil Engineer Chang
Associate Civil Engineer Nathan
Senior Engineering Technician Wiman
FCB Homes
MCR Engineering

Exhibit A

Rose Gate Offsite Exhibit



Legend

Sewer & SD Easement

City Limits

N
W E
S

1 inch = 500 feet

When Recorded, Return to:
City of Lodi City Clerk's Office
P.O. Box 3006
Lodi, CA 95241-1910

RESOLUTION NO. 2015-____

A RESOLUTION OF THE LODI CITY COUNCIL ACCEPTING ROSE GATE SUBDIVISION UNIT NO. 1 (TRACT NO. 3785) AND UNIT NO. 2 (TRACT NO. 3813) PUBLIC IMPROVEMENTS

==========

WHEREAS, public improvements at Rose Gate Subdivision Unit No. 1 (Tract No. 3785) and Unit No. 2 (Tract No. 3813) have been completed in substantial conformance with the requirements of the Improvement Agreement between the City and Frontier Land Companies approved by City Council on June 18, 2014; and

WHEREAS, the public improvements include installation of all interior subdivision improvements, along with street frontage improvements on the north side of Lodi Avenue from Lower Sacramento Road to the westerly project limits; and

WHEREAS, the improvements along Lodi Avenue consist of undergrounding the existing overhead power poles; installation of a roundabout, masonry wall, curb, gutter and sidewalk (north side only west of the roundabout), landscape and irrigation, street lights, and signal improvements; and full-width paving.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby accept Rose Gate Subdivision Unit No. 1 (Tract No. 3785) and Unit No. 2 (Tract No. 3813) public improvements; and

BE IT FURTHER RESOLVED that the streets to be accepted are as follows:

Streets	**Length in Miles**
Lodi Avenue*	0.32
Interior Streets	1.86
Total New Miles of City Streets	**2.18**

*Lodi Avenue from Lower Sacramento Road to the west boundary of Raley's Center (0.18 miles) consists of landscape and irrigation improvements in an existing street right-of-way and did not add additional miles to the City's street system.

Dated: November 18, 2015

==========

I hereby certify that Resolution No. 2015-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 18, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAIOLO
City Clerk

AGENDA ITEM C-10

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Approving Collateral Assignment of Power Purchase Agreement to Permit Financing of Astoria 2 Solar Project by EFS Renewables Holdings, LLC and Approving Related Amendments to Existing Power Purchase Agreement to Effectuate Such Financing as Contained in a Consent and Agreement; a Non-Disturbance and Attornment Agreement; and an Intercreditor and Subordination Agreement

MEETING DATE: November 18, 2015

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution approving a collateral assignment of the Power Purchase Agreement to permit financing of the Astoria 2 Solar Project by EFS Renewables Holdings, LLC and approving related amendments to the existing Power Purchase Agreement to effectuate such financing as contained in a Consent and Agreement; a Non-Disturbance and Attornment Agreement; and an Intercreditor and Subordination Agreement.

BACKGROUND INFORMATION: On June 18, 2014, the Lodi City Council approved a Power Purchase Agreement (PPA) with RE Astoria 2 LLC, a wholly owned subsidiary of Recurrent Energy, for 10 MW of solar energy and capacity associated with the Astoria 2 Solar Project (Project) in Kern County. The environmental attributes to be generated as part of the Project will assist the City of Lodi (Lodi) with meeting its Renewables Portfolio Standard obligations.

In addition to RE Astoria 2 LLC (Seller) and Lodi, other parties to the PPA include the Southern California Public Power Authority (SCPPA), Power and Water Resources Pooling Authority (PWRPA) and the cities of Corona, Moreno Valley, and Rancho Cucamonga. Lodi and these other parties are collectively referred to as the Buyers under the PPA.

Seller and its proposed investors are requesting approval from all Buyers, including Lodi, to make a number of amendments to the PPA to accommodate financing of the Project. The proposed amendments and financing will be achieved through multiple agreements including a Consent and Agreement, Non-Disturbance and Attornment Agreement, and an Intercreditor and Subordination Agreement, attached as Exhibits A, B and C, respectively.

While various terms, definitions and recitals were amended and/or clarified, listed below is a summary of the key amendments to the PPA in the Proposed Consent and Agreement:

- The definition of Facility Debt has been modified to include tax equity to accommodate the proposed financing structure.
- The definition of Curtailment Periods has been clarified to mean periods of time when the Seller is prevented from delivering or Buyer is prevented from receiving energy.

APPROVED: _____

Stephen Schwabauer, City Manager

- The Seller will have 30 days from the effective date of the Consent and Agreement to provide a Quality Assurance Manual; this Manual provides Buyers with assurance in all areas of project execution.
- The definitions of Applicable Contract Capacity and Facility Energy have been clarified.
- The automatic termination provision is limited to circumstances in which Seller voluntarily terminates the leases and/or easements for the Project.
- Should the Buyers exercise the option to buy the Project in the event of an uncured default by the Seller, clarifications to the Option Agreement include language that:
    - Buyers shall not claim a Termination Payment is due as a result of the PPA termination; and
    - Clarifies the definition of Facility Assets regarding shared facilities with other Recurrent Energy projects.
- Seller is offering all Buyers, including Lodi, a modest reduction in purchase terms ($1/MWh reduction in the cost of the solar power Lodi buys from the Project) in exchange for accommodating the PPA amendments and new financing structure.

The Risk Oversight Committee, at its November 9, 2015 meeting, recommended approval after consulting with staff, City Attorney, and outside legal counsel to permit the project to continue toward development. Rejecting the request likely terminates the Project.

FISCAL IMPACT: The proposed amendments to the PPA will result in a cost savings of approximately $573,000 over the 20-year contract term for Lodi.

FUNDING AVAILABLE: The Astoria 2 Solar Project will be funded by Greenhouse Gas Revenue (Fund 508) and will be appropriated as part of the annual budget process.

_____
Jordan Ayers
Deputy City Manager/Internal Services Director

_____
Elizabeth A. Kirkley
Electric Utility Director

PREPARED BY: Melissa Price-Cadek, Rates & Resources Manager

EAK/MPC/lst

EXHIBIT A

CONSENT AND AGREEMENT

among

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY,
POWER AND WATER RESOURCES POOLING AUTHORITY,
CITY OF LODI,
CITY OF CORONA,
CITY OF MORENO VALLEY
AND
CITY OF RANCHO CUCAMONGA
(collectively, the Contracting Parties)

and

RE ASTORIA 2 LLC,
a Delaware limited liability company
(Project Company)

DEUTSCHE BANK TRUST COMPANY AMERICAS
(Collateral Agent)

and

EFS RENEWABLES HOLDINGS, LLC
(Class A Member)

Dated as of _____, 2015

CONSENT AND AGREEMENT
(Astoria 2 PPA)

This CONSENT AND AGREEMENT (this "Consent"), dated as of _____, 2015, is entered into by and among SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY ("SCPPA"), THE POWER AND WATER RESOURCES POOLING AUTHORITY, CITY OF LODI, CITY OF CORONA, CITY OF MORENO VALLEY and CITY OF RANCHO CUCAMONGA (together with each of their successors and permitted assigns, collectively, the "Contracting Parties" and each, a "Contracting Party"), DEUTSCHE BANK TRUST COMPANY AMERICAS, in its capacity as collateral agent for the Secured Parties referred to below (together with its successors, designees and assigns in such capacity, "Collateral Agent"), EFS RENEWABLES HOLDINGS, LLC (together with its successors and any permitted assigns of its interest in Astoria Holdings or the Project Company, as applicable, referred to in Recitals F and G below, the "Class A Member") and RE ASTORIA 2 LLC, a Delaware limited liability company (the "Project Company"). In accordance with the terms and conditions set forth in a separate agreement among the Buyers to the Contract (as defined below), SCPPA may act in its capacity as "Buyers' Agent" hereunder.

RECITALS

A. WHEREAS, the Project Company intends to develop, construct, install, test, own, operate and maintain an approximately 75 MW_{AC} solar photovoltaic generating facility located in Kern County, California, commonly known as the Astoria 2 Solar Project (the "Project").

B. WHEREAS, in order to partially finance the development, construction, installation, testing, operation and use of the Project, the Project Company has entered into that certain Credit Agreement, dated as of _____, 2015 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), by and among the Project Company, Deutsche Bank Trust Company Americas, in its capacity as administrative agent to the lenders (in such capacity, the "Administrative Agent"), the Collateral Agent, the lenders and issuing banks party thereto from time to time and the other parties named therein, pursuant to which, among other things, the lenders and issuing banks have extended commitments to make loans and other financial accommodations to, and for the benefit of, the Project Company.

C. WHEREAS, each Contracting Party and the Project Company have entered into that certain Power Purchase Agreement, dated as of July 23, 2014 (as may be amended, amended and restated, supplemented or otherwise modified from time to time in accordance with the terms thereof and hereof, the "Contract").

D. WHEREAS, pursuant to that certain Security and Pledge Agreement with Collateral Agent, dated as of _____, 2015, the Project Company has agreed, among other things, to assign, as collateral security for the Project Company's obligations under the Credit Agreement and other documents related to the Credit Agreement and any other documents entered into from time to time to evidence senior secured *pari passu* indebtedness of the Project Company (collectively, the "Credit Documents"), all of the Project Company's right, title and interest in, to and under (but not its obligations, liabilities or duties with respect to) the Contract to Collateral Agent for the benefit of itself, the lenders, issuing banks and each other

entity or person that is provided collateral security under the Credit Documents (the "Secured Parties").

E. WHEREAS, the Credit Documents require that RE Astoria 2 Holdings LLC ("Astoria Holdings"), the direct owner of the Project Company, make certain capital contributions to the Project Company (the "Construction Capital Contributions") to fund a portion of the costs of the development, construction, installation and testing of the Project.

F. WHEREAS, RE Pioneer Holdings LLC ("Pioneer Holdings"), the direct owner of Astoria Holdings, has agreed to cause Astoria Holdings to issue all of the Class A Membership Interests in Astoria Holdings to the Class A Member, which, together with Pioneer Holdings, the owner of all of the Class B Membership Interests in Astoria Holdings, will fund the Construction Capital Contributions to be made by Astoria Holdings to the Project Company. Pioneer Holdings will retain management control of Astoria Holdings, and indirectly, the Project Company, following such issuance, subject to the Class A Member's right to approve major decisions with respect to Astoria Holdings and the Project Company, as provided for in the transaction documents between Pioneer Holdings and the Class A Member (the "Tax Equity Documents"), and Pioneer Holdings has delivered an officer's certificate to the Contracting Parties with respect to such transactions contemplated by the Tax Equity Documents.

G. WHEREAS, commencing on the first anniversary of the first funding date and ending on the first anniversary of the final funding date under the Tax Equity Documents, the Class A Member has the option to cause Astoria Holdings to merge with and into the Project Company with the Project Company being the surviving entity and the Class A and B Membership Interests in Astoria Holdings will be converted into Class A and B Membership Interests in the Project Company, in each case with all of the same rights, obligations and privileges as immediately prior to such merger (the "Merger"). Such Merger shall not affect in any way Pioneer Holdings' management control of the Project Company or any of the rights or obligations of the Project Company hereunder or under the Power Purchase Agreement.

H. WHEREAS, the Project Company is obtaining this Consent pursuant to Sections 13.3 and 14.7 of the Contract.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the parties hereto hereby agree, notwithstanding anything in the Contract to the contrary, as follows:

SECTION 1. CONSENT TO ASSIGNMENT

(a) Each Contracting Party acknowledges the assignment referred to in Recital D above, consents to such assignment and agrees with Collateral Agent for the benefit of the Secured Parties as follows:

(i) After delivery by Collateral Agent to the Project Company and each Contracting Party of notice that an Event of Default (as defined in the Credit Agreement)

has occurred and is continuing, Collateral Agent shall be entitled (but not obligated) to exercise all or any portion of the rights and to take any or all actions of the Project Company under the Contract in accordance with the terms and conditions set forth therein. Upon receipt of notice from Collateral Agent that it intends to exercise such rights and remedies, each Contracting Party agrees to accept such exercise and cure by Collateral Agent so long as timely made by Collateral Agent under the Contract and this Consent. Any such cure or attempt to cure by Collateral Agent shall not be construed as an assumption by Collateral Agent, the Secured Parties, or any of their respective assignee(s) or designee(s) of any covenants, agreements or obligations of the Project Company under or in respect of the Contract.

(ii) The Contracting Parties will not without the prior written consent of Collateral Agent, cancel or terminate the Contract, or suspend performance of their services thereunder or consent to or accept any cancellation, termination or suspension thereof by the Project Company, except as provided in the Contract and in accordance with Section 1(a)(iii) hereof. SCPPA, acting as Buyers' Agent, shall deliver duplicates or copies of all notices of Default (as defined below) to Collateral Agent simultaneously with delivery thereof to the Project Company. Failure by SCPPA, acting as Buyers' Agent, to deliver any such notice shall not create a cause or claim against SCPPA, acting as Buyers' Agent, or any other Contracting Party on the part of Collateral Agent, the Administrative Agent or any Secured Party.

(iii) The Contracting Parties will not terminate the Contract or suspend performance of their services thereunder on account of any default or breach of the Project Company thereunder, or upon the occurrence or non-occurrence of any event or condition under the Contract which would immediately or with the passage of any applicable grace period or the giving of notice, or both, entitle the Contracting Parties to terminate or suspend performance thereunder (such default, breach, event or condition, a "Default"), without written notice to Collateral Agent (which notice may be provided concurrently to the Collateral Agent and the Project Company) of such termination or suspension and first providing to Collateral Agent (A) ten (10) business days to cure such Default from the later of (x) the date notice of Default is delivered to Collateral Agent and (y) the expiration of the Project Company's cure period set forth in the Contract, if such Default is the failure to pay amounts to the Contracting Parties which are due and payable by the Project Company under the Contract, or (B) a reasonable opportunity to cure such Default, but not more than sixty (60) days from the later of (x) the date notice of Default is delivered to Collateral Agent and (y) the expiration of the Project Company's cure period set forth in the Contract, if the Default cannot be cured by the payment of money to the Contracting Parties so long as all other obligations under such Contract are performed by the Project Company or the Collateral Agent. If possession of the Project is necessary to cure such Default, and Collateral Agent declares the Project Company in default under the Credit Agreement and commences foreclosure proceedings, Collateral Agent will be allowed a reasonable period, but not more than one hundred eighty (180) days, to complete such proceedings before the Contracting Parties terminate the Contract or suspend performance under the Contract. If Collateral Agent is prohibited by any court order or bankruptcy or insolvency proceedings from curing the Default or from commencing or prosecuting foreclosure proceedings, the foregoing time

periods shall be extended by the period of such prohibition, but not more than one hundred eighty (180) days from the date of such court order or proceeding.

(iv) In the event Collateral Agent, the Secured Parties or their designee(s) or assignee(s) or a purchaser or grantee at a foreclosure and sale or by a conveyance in lieu of foreclosure take possession of or title to the Facility or any of the Facility assets, and so long as no Default exists under the Contract (it being acknowledged and agreed that if Contracting Party irrevocably waives any Default of the Project Company under the Contract, no such Default shall be deemed to exist), then Collateral Agent, the Secured Parties or their designee(s) or assignee(s) or other purchaser or grantee shall assume the obligations of the Project Company (or Collateral Agent or the Secured Parties or their designee(s) or assignee(s)) under the Contract that arise from and after the date of such assumption and the Option Agreement and the Land Option Agreement (as such terms are defined below) shall remain in full force and effect.

(v) Subject to the restrictions set forth in the Contract, as may be modified herein, the Contracting Parties consent to the transfer of the Project Company's interest under the Contract to the Secured Parties or Collateral Agent or their designee(s) or assignee(s) or any of them or a purchaser or grantee at a foreclosure sale by judicial or nonjudicial foreclosure and sale or by a conveyance in lieu of foreclosure and agrees that upon such foreclosure, sale or conveyance, the Contracting Parties shall recognize the Secured Parties or Collateral Agent or their designee(s) or assignee(s) or any of them or other purchaser or grantee as the applicable party under the Contract, provided that such Secured Parties or Collateral Agent or their designee(s) or assignee(s) or other purchaser or grantee (A) assume in writing the obligations of the Project Company under the Contract arising or accruing from and after the date of such assumption, it being understood, however, that such assumption shall not operate as a waiver of the Defaults existing under the Contract prior to the date of such assumption and (B) assume the Contract subject to Contracting Parties' rights thereunder, including, among others, its right to purchase the Project in accordance with that certain Option Agreement to be entered into by and among the parties thereto) (the "Option Agreement"), and its right to purchase certain real property associated with the Project in accordance with that Land Option Agreement to be entered into by and among the parties thereto (the "Land Option Agreement"). Notwithstanding any assumption in accordance with this Section 1(a)(iv), the Project Company shall not be released or discharged from and shall remain liable for any and all of its obligations to Contracting Party arising or accruing under the Contract prior to such assumption.

(vi) In the event that the Contract is rejected by a trustee or debtor-in-possession in any bankruptcy or insolvency proceeding, or if the Contract is terminated for any reason other than a Default which could have been but was not cured by Collateral Agent as provided in Section 1(a)(iii) above, and if, within sixty (60) days after such rejection or termination, Collateral Agent or its successors or assigns shall so request, Contracting Party will execute and deliver to Collateral Agent a new contract, which contract shall be on the same terms and conditions as the original Contract, including the remaining term of the original Contract before giving effect to such

termination. References in this Consent to the "Contract" shall be deemed also to refer to such new contract.

(vii) In the event Collateral Agent, the Secured Parties, any designee or assignee of the foregoing or any purchaser or grantee thereof elects to succeed to the Project Company's interests under the Contract as provided in Sections 1(a)(iv) or 1(a)(vii) or to enter into a new contract as provided in Section 1(a)(v) above, such person shall, subject to the terms of this Consent, assume the obligations of the Project Company under the Contract to the extent provided herein and in Section 14.7(e) of the Contract, and the sole recourse of the Contracting Parties in seeking the enforcement of such obligations shall be to such Collateral Agent's, Secured Parties', designee's or assignee's interest in the Project (and no officer, director, employee, shareholder or agent thereof shall have any liability with respect thereto).

(viii) In the event Collateral Agent, the Secured Parties or their designee(s) or assignee(s) succeed to the Project Company's interest under the Contract, Collateral Agent, the Secured Parties or their designee(s) or assignee(s) shall cure any then-existing Defaults under the Contract, except any Defaults which by their nature are not capable of being cured (including, without limitation, defaults which relate to bankruptcy of the Project Company or other defaults that relate to the status or condition of the Project Company at the time of the Default because they are personal to the Project Company). Collateral Agent, the Secured Parties and their designee(s) or assignee(s) shall have the right to assign their interest in the Contract or the new contract entered into pursuant to Section 1(a)(v) above to a person or entity to whom the Project Company's interest in the Project is transferred, provided such transferee assumes the obligations of the Project Company (or Collateral Agent or the Secured Parties or their designee(s) or assignee(s)) under the Contract and is a Qualified Transferee. Upon such assignment, Collateral Agent and the Secured Parties and their designee(s) or assignee(s) (including their agents and employees) shall be released from any further liability thereunder to the extent of the interest assigned.

(ix) This Consent shall not be deemed to waive or modify in any respect any of the rights of any Contracting Party under the Contract against the Project Company or to relieve Project Company from the observance and performance of any and all covenants and conditions of the Project Company except as otherwise expressly provided herein.

(b) Each Contracting Party (i) acknowledges that the Class A Member has agreed to acquire all of the Class A Membership Interests as referred to in Recitals F and G above, and may from time to time thereafter transfer or assign all or part of its Class A Membership Interest to another Tax Equity Investor, (ii) agrees that each such issuance and any such subsequent transfer or assignment constitutes a Tax Equity Transaction under and as defined in the Contract, and (iii) acknowledges that Pioneer Holdings may be removed from its role as managing member of Astoria Holdings or the Project Company, as applicable, for cause, as defined in and pursuant to the documents associated with any Tax Equity Transaction, in which case the Class A Member shall appoint a replacement managing member that itself has retained a Qualified Operator for the Facility (or has agreed not to interfere with the existing Qualified Operator for the Facility). Each Contracting Party (x) acknowledges the Merger referred to in Recital G

above, (y) consents to the Merger and (z) agrees that the Merger will not be deemed a default (and no Default shall be deemed to have occurred as a result thereof) under the Contract.

(c) SCPPA, acting as Buyers' Agent, shall deliver duplicates or copies of all notices of Default (as defined above) to Class A Member simultaneously with delivery thereof to the Project Company and the Collateral Agent. Failure by SCPPA, acting as Buyers' Agent, to deliver any such notice shall not create a cause or claim against SCPPA, acting as Buyers' Agent, or any Contracting Party on the part of Class A Member.

SECTION 2. CONTRACT STIPULATIONS AND ACKNOWLEDGMENTS

Notwithstanding any provision contained in the Contract to the contrary, effective as of the date hereof, Project Company and each Contracting Party acknowledges and agrees to the following (unless otherwise defined in this Consent, capitalized terms used in this Section 2 shall have the meanings given to such terms in the Contract, as amended and modified pursuant to this Consent):

(a) The foreclosure by a Secured Party (including the Collateral Agent) of the membership interests in Seller or by a Facility Lender in any equity interests pledged by an Affiliate of Seller shall not constitute a direct or indirect change of control (including a "Change of Control") of Seller.

(b) In addition to the Project Company, Pioneer Holdings may be an issuer of Facility Debt. Facility Debt shall also include (x) all amounts required to be received by the lenders under that certain Back-Leverage Credit Agreement, dated as of _____, 2015 (as amended, amended and restated, supplemented, modified or replaced from time to time, including any refinancing by an affiliate of Pioneer Holdings, which will be a wholly owned subsidiary of Recurrent Energy, LLC, the "BL Credit Agreement"), by and among Pioneer Holdings, Deutsche Bank Trust Company Americas, in its capacity as administrative agent to the lenders and collateral agent to the secured parties, the lenders and issuing banks party thereto from time to time and the other parties named therein, to cause the Discharge Date to occur under (and as defined in) the BL Credit Agreement (including any and all amounts that need to be distributed to Pioneer Holdings pursuant to the terms of the Amended and Restated Astoria Holdings LLCA or the Amended and Restated Project Company LLCA (each, as defined in the BL Credit Agreement), as applicable) to cause the Discharge Date to occur, and (y) the aggregate amount of the payments the Class A Member is entitled to receive under the Amended and Restated Astoria Holdings LLCA or the Amended and Restated Project Company LLCA, as applicable, as each may be amended or amended and restated from time to time; provided that the total amount of Facility Debt shall not be deemed to exceed the sum of (A) the amount set forth in Exhibit B and (B) payment obligations in connection with swap or interest rate hedging breakage costs related to the BL Credit Agreement.

(c) In addition to the pledge permitted to Section 14.7(d) of the Contract, the Seller shall also pledge its assets pursuant to the Security Documents.

(d) The Effective Date of the Contract occurred as of July 23, 2014.

(e) First Solar Electric (California), Inc. is a Qualified Operator for so long as it remains a wholly owned subsidiary of First Solar, Inc., and Team-Solar Inc. is a Qualified Operator for so long as it remains a wholly owned subsidiary of SunEdison.

(f) "Curtailment Periods" under Section 7.4(a) of the Contract are periods of time during which, for the reasons set forth in the definition of such term, Seller is prevented from delivering Facility Energy to the Point of Delivery or a Buyer is prevented from receiving Facility Energy at the Point of Delivery.

(g) Notwithstanding the failure of Seller to deliver a Quality Assurance manual (a "Q/A Manual") to Buyer's Agent within ninety (90) days of the Effective Date pursuant to Appendix G of the Contract, Seller is not and will not be deemed in default (and no Default shall be deemed to have occurred) under the Contract; provided, that Seller hereby agrees to submit to Buyer's Agent three (3) copies of the Q/A Manual within thirty days after the effective date of this Consent pursuant to and otherwise in accordance with the terms of Appendix G of the Contract.

(h) Applicable Contract Capacity is measured by the sum of the inverter nameplate capacity of the Facility at the Point of Delivery, taking into account the reactive power obligations of the Facility. The Facility is intended to have 20 inverters with a total Applicable Contract Capacity prior to January 1, 2022 of 65 MW, and from and after January 1, 2022 of 75 MW (meaning that such inverters will have a 75MW rating). For the avoidance of doubt, the foregoing shall not limit Seller's obligation to deliver the Products associated with Test Energy, Facility Energy and Excess Energy to Buyer in accordance with the Contract.

(i) As used in Sections 6.5(a)(i), 6.5(a)(ii) and 6.5(a)(iii) of the Contract, and without limiting Seller's obligation to deliver Energy at the Applicable Contract Capacity in accordance with the Contract, the term "Facility Energy" means "total Energy generated by the Facility, less station load and transmission losses to the Point of Delivery, as measured by CAISO-approved Electric Metering Devices."

(j) The automatic termination provision in Section 13.4(b) of the Contract, which references Section 12.4(f), is limited to circumstances in which Seller voluntarily terminates any of the Site Control Documents without requirement to do so from any Governmental Authority or without the consent of SCPPA, acting as Buyers' Agent, such consent not to be unreasonably withheld.

(k) A Secured Party (including the Collateral Agent) shall not be required to be a Qualified Transferee in connection with such Secured Party becoming party to the Contract. Any transferee of a Secured Party (including the Collateral Agent) and any transferee pursuant to a foreclosure sale, a deed in lieu of foreclosure or otherwise shall be deemed a "Qualified Transferee" under the Contract so long as such transferee (A) (i) has financial qualifications at least equivalent to the financial qualifications of Seller as of the Effective Date, and (ii) retains, or causes Seller to retain, a Qualified Operator to operate the Facility (or otherwise agrees not to interfere with the existing Qualified Operator for the Facility), or (B) is reasonably acceptable to SCPPA, acting as Buyers' Agent.

(l) If the Contracting Parties elect to exercise the Project Purchase Option pursuant to Section 2.2(d) of the Option Agreement and a "Closing" occurs thereunder, the Contracting Parties shall not claim a Termination Payment as being due as a result of the termination of the Contract.

(m) In connection with the exercise of the Project Purchase Option pursuant to Section 2.2(d) of the Option Agreement, the term "Facility Assets" includes, in respect of any shared interconnection facilities or other fixtures or equipment required for the transmission of Energy to the Point of Delivery (including, without limitation, any applicable portion of the poles, support structures and the underlying real property rights co-owned with Golden Fields Solar III, LLC (as successor in interest to Willow Springs Solar, LLC), RE Astoria LLC, RE Garland LLC, RE Garland A, LLC, and RE Garland 2 LLC under the SFA (as defined below)), and is deemed limited to, the rights, title and interest of the Project Company under and pursuant to (i) the Shared Facilities Ownership and Operating Agreement, dated as of September 8, 2015, among the Project Company, RE Astoria LLC, RE Garland LLC, RE Garland A LLC and RE Garland 2 LLC, (ii) the LGIA Co-Tenancy Agreement dated as of July 9, 2015, by and between Project Company and RE Astoria LLC (the "LGIA Co-Tenancy Agreement"), and (iii) the SFA (as defined below). The Contracting Parties acknowledge that the Project Company does not have in its name (i) possession of or exclusive right to control any such shared interconnection facilities or other fixtures or equipment or (ii) permits to install, operate and maintain such shared interconnection facilities or other fixtures or equipment, but has the contractual right to use such shared interconnection facilities and permits pursuant to these documents.

(n) The LGIA Co-Tenancy Agreement is not an Additional Site Control Document, as defined in Section 1.1 of the Contract and listed on Appendix R of the Contract, including the "Co-Tenancy Agreement (for shared switchyard & gen-tie), by and among RE Astoria LLC, RE Astoria 2 LLC and [__]".

(o) In connection with the exercise of the Project Purchase Option pursuant to Section 2.2(d) of the Option Agreement, that certain Shared Facilities Common Ownership Agreement between Willow Springs Solar, LLC and RE Astoria LLC, dated November 25, 2014, as assigned to Golden Fields Solar III, LLC and RE Astoria LLC pursuant to that certain Assignment and Assumption Agreement (Shared Facilities Common Ownership Agreement, dated September 28, 2015, and recorded September 29, 2015 as Instrument No. 000215135721 (the "SFA"), shall be included as an Assumed Contract to the extent of the Project Company's right, title and interest thereto and obligations thereunder, and pursuant to Sections 3.3(a), 9.1(c), and 9.1(d) of the SFA, the Exercising Buyers will be required to, and shall in accordance with the terms thereof, provide a guaranty of the relevant share of the Interconnection Manager's payment and performance obligations under the SFA.

(p) Any non-participating member of SCPPA shall be deemed a Qualified Buyer Assignee if such Person is rated (a) "Baa3" or higher by Moody's and "BBB-" or higher by S&P, if such Person is rated by both Moody's and S&P, or (b) "Baa3" or higher by Moody's or "BBB-" or higher by S&P if such person is rated by either S&P or Moody's or (c) equivalent ratings by any other credit rating agency of recognized national standing.

(q) (i) Any inchoate Lien arising by operation of Law and (ii) any suppliers', vendors', mechanics', workman's, repairman's, employees', warehousemen's or other like Liens arising in the ordinary course of business for work or service performed or materials furnished in connection with the initial construction of the Facility in each case with respect to (i) and (ii) for amounts the payment of which is either not yet delinquent or is being contested in good faith by appropriate proceedings, irrespective of the amount of such Lien, shall be a Permitted Encumbrance. For the avoidance of doubt, notwithstanding anything herein to the contrary, any recorded or perfected Lien (other than Liens imposed by the Facility Lender and any Lien which is the subject of the preceding item (ii)) shall not be a Permitted Encumbrance.

(r) Each of KeyBank National Association and Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., "Rabobank Nederland", New York Branch is a Qualified Issuer and the form of letter of credit attached hereto as Exhibit A is an acceptable form of Project Development Security and Delivery Term Security, as the case may be.

(s) The definition of "Generator Interconnection Agreement" in Section 1.1 of the Contract shall be amended by adding "RE Astoria LLC, " immediately prior to "Southern California Edison," therein.

(t) The Generator Interconnection Agreement is by and among the Project Company, Southern California Edison, CAISO and RE Astoria LLC. The shared rights between the Project Company and RE Astoria LLC to interconnection service under the Generator Interconnection Agreement are addressed in a co-tenancy agreement between the Project Company and RE Astoria LLC.

(u) The third recital in the Land Option Agreement shall be amended by replacing "840" with "793.035".

(v) The definition of "Property" in the Land Lease shall be amended by replacing "840" with "793.035".

(w) Section 7.4(d) of the Contract shall be amended by inserting the phrase "(or other Seller Excused Hours)" in each instance after the phrases "but for a curtailment event arising under Section 7.4", "applicable to the curtailment event" and "during the curtailment event" therein.

(x) The definition of "CAISO Integration Amounts" in Section 1.1 of the Contract shall be amended by inserting the phrase "including charges resulting from Scheduler's curtailments pursuant to Section 7.4(c)" immediately after the phrase "assessed by the CAISO to Seller in its capacity as Scheduling Coordinator for the Facility" therein.

(y) A holder of Facility Debt or a designee or representative thereof will have the right, within forty-five (45) days after the later of (x) delivery to the Project Company of the calculation of the Termination Payment by a Contracting Party pursuant to Section 13.4(e) of the Contract following the Contracting Parties' election not to purchase the Project, and (y) if there is a dispute among the Parties to the Contract as to the existence of an Early Termination Date or calculation of the Termination Payment, the resolution of such dispute by final judgment of a court of competent jurisdiction or by agreement of the Parties to the Contract, to purchase (or designate one of its

affiliates to purchase) from the Contracting Parties all of the Contracting Parties' right, title and interest in the Contract and to assume the Contracting Parties' obligations thereunder for a price equal to the Termination Payment. Upon the purchase and payment in full of the Termination Payment, each Contracting Party agrees to release or transfer to the purchaser all of the Liens granted in its favor under the Security Documents, and agrees that the Project Purchase Option and the Land Option Agreement shall be immediately irrevocably terminated.

(z) The definition of "Fixed Rate" in Section 1.1 of the Contract shall be amended by deleting "Sixty Four Dollars ($64.00)" and replacing it with "Sixty Three Dollars ($63.00).

(aa) Notwithstanding Sections 12.4(c) and (d) of the Contract, the failure to deliver and record the items listed in Items 7 through 10 of Appendix I of the Contract by September 30, 2015 and to achieve the closing of the Project Financing by September 30, 2015, the Contracting Parties hereby acknowledge there is no Seller Default or liquidated damages payable thereunder.

SECTION 3. ARRANGEMENTS REGARDING PAYMENTS

All payments to be made by the Contracting Parties to the Project Company under the Contract and the Option Agreement from and after the date hereof and until the date that the Secured Parties' lien in the Contract or the Option Agreement, as applicable, is released pursuant to the terms of the Credit Documents shall be made in lawful money of the United States, directly to Deutsche Bank Trust Company Americas, in its capacity as the depositary bank, for the benefit of Collateral Agent, acting for the benefit of the Secured Parties, for deposit to _____, ABA # _____, GLA # _____, Account No. _____ (_____) or at such other person or entity and/or at such other address as Collateral Agent may from time to time specify in writing to SCPPA, acting as Buyers' Agent. From and after the date hereof and until the date that the Secured Parties' lien in the Contract or the Option Agreement, as applicable, is released pursuant to the terms of the Credit Documents and notice thereof is provided to SCPPA, acting as Buyers' Agent, the Contracting Parties shall not, without the prior written consent of Collateral Agent, make any payments to or for the benefit of the Project Company other than as contemplated pursuant to the first sentence of this Section 3.

SECTION 4. REPRESENTATIONS AND WARRANTIES

(a) Each Contracting Party hereby represents and warrants as of the date of this Consent that: (i) such Contracting Party (A) is (1) with respect to Southern California Public Power Authority and Power and Water Resources Pooling Authority, a validly existing California joint powers authority, and (2) with respect to the City of Corona, City of Lodi, City of Moreno Valley and City of Rancho Cucamonga, a validly existing California municipal corporation, (B) has the legal power and authority to own its properties, to carry on its business as now being conducted and to enter into the Contract and this Consent, and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to the Contract and this Consent; (ii) the execution, delivery and performance by such Contracting Party of this Consent and the Contract have been duly authorized by all necessary action on the part of such Contracting Party and do not require any approvals, filings with, or consents of any entity or person which have not previously been obtained or made; (iii) each of this Consent and the

Contract is in full force and effect, has been duly executed and delivered on behalf of such Contracting Party by the appropriate persons of such Contracting Party, and constitutes the legal, valid and binding obligation of such Contracting Party, enforceable against such Contracting Party in accordance with its terms, except as the enforceability thereof may be limited by (Y) bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and (Z) general equitable principles (whether considered in a proceeding in equity or at law); (iv) to the best of each Contracting Party's knowledge after due inquiry, there exists no Default or event that with the giving of notice or passage of time would become a Default under the Contract, (v) the Contract has not been terminated by such Contracting Party and such Contracting Party has not caused SCPPA, acting as Buyers' Agent, to issue a default notice under the Contract; (vi) to the best of such Contracting Party's knowledge, no event of Force Majeure exists under, and as defined in, the Contract; (vii) except as otherwise provided herein, the Contract has not been amended, supplemented or modified (whether by waiver, consent or otherwise); (viii) the execution, delivery and performance by such Contracting Party of this Consent and the Contract do not (A) conflict with the governance documents of such Contracting Party, (B) result in any breach of, default under or the imposition of any lien upon any of the property or assets of such Contracting Party pursuant to any indenture, mortgage, deed of trust or other material agreement or instrument to which it is a party or by which it or any of its properties or assets is bound or (C) contravene any applicable federal or state laws or order, writ, injunction, decree or arbitral award binding upon such Contracting Party or its properties or assets; (x) such Contracting Party has obtained and is in material compliance with each governmental approval which is necessary to authorize or is required in connection with the execution, delivery or performance of this Consent and the Contract, each of which is in full force and effect; and (xi) there is no action, suit, proceeding or investigation at law or in equity or by or before any court, arbitrator, administrative agency or governmental authority pending or, to the best of such Contracting Party's knowledge, threatened against or affecting such Contracting Party or any of its respective properties which questions the legality, validity, binding effect or enforceability of this Consent or the Contract or which individually or in the aggregate, would, if adversely determined, materially adversely affect such Contracting Party's ability to enter into and carry out its obligations under this Consent or the Contract.

(b) The Project Company acknowledges that no Contracting Party has made any, and does not hereby make any, representation or warranty, expressed or implied, that the Project Company has any right, title or interest in the collateral secured by the Credit Documents (the "Collateral").

(c) The Project Company represents and warrants to the Contracting Parties that: (i) it (A) is a duly organized and validly existing under the laws of the State of Delaware, (B) is duly qualified, authorized to do business and in good standing in every jurisdiction necessary to perform its obligations under the Contract and this Consent, as applicable, and (C) has all requisite power and authority to enter into and to perform its obligations hereunder and under this Consent and the Contract, as applicable, and to carry out the terms hereof and thereof and the transactions contemplated hereby and thereby; (ii) the execution, delivery and performance by such party of this Consent and the Contract have been duly authorized by all necessary limited liability company or other action on the part of such party and do not require any approvals, filings with, or consents of any entity or person which have not previously been obtained or made; (iii) each of this Consent and the Contract, as applicable, is in full force and

effect, has been duly executed and delivered on behalf of such party by the appropriate officers of such party, and constitutes the legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms, except as the enforceability thereof may be limited by (A) bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and (B) general equitable principles (whether considered in a proceeding in equity or at law); (iv) the execution and delivery of this Consent, and the assignment contemplated hereby and the fulfillment of and compliance with the provisions of this Consent, do not and will not conflict with or constitute a breach of or a default under, any of the terms, conditions of provisions of the Credit Agreement; and (v) to the best of the Project Company's knowledge after due inquiry, there exists no Default or event that with the giving of notice or passage of time would become a Default under the Contract.

(d) Deutsche Bank Trust Company Americas represents and warrants to the Contracting Parties that it has all requisite corporate power and authority, as the Collateral Agent to the extent expressly provided for herein or the Credit Agreement, to execute and deliver this Consent and this Consent has been duly authorized and executed by Deutsche Bank Trust Company Americas in such capacity.

(e) The Class A Member represents and warrants to the Contracting Parties that it has all requisite power and authority to execute and deliver this Consent and this Consent has been duly authorized and executed by the Class A Member.

SECTION 5. NOTICES

All notices required or permitted hereunder shall be in writing and shall be effective upon receipt if sent by (a) hand delivery, (b) facsimile, (c) by electronic mail in ".PDF" format or (d) by private courier or delivery service with charges prepaid, and addressed as specified below:

If to a Contracting Party, at SCPPA's address, acting as Buyers' Agent, below:

Southern California Public Power Authority
1160 Nicole Court
Glendora, CA 91740
Attention: Executive Director
Facsimile: (626) 704-9461
Tel: (626) 793-9364
Email: bcarnahan@scppa.org, shomer@scppa.org,
knguyen@scppa.org

If to Collateral Agent:

Deutsche Bank Trust Company Americas
Trust and Agency Services
60 Wall Street, 16th Floor
Mail Stop: NYC60 - 1630
New York, NY 10005
Attn: Project Finance Agency Services – Astoria Solar Project
Fax: 732-578-4636

If to the Class A Member:

EFS Renewables Holdings, LLC
800 Long Ridge Road
Stamford, CT 06927
Tel:
Fax: (203) 585-0758
Attn: Portfolio Manager - Astoria 2 Solar Project

with a copy to:

EFS Renewables Holdings, LLC
800 Long Ridge Road
Stamford, CT 06927
Tel: (203) 961-2125
Fax: (203) 357-6632
Attn: General Counsel – Astoria 2 Solar Project

If to the Project Company:

RE Astoria 2 LLC
c/o Recurrent Energy, LLC
300 California Street, 7th Floor
San Francisco, CA 94104
Tel: 415-675-1500
Fax: 415-675-1501
Attn: Office of the General Counsel

Any party may change the address or number to which notices to such party are to be delivered by providing notice of such change to each other party in the manner set forth above. For purposes of this Section 5, "Business Day" means a day other than a Saturday, Sunday or other day on which commercial banks in Los Angeles County, California, or New York City are authorized or required by law to close.

SECTION 6. ASSIGNMENT, TERMINATION, AMENDMENT AND GOVERNING LAW

This Consent shall be binding upon and benefit the successors and assigns of the parties hereto and their respective successors, transferees and permitted assigns (including without limitation, any entity that refinances all or any portion of the obligations under the Credit Agreement). Each Contracting Party agrees to (a) confirm such continuing obligation in writing upon the reasonable request of the Project Company, Collateral Agent, the Secured Parties, the Class A Member or any of their respective successors, transferees or assigns, (b) on or prior to the initial funding date and the final funding date of the Class A Member pursuant to a Tax Equity Transaction, deliver an estoppel to the Class A Member representing that the matters set forth in Section 4 above remain true and correct as of such date and (c) cause any successor-in-interest to a Contracting Party with respect to its interest in the Contract to assume, in writing in form and substance reasonably satisfactory to Collateral Agent and the Class A Member, the obligations of such Contracting Party hereunder. Any purported assignment or transfer of the Contract not in conjunction with the written instrument of assumption contemplated by the foregoing clause (c) shall be null and void. No termination, amendment, variation or waiver of any provisions of this Consent shall be effective unless in writing and signed by all of the parties hereto. In the event of any conflict or inconsistency between the provisions of this Consent and the Contract, the provisions of this Consent shall prevail, and the Contract shall be deemed to be amended accordingly. This Consent shall terminate upon the repayment in full of all Facility Debt; provided that, notwithstanding the foregoing Sections 1(b), 2, 4, 6, and 7 shall survive in favor of the Class A Member until termination of the Contract. This Consent shall be governed by the laws of the State of California.

Collateral Agent, Project Company and each Contracting Party hereby submits to the exclusive jurisdiction of the federal and state court sitting in Los Angeles County, California for the purposes of all legal proceedings arising out of or relating to this Consent or the transactions contemplated hereby. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any objection which it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. To the extent permitted by applicable law, each party hereto irrevocably agrees to the service of process of any of the aforementioned courts in any suit, action or proceeding by the mailing of copies thereof by certified mail, postage prepaid, return receipt requested, to such party at the address referenced in Section 5, such service to be effective upon the date indicated on the postal receipt returned from such party.

SECTION 7. MISCELLANEOUS

(a) Counterparts. This Consent may be executed in one or more duplicate counterparts, and when executed and delivered by all the parties listed below, shall constitute a single binding agreement. Signatures delivered by facsimile or by PDF shall have the same effect as original signatures.

(b) Third Party Beneficiaries. There are no third party beneficiaries to this Consent other than the Secured Parties.

(c) Severability. In case any provision of this Consent, or the obligations of any of the parties hereto, shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions, or the obligations of the other parties hereto, shall not in any way be affected or impaired thereby, and the parties hereto shall negotiate in good faith to replace such invalid, illegal or unenforceable provisions.

SECTION 8. COLLATERAL AGENT

Any corporation or association into which Collateral Agent may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion or consolidation to which Collateral Agent shall be a party, or any corporation or association to which all or substantially all of the corporate trust business of Collateral Agent may be sold or otherwise transferred shall be the successor Collateral Agent hereunder without any further act. In the performance of its obligations hereunder, Collateral Agent shall be entitled to all of the rights, benefits, protections, indemnities and immunities afforded to it pursuant to the Credit Documents (including to the extent such rights are to be exercised at the direction of the relevant Secured Parties in accordance therewith).

SECTION 9. ACKNOWLEDGMENTS BY PROJECT COMPANY.

Project Company, by its execution hereof, acknowledges and agrees that notwithstanding any term to the contrary in the Contract, the Contracting Parties have agreed to perform as set forth herein and that none of execution of this Consent, performance by any Contracting Party of its obligations hereunder, the exercise of any rights of a Contracting Party hereunder, or the acceptance of performance of the Contract by any party other than Project Company shall (i) release Project Company from any obligation of Project Company under the Contract, (ii) constitute a consent by Contracting Party of, or impute any knowledge to, Contracting Party of any specific terms or conditions of the Credit Agreement, the BL Credit Agreement or any of the Credit Documents, or (iii) except as expressly set forth in this Consent, constitute a waiver by the Contracting Party of any of its rights under the Contract. Project Company acknowledges for the benefit of each Contracting Party that, except as expressly set forth in this Consent, none of the Credit Documents, the BL Credit Agreement, or any other document executed in connection therewith alter, amend, modify or impair any provision of the Contract.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK**]**

IN WITNESS WHEREOF, the parties hereto by their officers thereunto duly authorized, have duly executed this Consent as of the date first set forth above.

CONTRACTING PARTIES:

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

By:_____
Its:_____

Date:_____

POWER AND WATER RESOURCES POOLING AUTHORITY

By:_____
Its:_____

Date:_____

Attest:_____

CITY OF LODI

By:_____
Its:_____

Date:_____

Attest:_____

Approved as to form
City Attorney

CITY OF CORONA

By:_____
Its:_____

Date:_____

Attest:_____

CITY OF MORENO VALLEY

By:_____
Its:_____

Date:_____

Attest:_____

CITY OF RANCHO CUCAMONGA

By:_____
Its:_____

Date:_____

Attest:_____

RE ASTORIA 2 LLC,
as Project Company

By: _____
Name_____
Title:_____

DEUTSCHE BANK TRUST COMPANY AMERICAS,
as Collateral Agent for the Secured Parties

By: Deutsche Bank National Trust Company

By: _____
Name:_____
Title:_____

By: _____
Name:_____
Title:_____

EFS RENEWABLES HOLDINGS, LLC,
as Class A Member

By: _____
Name:_____
Title:_____

EXHIBIT A

FORM OF
LETTER OF CREDIT

IRREVOCABLE, UNCONDITIONAL, AND CLEAN STANDBY LETTER OF CREDIT NO. _____

Applicant:

[_____]

Beneficiary:

[INSERT]

Amount:
Expiration Date:
Expiration Place:

Ladies and Gentlemen:

We hereby issue our Irrevocable, Unconditional and Clean Standby Letter of Credit in favor of the beneficiary by order and for the account of the applicant which is available at sight for USD $XX,XXX,XXX by sight payment upon presentation to us at our office at **[bank's address]**[1] of: (i) your written demand for payment containing the text of Exhibit I, (ii) your signed statement containing the text of Exhibit II and, (iii) the original of this Letter of Credit and all amendments (or photocopy of the original for partial drawings) (the "Documents"). Drawings may be presented via fax to__. In the case of a full or final drawing, the original Letter of Credit and documents are to be sent via overnight courier to our address indicated above.

A presentation under this Letter of Credit may be made only on a day, and during hours, in which such office is open for business, and payments can be effected via wire transfer (a "Business Day"). Partial drawings shall be permitted under this Letter of Credit, and this Letter of Credit shall remain in full force and effect with respect to any continuing balance; *provided* that the Available Amount shall be reduced by the amount of each such partial drawing.

[1] **Note to Issuer**: The Letter of Credit must be payable in U.S. dollars within the continental U.S.

Note to Seller: Bank to have office for presentment in California to allow for in person presentment by Buyers.

Upon presentation to us of your Documents in conformity with the foregoing, we will, on the third (3rd) succeeding Business Day after such presentation, irrevocably and without reserve or condition except as otherwise stated herein, make payment hereunder in the amount set forth in the demand. Payment shall be made to your order by deposit to your account at the bank designated by you in the demand in immediately available funds. We agree that if, on the Expiration Date, the office specified above is not open for business by virtue of an interruption of the nature described in the International Standby Practices ISP 98 (also known as ICC Publication No. 590), or revision currently in effect (the "ISP"), this Letter of Credit will be duly honored if the specified Documents are presented by you within thirty (30) days after such office is reopened for business.

Provided that the presentation on this Letter of Credit is made on or prior to the Expiration Date and the applicable Documents as set forth above conform to the requirements of this Letter of Credit, payment hereunder shall be made regardless of: (a) any written or oral direction, request, notice or other communication now or hereafter received by us from the Applicant or any other person except you, including without limitation any communication regarding fraud, forgery, lack of authority or other defect not apparent on the face of the documents presented by you, but excluding solely a written order issued by a court, which order specifically orders us not to make such payment; (b) the solvency, existence or condition, financial or other, of the Applicant or any other person or property from whom or which we may be entitled to reimbursement for such payment; and (c) without limiting clause (b) above, whether we are in receipt of or expect to receive funds or other property as reimbursement in whole or in part for such payment.

We agree that the time set forth herein for payment of any demand(s) for payment is sufficient to enable us to examine such demand(s) and the related Documents(s) referred to above with care so as to ascertain that on their face they appear to comply with the terms of this credit and that if such demand(s) and Document(s) on their face appear to so comply, failure to make any such payment within such time shall constitute dishonor of such demand(s).

This Letter of Credit shall terminate upon the earliest to occur of (i) our receipt of a notice in the form of Exhibit III hereto signed by an authorized officer of Beneficiary, accompanied by this Letter of Credit for cancellation, (ii) our close of business at our aforesaid office on the Expiration Date, or if the Expiration Date is not a Business Day, then on the next Business Day, or (iii) the Business Day on which we have honored drawings which exhaust the amount available to be drawn under this Letter of Credit.

It is a condition of this Letter of Credit that it shall be deemed automatically extended without amendment for one (1) year from the Expiration Date, or any future expiration date, unless at least thirty (30) calendar days prior to the Expiration Date (or any future expiration date), we send you notice by registered mail, return receipt requested or overnight courier at your address herein stated or such other address of which you notify us in advance in writing, as acknowledged by us in the form of an amendment to this Letter of Credit, that we elect not to

consider this Letter of Credit extended for any such additional period; provided that in no event shall the Expiration Date of this Letter of Credit extend beyond [_____].[2]

We may, in our sole discretion, increase or decrease the stated amount of this Letter of Credit, and the Expiration Date may be extended, by an amendment to this Letter of Credit. Any such amendment for decrease shall become effective only upon receipt by us of your acceptance by your signature on a hard copy amendment.

[2] **Note to Draft**: To be date that is ten (10) Business Days prior to final maturity of the Credit Agreement.

You shall not be bound by any written or oral agreement of any type between us and the Applicant or any other person relating to this credit, whether now or hereafter existing.

We hereby engage with you that your demand(s) for payment in conformity with the terms of this Letter of Credit will be duly honored as set forth above. All fees and other costs associated with the issuance of and any drawing(s) against this Letter of Credit shall be for the account of the Applicant. All of the rights of the Beneficiary set forth above shall inure to the benefit of your successors by operation of law. In this connection, in the event of a drawing made by a party other than the Beneficiary, such drawing must be accompanied by the following signed certification and copy of document proving such successorship:

"The undersigned does hereby certify that [drawer] is the successor by operation of law to **[**the SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY][the POWER AND WATER RESOURCES POOLING AUTHORITY][the CITY OF LODI][the CITY OF CORONA][the CITY OF MORENO VALLEY][the CITY OF RANCHO CUCAMONGA], as beneficiary named in [name of bank] Letter of Credit No._____."

Except so far as otherwise expressly stated herein, this Letter of Credit is subject to the ISP (other than Rule 3.12(a), which shall not apply to this Letter of Credit). As to matters not governed by the ISP, this Letter of Credit shall be governed by and construed in accordance with the laws of the State of New York or Ohio.

This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein, except for Exhibit I, II, and III hereto and the notices referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except as otherwise provided in this paragraph.

Communications with respect to this Letter of Credit shall be in writing and shall be addressed to us at the address referred to above, and shall specifically refer to this Letter of Credit no. .

Yours faithfully,

(name of issuing bank)

By_____
Title_____

EXHIBIT I

DEMAND FOR PAYMENT

Re: Irrevocable, Unconditional and Clean Standby Letter of Credit

No. _____ Dated_____, 20__

[Insert Bank Address]

To Whom It May Concern:

Demand is hereby made upon you for payment to us of $_____by deposit to account no._____at [insert name of bank]. This demand is made under, and is subject to and governed by, your Irrevocable, Unconditional and Clean Standby Letter of Credit no. _____dated_____, 20 in the amount of $_____established by you in our favor for the account of_____as the Applicant.

DATED:_____, 20 .

[_____]

By_____

Title_____

EXHIBIT II

STATEMENT

Re: Your Irrevocable, Unconditional and Clean Standby Letter of Credit

No._____Dated_____, 20__

[Insert Bank Address]

To Whom It May Concern:

Reference is made to your Irrevocable, Unconditional and Clean Standby Letter of Credit no. _____, dated_____, 20____ in the amount of $_____ established by you in our favor for the account of_____, as the Applicant.

We hereby certify to you that $_____is due, owing and unpaid to us by the Applicant in that certain [DESCRIBE AGREEMENT].

DATED:_____, 20 .

[_____]

By_____

Title_____

EXHIBIT III

SURRENDER

Re: Your Irrevocable, Unconditional and Clean Standby Letter of Credit

No._____Dated_____, 20__

[Insert Bank Address]

Notice of Surrender of Letter ofCredit

Date: _____

Attention: Letter of Credit Department

Ladies and Gentlemen:

We refer to your above-mentioned Irrevocable, Unconditional and Clean Standby Letter of Credit (the "Letter of Credit"). The undersigned, an authorized signer of [the SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY][the POWER AND WATER RESOURCE POOLING AUTHORITY][the CITY OF LODI][the CITY OF CORONA][the CITY OF MORENO VALLEY][the CITY OF RANCHO CUCAMONGA], hereby surrenders this Letter of Credit to you for cancellation as of the date set forth above. No payment is demanded of you under this Letter of Credit in connection with this surrender.

Very truly yours,

[_____]

By____

Title__

EXHIBIT B

MAXIMUM FACILITY DEBT

Period Ending	Value
Stub Period (31-Dec-16)	240,000,000
31-Dec-17	212,000,000
31-Dec-18	189,000,000
31-Dec-19	164,000,000
31-Dec-20	140,000,000
31-Dec-21	115,000,000
31-Dec-22	97,000,000
31-Dec-23	92,000,000
31-Dec-24	87,000,000
31-Dec-25	82,000,000
31-Dec-26	77,000,000
31-Dec-27	72,000,000
31-Dec-28	66,000,000
31-Dec-29	61,000,000
31-Dec-30	55,000,000
31-Dec-31	49,000,000
31-Dec-32	43,000,000
31-Dec-33	36,000,000
31-Dec-34	29,000,000
31-Dec-35	24,000,000
31-Dec-36	22,000,000

Recording requested by and
After recording return to:

EXHIBIT B

RE ASTORIA 2 LLC
c/o Recurrent Energy, LLC
300 California Street, 7th Floor
San Francisco, California 94104
Attention: Office of the General Counsel

NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS NON-DISTURBANCE AND ATTORNMENT AGREEMENT (this "Agreement") is entered into as of _____ _____, 2015, by and among RE ASTORIA 2 LANDCO LLC, a Delaware limited liability company ("Owner"); RE ASTORIA 2 LLC, a Delaware limited liability company ("Lessee"); SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY ("SCPPA"), a joint powers agency and a public entity organized under the laws of the State of California and created under the provisions of the California Joint Exercise of Powers Act (California Government Section 6500 *et seq.*) (the "Act"), the POWER AND WATER RESOURCES POOLING AUTHORITY ("PWRPA"), a joint powers authority and a public entity organized under the laws of the State of California and created under the provisions of the Act, the CITY OF LODI ("Lodi"), a California municipal corporation organized and existing under the laws of the State of California, the CITY OF CORONA ("Corona"), a California municipal corporation organized and existing under the laws of the State of California, the CITY OF MORENO VALLEY ("Moreno Valley"), a California municipal corporation organized and existing under the laws of the State of California, and the CITY OF RANCHO CUCAMONGA ("Rancho Cucamonga"), a California municipal corporation organized and existing under the laws of the State of California (SCPPA, PWRPA, Lodi, Corona, Moreno Valley, and Rancho Cucamonga, collectively, "Fee Secured Party") and DEUTSCHE BANK TRUST COMPANY AMERICAS, as Collateral Agent for the Secured Parties (as defined in the Credit Agreement (defined below)) (together with its successors and permitted assigns and in such capacity, "Collateral Agent").

R E C I T A L S:

A. Owner and Lessee entered into an Amended and Restated Land Lease dated as of October 15, 2015 (as it may be amended, modified or supplemented, the "Lease") as evidenced by the certain Memorandum of Amended and Restated Land Lease dated as of October 15, 2015 and recorded on October 21, 2015 as Instrument No. 215147688 of the real property records of Kern County, California (the "Official Records"), which Lease covers certain real property located in Kern County, California more particularly described in attached Exhibit A (the "Property"), for the development, construction and operation by Lessee of a solar energy project (the "Project") pursuant to the terms of the Lease.

B. Fee Secured Party is the beneficiary of a Deed of Trust, Security Agreement and Fixture Filing executed by Owner in favor of Stewart Title of California, Inc., a California corporation, as Trustee, for the benefit of Fee Secured Party, dated as of _____ and recorded on _____ as Instrument No. _____ of the Official Records (as the same may have been or may hereafter be amended, modified, renewed, extended or replaced, collectively, the "Deed of Trust").

C. Fee Secured Party and Owner have entered into that certain Land Option Agreement dated as of May 13, 2015 (the "Land Option Agreement"), a memorandum of which was recorded in the Official Records on _____ as Instrument No. _____pursuant to which Owner has granted Fee Secured Party an option (the "Land Purchase Option") to purchase the Property in accordance with the terms and conditions thereof.

D. Lessee is entering into that certain Credit Agreement dated as of _____, 2015 (as amended, amended and restated, supplemented, or otherwise modified from time to time, the "Credit Agreement"), with the financial institutions party thereto (the "Leasehold Lenders") and DEUTSCHE BANK TRUST COMPANY AMERICAS, as Administrative Agent (together with its successors and assigns in such capacity, the "Administrative Agent"), pursuant to which the Leasehold Lenders have agreed to make loans to Lessee on the terms and conditions set forth therein, which loans will be secured by a leasehold deed of trust ("Leasehold DOT") granted by Lessee for the benefit of Collateral Agent.

A G R E E M E N T:

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. For purposes of this Agreement, the term "Lease" shall mean the Lease, as modified by that certain Consent, Estoppel and Agreement dated as of the date hereof among Owner, Lessee and Collateral Agent.

2. Non-Disturbance.

(a) Fee Secured Party hereby agrees, on behalf of itself, any purchaser at a foreclosure sale or any other person or entity to whom Owner's interest in the Property passes from Owner by operation of law or any other means, that if Fee Secured Party or any of the foregoing persons or entities, purchases at a foreclosure or otherwise, such that it becomes the successor to Owner as owner of the Property claiming by or through Fee Secured Party, any assignee or successor-in-interest to Fee Secured Party, so long as no Event of Default (as defined under the Lease) by Lessee exists, for avoidance of doubt, taking into account all applicable notice, grace and cure periods set forth therein, including, without limitation, Collateral Agent's cure rights that are specified for secured lenders under the Lease, (i) the Lease shall continue in full force and effect as a direct agreement between Fee Secured Party (or any assignee or successor-in-interest to Fee Secured Party or any person or entity that becomes the successor to Owner as owner of the Property) and Lessee and/or Collateral Agent, as the case may be, and (ii) Lessee's quiet possession and occupancy

of the Property and Lessee's and Collateral Agent's rights and privileges under the Lease shall not be disturbed by Fee Secured Party, any assignee or successor-in-interest to Fee Secured Party or any person or entity that becomes the successor to Owner as owner of the Property claiming by or through Fee Secured Party, any assignee or successor-in-interest to Fee Secured Party. Fee Secured Party shall not join Lessee as party to any action or proceeding brought as a result of a default by Owner under the Deed of Trust or any other document associated with the Deed of Trust, unless such joinder is required in order to complete the action or proceeding. In the event the Collateral Agent or any of the Secured Parties acquire Lessee's interest in the Lease by foreclosure, deed in lieu of foreclosure, or otherwise, Fee Secured Party shall recognize the Collateral Agent or the Secured Parties as having all rights of Lessee under the Lease and this Agreement.

(b) If Owner's interest in the Lease is acquired by Fee Secured Party, whether by purchase and sale, foreclosure, deed in lieu of foreclosure, or in any other way, action, or proceeding, or by any assignee or successor to Fee Secured Party, including, without limitation, any purchaser at a foreclosure sale, Fee Secured Party, Fee Secured Party's assignees, or successors-in-interest, or the purchaser at the foreclosure sale shall take the Property subject to the Lease and, subject to the terms of this Section 2(b), shall be bound by all of the undischarged obligations of Owner under the Lease occurring after such foreclosure or other action; provided, however, that Fee Secured Party shall not be bound by any obligation to pay for any damages caused by Owner under the Lease, shall not (i) be obligated cure or pay for any uncureable defaults of Owner under the Lease that occurred prior to the date of the transfer of title, (ii) be obligated to pay for any allowances or other amounts under the Lease owed to Lessee that occurred prior to the date of the transfer of title, (iii) be bound by any amendments to the Lease not received by Fee Secured Party prior to the date of any such foreclosure or other action nor consented to by the Fee Secured Party, or (iv) be bound by any prepayment of rent more than one month in advance.

(c) Fee Secured Party hereby agrees to give to Lessee and Collateral Agent copies of all notices of Owner's default(s) under the Deed of Trust concurrently with Fee Secured Party giving any such notice of default to Owner. Each of Owner and Lessee hereby agrees to give to Fee Secured Party copies of all notices of either Lessee's or Owner's default(s) under the Lease concurrently with either Owner or Lessee giving any such notice of default to Lessee or Owner, as the case may be. Lessee and Collateral Agent shall have the right at their respective option, but not the obligation, to remedy any Owner default under the Deed of Trust, or to cause any default of Owner under the Deed of Trust to be remedied. Fee Secured Party shall accept performance by Lessee or Collateral Agent of any term, covenant, condition, or agreement to be performed by Owner under the Deed of Trust with the same force and effect as though performed by Owner.

(d) Except to the extent of the rights set forth in (i) the Power Purchase Agreement dated July 23, 2014 between Fee Secured Party and Lessee (including, but not limited to, the Project Purchase Option and the Right of First Offer defined therein), (ii) the Land Option Agreement between Fee Secured Party and Owner, (iii) the Option Agreement dated as of September 29, 2015 between Fee Secured Party and Lessee, which provides Fee Secured Party with a purchase option to purchase the Project, (iv) the liens granted pursuant to the Deed of Trust, and the Leasehold DOT (but subject to the terms of the Intercreditor and Subordination Agreement, dated as of the date hereof, between Fee Secured Party and the Collateral Agent), Fee Secured Party hereby agrees that it has no interest in and to the Project, or any equipment, improvements, or fixtures owned or installed

by Lessee or its affiliates, successors, assigns, or transferees on the Property leased to Lessee relating to the Project, whether real, personal, or mixed, and that any equipment, improvements, or fixtures owned or installed by Lessee or its affiliates, successors, assigns, or transferees on the Property leased to Lessee relating to the Project shall remain the property of Lessee and shall be removable by Lessee at any time, subject to the terms and conditions of the Lease.

3. Attornment.

(a) If the interest of Owner in the Lease is acquired by Fee Secured Party, whether by purchase and sale, foreclosure, deed in lieu of foreclosure, or in any other way, action, or proceeding, or by any assignee or successor to Fee Secured Party, including, without limitation, any purchaser at a foreclosure sale, Lessee shall attorn to Fee Secured Party, or its successors and assigns, said attornment to be effective and self-operative immediately upon Fee Secured Party's or its successor's or assign's succeeding to the interests of Owner in the Lease without the execution of any other instruments on the part of any party hereto.

(b) Owner hereby irrevocably authorizes and directs Lessee, upon receipt from Fee Secured Party of written notice that Fee Secured Party has acquired Owner's fee interest in the Property, to pay all rents and other monies payable by Lessee under the Lease to or as directed by Fee Secured Party. Owner irrevocably releases Lessee from any liability to Owner for all payments so made. Lessee agrees that, upon receipt of such notice, it will pay all monies then due and becoming due from Lessee under the Lease to or as directed by Fee Secured Party, notwithstanding any provision of the Lease to the contrary. Such payments shall continue until Fee Secured Party directs Lessee otherwise in writing.

(c) If the interest of the Lessee in the Lease is acquired by the Collateral Agent or any successor or assign of the Collateral Agent's interest in the Leasehold DOT, whether by purchase and sale, foreclosure, deed in lieu of foreclosure, or in any other way, action, or proceeding, or by any assignee or successor to Collateral Agent, including, without limitation, any purchaser at a foreclosure sale, Collateral Agent or such successor, as Lessee, shall attorn to the Owner or the party holding the interest of the Owner in the Lease, or its successors and assigns, said attornment to be effective and self-operative immediately upon Collateral Agent's or its successor's or assign's succeeding to the interests of Lessee in the Lease without the execution of any other instruments on the part of any party hereto~~.~~; provided, however, that the Collateral Agent or such successor shall not be bound by any obligation to pay for any damages caused by Lessee under the Lease, shall not (i) be obligated to cure or pay for any uncureable defaults of Lessee under the Lease, (ii) be obligated to pay for any other amounts under the Lease owed to Owner prior to the date of the transfer of title, or (iii) be bound by any amendments to the Lease not received by the Collateral Agent prior to the date of such foreclosure or other action not consented to by the Collateral Agent.

4. Land Option Agreement. For avoidance of doubt, if Fee Secured Party exercises the Land Purchase Option to purchase the Property pursuant to the Land Option Agreement, Fee Secured Party shall take title to the Property subject to the terms and conditions of the Lease, this Agreement and any amendment or modification thereof in effect as of the time when such purchase is consummated.

5. General Provisions.

(a) Any notice or other required communication hereunder shall be in writing and may be given by delivering in person, reliable overnight courier, or mailing the same by registered or certified mail, return receipt requested, addressed to the intended party at its address as set forth below. Any party may designate a new address by notice in writing to the other parties. Any notice given in accordance herewith shall be effective on the date of receipt or rejection in the case of reliable overnight courier or registered or certified mail.

Owner: RE ASTORIA 2 LANDCO LLC
300 California Street
7th Floor
San Francisco, CA 94104
Attention: Office of the General Counsel

Lessee: RE ASTORIA 2 LLC
300 California Street
7th Floor
San Francisco, CA 94104
Attention: Office of the General Counsel

Fee Secured Party: _____

_____

_____

Collateral Agent: _____

_____

_____

(b) This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of each of the parties hereto. The term "Fee Secured Party" shall include the respective holders from time to time of the Deed of Trust, and the terms "Owner" and "Lessee" shall include the successors, assignees, or holders from time to time of the landowner's interest in the Property, and the successors, assignees, or holders from time to time of the Lessee's interest in the Lease.

(c) Each party shall, from time to time, take such actions, execute such documents and agreements, and provide such certificates as any other party may reasonably request to carry out and fulfill the transactions, and permit the exercise and performance of the rights and

obligations, as are contemplated hereunder, and to effectuate the purpose and intent of this Agreement.

(d) This Agreement shall be governed by, and construed under, the laws of the State of California. This Agreement may not be amended or modified except by an agreement in writing signed by the all of the parties hereto. Each party may freely assign its rights and obligations hereunder, provided, however,(i) the rights and obligations may not be assigned or delegated to multiple parties by a party to this Agreement, (ii) the rights and obligations of Fee Secured Party may not be assigned or delegated separate from the interest of the Fee Secured Party in the Deed of Trust, and (iii) the rights and obligations of Collateral Agent may not be assigned or delegated separate from the interest of the Collateral Agent in the Leasehold DOT. If any action or proceeding is brought by any party against any other party arising from or relating to this Agreement, the prevailing party shall be entitled to recover its reasonable costs and attorneys' fees. This Agreement may be executed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

(e) Lessee shall cause this Agreement to be recorded in the applicable recording office in Kern County, California where the Property is located. Each of Owner and Fee Secured Party agrees to execute, acknowledge and deliver such further instruments as Lessee or Collateral Agent may request to allow for the proper recording of this Agreement or to otherwise accomplish the purposes of this Agreement.

(f) All references to the Collateral Agent contained herein refer to the Collateral Agent not acting in its individual capacity but solely as Collateral Agent acting at the written direction of the Secured Parties.

[signatures on following pages]

Approved as to form _____
City Attorney

IN WITNESS WHEREOF, the parties have executed this Non-Disturbance Agreement as of the day and year first above written.

OWNER:

RE ASTORIA 2 LANDCO LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 2015 before me, _____ ,
(insert name and title of the officer)

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

[Seal]

[signatures continue on the following page]

LESSEE:

RE ASTORIA 2 LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 2015 before me, _____ ,
(insert name and title of the officer)

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

[Seal]

[signatures continue on the following page]

FEE SECURED PARTY:

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY,
a joint powers authority and a public entity organized under the laws of the State of California and created under the provisions of the Act

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 2015 before me, _____ ,
(insert name and title of the officer)

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

[Seal]

[signatures continue on the following page]

POWER AND WATER RESOURCES POOLING AUTHORITY,
a joint powers authority and a public entity organized under the laws of the State of California and created under the provisions of the Act

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 2015 before me, _____ ,
(insert name and title of the officer)

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

[Seal]

[signatures continue on the following page]

CITY OF LODI,
a California municipal corporation organized and existing under the laws of the State of California

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 2015 before me, _____ ,
(insert name and title of the officer)

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

[Seal]

[signatures continue on the following page]

CITY OF CORONA,
a California municipal corporation organized and existing under the laws of the State of California

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 2015 before me, _____ ,
(insert name and title of the officer)

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

[Seal]

[signatures continue on the following page]

CITY OF MORENO VALLEY,
a California municipal corporation organized and existing under the laws of the State of California

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 2015 before me, _____ ,
(insert name and title of the officer)

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

[Seal]

[signatures continue on the following page]

CITY OF RANCHO CUCAMONGA,
a California municipal corporation organized and existing under the laws of the State of California

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 2015 before me, _____ ,
(insert name and title of the officer)

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

[Seal]

[signatures continue on the following page]

COLLATERAL AGENT:

DEUTSCHE BANK TRUST COMPANY AMERICA,
a _____

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 2015 before me, _____ ,
(insert name and title of the officer)

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

[Seal]

EXHIBIT A

TO

NON-DISTURBANCE AND ATTORNMENT AGREEMENT

Property Description

PARCEL 1: (Lease Area)

LAND LEASE AREA A

REAL PROPERTY IN THE COUNTY OF KERN, STATE OF CALIFORNIA, BEING A PART OF THE SOUTHWEST QUARTER OF SECTION 28 AND THE SOUTHEAST QUARTER OF SECTION 29, TOWNSHIP 9 NORTH, RANGE 15 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 29, THENCE EASTWARDLY ALONG THE NORTHERLY LINE OF SAID SOUTHEAST QUARTER, S.89°46'01"E., 45.00 FEET; THENCE S.00°30'08"E., 45.00 FEET TO THE POINT OF BEGINNING; THENCE EASTWARDLY 45.00 FEET SOUTH OF AND PARALLEL TO SAID NORTHERLY LINE, S.89°46'01"E., 1138.37 FEET; THENCE S.00°35'59"E., 100.01 FEET; THENCE EASTWARDLY, 145.00 FEET SOUTH OF AND PARALLEL TO SAID NORTHERLY LINE, S.89°46'01"E., 1441.57 FEET; THENCE EASTWARDLY, 145.00 FEET SOUTH OF AND PARALLEL TO THE NORTHERLY LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 28, N.89°57'28"E., 2238.68 FEET; THENCE S.00°00'20"E., 828.29 FEET; THENCE N.89°59'05"E., 333.18 FEET; THENCE SOUTHWARDLY, 65.00 FEET WEST OF AND PARALLEL TO THE EASTERLY LINE OF SAID SOUTHWEST QUARTER, S.01°06'50"E., 345.79 FEET; THENCE S.89°17'38"W., 38.69 FEET; THENCE S.00°38'22"W., 1264.35 FEET; THENCE WESTWARDLY, 55.00 FEET NORTH OF AND PARALLEL TO THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER, S.89°08'33"W., 2494.04 FEET; THENCE WESTWARDLY, 55.00 FEET NORTH OF AND PARALLEL TO THE SOUTHERLY LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 29, N.89°39'08"W., 2570.89 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHEAST; THENCE ALONG SAID CURVE WITH A RADIUS OF 20.00 FEET AND CENTRAL ANGLE OF 89°09'00" AN ARC LENGTH OF 31.12 FEET; THENCE NORTHWARDLY, 45.00 FEET EAST OF AND PARALLEL TO THE WESTERLY LINE OF SAID SOUTHEAST QUARTER, N.00°30'08"W., 2549.51 FEET TO THE POINT OF BEGINNING.

AFFECTS A PORTION OF APN'S 261-211-06, 261-230-12, 261-230-28, 261-230-29, 261-230-30, 261-230-31, 261-230-32, 261-230-33, 261-230-38, 261-230-39, 261-230-40 AND 261-230-41

CONTAINING 12,457,729.030 SQUARE FEET OR 285.990 ACRES MORE OR LESS.

LAND LEASE AREA B

REAL PROPERTY IN THE COUNTY OF KERN, STATE OF CALIFORNIA, BEING A PART OF THE NORTHEAST QUARTER AND THE SOUTHEAST QUARTER OF SECTION 32 AND THE NORTHWEST QUARTER AND THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 9 NORTH, RANGE 15 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE UNICORPORATED AREA OF THE COUNTY OF KERN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SAID SECTION 33, THENCE WESTWARDLY ALONG THE NORTHERLY LINE OF SAID NORTHWEST QUARTER, S.89°08’32”W., 144.05 FEET; THENCE SOUTHWARDLY PARALLEL TO THE EASTERLY LINE OF SAID NORTHWEST QUARTER, S.00°38’22”W., 55.02 FEET TO THE POINT OF BEGINNING; THENCE SOUTHWARDLY PARALLEL TO THE EASTERLY LINE OF SAID NORTHWEST QUARTER, S.00°38’22”W., 676.46 FEET; THENCE S.44°21’41”E., 74.24 FEET; THENCE S.00°40’17”W., 1991.29 FEET; THENCE N.89°47’00”E., 47.62 FEET; THENCE SOUTHWARDLY, 45.00 FEET WEST OF AND PARALLEL WITH THE EASTERLY LINE OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 33, S.00°38’22”W., 1240.28 FEET; THENCE WESTWARDLY, 20.00 FEET NORTH OF AND PARALLEL WITH THE SOUTHERLY LINE OF SAID NORTH HALF, S.89°41’01”W., 2586.20 FEET; THENCE N.89°24’14”W., 29.64 FEET; THENCE SOUTHWARDLY, 30.00 FEET WEST OF AND PARALLEL WITH THE EASTERLY LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 32, S.01°10’03”W., 1286.17 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST; THENCE ALONG SAID CURVE WITH A RADIUS OF 20.00 FEET AND CENTRAL ANGLE OF 89°31’59” AN ARC LENGTH OF 31.25 FEET; THENCE WESTWARDLY, 55.00 FEET NORTH OF AND PARALLEL WITH THE SOUTHERLY LINE OF SAID SOUTHEAST QUARTER, N.89°17’58”W., 1594.07 FEET TO THE WESTERLY LINE OF THE EAST 10.00 ACRES OF THE SOUTHWEST QUARTER OF SAID SOUTHEAST QUARTER; THENCE NORTHWARDLY ALONG SAID WESTERLY LINE, N.00°56’45”E., 1283.02 FEET TO THE SOUTHERLY LINE OF THE NORTH HALF OF SAID SOUTHEAST QUARTER; THENCE WESTWARDLY ALONG SAID SOUTHERLY LINE, N.89°24’14”W., 952.93 FEET; THENCE NORTHWARDLY, 45.00 FEET EAST OF AND PARALLEL WITH THE WESTERLY LINE OF THE NORTH HALF OF THE SOUTHEAST QUARTER AND THE NORTHEAST QUARTER OF SAID SECTION 32, N.00°43’23”E., 2668.95 FEET TO THE SOUTHERLY LINE OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 32; THENCE EASTWARDLY ALONG SAID SOUTHERLY LINE, S.89°34’47”E., 1278.26 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST QUARTER; THENCE NORTHWARDLY ALONG THE EASTERLY LINE OF SAID NORTHWEST QUARTER, N.00°29’32”E., 1279.28 FEET; THENCE EASTWARDLY, 55.00 FEET SOUTH OF AND PARALLEL WITH THE NORTHERLY LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 32, S.89°39’08”E., 1318.61 FEET; THENCE EASTWARDLY, 55.00 FEET SOUTH OF AND PARALLEL WITH THE NORTHERLY LINE OF THE NORTHWEST QUARTER OF SAID SECTION 33, N.89°08’32”E., 561.03 FEET; THENCE S.00°27’06”W., 412.36 FEET; THENCE EASTWARDLY AND PARALLEL WITH SAID NORTHERLY LINE, N.89°08’32”E., 756.70 FEET; THENCE N.00°27’06”E., 412.36 FEET; THENCE EASTWARDLY, 55.00 FEET SOUTH OF AND PARALLEL WITH SAID NORTHERLY LINE, N.89°08’32”E., 1174.17 FEET TO THE POINT OF BEGINNING.
AFFECTS A PORTION OF APN’S 261-213-11, 261-213-19, 261-213-25, 261-213-49, 261-213-51, 261-213-53, 261-213-54, 261-213-55, 261-213-56, 261-250-16, 261-250-27, 261-250-28, 261-250-45, 261-250-47 AND 261-250-48
CONTAINING 20,453,642.161 SQUARE FEET OR 469.551 ACRES MORE OR LESS.

LAND LEASE AREA C

REAL PROPERTY IN THE COUNTY OF KERN, STATE OF CALIFORNIA, BEING A PART OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 9 NORTH, RANGE 15 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE UNICORPORATED AREA OF THE COUNTY OF KERN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER, THENCE NORTHWARDLY ALONG THE WESTERLY LINE OF SAID SOUTHEAST QUARTER, N.00°54’14”E., 55.01 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID WESTERLY LINE, N.00°54’14”E., 1283.87 FEET TO THE NORTHWEST CORNER OF SAID SOUTHEAST QUARTER; THENCE EASTWARDLY ALONG THE NORTHERLY LINE OF SAID SOUTHEAST QUARTER, N.89°41’01”E., 1270.51 FEET; THENCE SOUTHWARDLY, 45.00 FEET WEST OF AND PARALLEL WITH THE EASTERLY LINE OF SAID SOUTHEAST QUARTER, S.00°38’22”W., 1262.15 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST; THENCE ALONG SAID CURVE WITH A RADIUS OF 20.00 FEET AND CENTRAL

ANGLE OF 88°57’21” AN ARC LENGTH OF 31.05 FEET; THENCE WESTWARDLY, 55.00 FEET NORTH OF AND PARALLEL WITH THE SOUTHERLY LINE OF SAID SOUTHEAST QUARTER, S.89°35’43”W., 1256.83 FEET TO THE POINT OF BEGINNING.

AFFECTS A PORTION OF APN 261-213-25

CONTAINING 1,633,260.518 SQUARE FEET OR 37.495 ACRES MORE OR LESS.

7929367_10

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO: Deutsche Bank Trust Company Americas Trust and Agency Services 60 Wall Street, 16th Floor MS: NYC60-1630 New York, NY 10005 Attention: Project Finance Agency Services – RE Astoria 2 LLC	
	SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

INTERCREDITOR AND SUBORDINATION AGREEMENT
BY AND BETWEEN

DEUTSCHE BANK TRUST COMPANY AMERICAS,
AS SENIOR AGENT

AND

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY,
POWER AND WATER RESOURCES POOLING AUTHORITY,
CITY OF LODI,
CITY OF CORONA,
CITY OF MORENO VALLEY, AND
CITY OF RANCHO CUCAMONGA,
AS OFFTAKER

INTERCREDITOR AND SUBORDINATION AGREEMENT

This INTERCREDITOR AND SUBORDINATION AGREEMENT is made as of _____, 2015 (as amended, restated or otherwise modified from time to time, this "Agreement"), by and among the SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY, a joint power agency and a public entity organized under the laws of the State of California and created under the provisions of the Act and the Joint Powers Agreement (each as defined below) ("SCPPA"), the POWER AND WATER RESOURCES POOLING AUTHORITY, a joint powers authority and a public entity organized under the laws of the State of California and created under the provisions of the Act ("PWRPA"), the CITY OF LODI, a California municipal corporation organized and existing under the laws of the state of California ("Lodi"), the CITY OF CORONA, a California municipal corporation organized and existing under the laws of the state of California ("Corona"), the CITY OF MORENO VALLEY, a California municipal corporation organized and existing under the laws of the state of California ("Moreno Valley"), the CITY OF RANCHO CUCAMONGA, a California municipal corporation organized and existing under the laws of the state of California ("Rancho Cucamonga") (SCPPA, PWRPA, Lodi, Corona, Moreno Valley and Rancho Cucamonga, collectively, and together with each of their respective successors and permitted assigns, the "Offtaker"), and DEUTSCHE BANK TRUST COMPANY AMERICAS, a New York banking corporation (in its capacity as collateral agent (together with its successors and assigns in such capacity, "Senior Agent") for the Senior Lenders (as defined below)).

A. RE Astoria 2 LLC, a Delaware limited liability company (the "Project Company"), is engaged in the development, construction, ownership, operation and maintenance of an approximately 75 MWac photovoltaic solar power facility located in Kern County, California (the "Project").

B. The Project Company has entered into the Credit Agreement dated as of _____, 2015 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "Senior Credit Agreement") with, among others, Senior Agent and the lenders who are from time to time parties thereto (the "Senior Lenders"), pursuant to which the Senior Lenders have agreed to extend credit (the "Senior Loan") to the Project Company in order to partially finance the development, construction, installation, testing, operation and use of the Project.

C. The Project Company has entered into (i) the Security and Pledge Agreement dated as of _____, 2015 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "Senior Security Agreement"), with the Senior Agent, pursuant to which the Project Company has granted to the Senior Agent for the benefit of itself and the Senior Lenders a lien on and a first priority security interest in all of the Project Company's personal property (such collateral referred to herein as the "Senior Security Agreement Collateral") and (ii) the Leasehold Deed Of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated as of _____, 2015 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "Senior Deed of Trust"), with the Senior Agent and the trustee specified therein, pursuant to which the Project Company has granted to the Senior Agent for the benefit of itself and the Senior Lenders a first priority lien on the Project Company's leasehold interest in the real property on which the Project is located,

all as more particularly described therein, and a security interest in all of the Project Company's assets and properties constituting the "Trust Estate" as such term is defined in the Senior Deed of Trust (such collateral referred to herein as the "Senior Deed of Trust Collateral"). The Senior Deed of Trust, the Senior Security Agreement and collectively with each other guaranty, security agreement, pledge agreement, mortgage, deed of trust or other collateral agreement now or hereafter entered into in connection with the Senior Obligations (as defined below), as the same may be amended, restated, supplemented, replaced or otherwise modified from time to time are referred to herein, collectively, as the "Senior Security Documents". The Senior Security Agreement Collateral and the Senior Deed of Trust Collateral and any other collateral under the Senior Security Documents or any other Senior Credit Documents or otherwise securing the Senior Loan and other obligations under the Senior Credit Documents granted by the Project Company in favor of the Senior Agent is referred to herein, collectively, as the "Senior Collateral". The Senior Collateral does not include either (i) any Products (defined below) or (ii) the real property interest that is held in fee that is subject to the Land Purchase Option (defined below), all of which are disclaimed by the Senior Agent.

D. The Project Company has also entered into (i) the Power Purchase Agreement dated as of July 23, 2014 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "Power Purchase Agreement"), with the Offtaker, pursuant to which the Project Company has agreed, among other things, to sell electrical energy generated at the Project and the associated Products to the Offtaker, and (ii) the Security Documents (as defined in the Power Purchase Agreement) (including financing statements filed in connection therewith and documents executed to preserve, protect, expand, defend or define the Liens created thereby, as amended, restated, supplemented, replaced or otherwise modified from time to time, the "Subordinated Security Documents") with the Offtaker. All collateral under the Subordinated Security Documents granted by the Project Company to the Offtaker is hereinafter collectively referred to as the "Subordinated Collateral". The Subordinated Collateral does not include a pledge by the equity owners of the Project Company of any of such equity owners' respective interests in, or rights with respect to, the Project Company, all of which are disclaimed by the Offtaker.

E. The Project Company has entered into an "Option Agreement" with the Offtaker, pursuant to which the Project Company has granted the Offtaker a "Project Purchase Option" (as defined in the Option Agreement), to purchase the Project. Separately, Astoria 2 LandCo LLC, a Delaware limited liability company ("LandCo") and Offtaker have entered into a "Land Option Agreement," pursuant to which LandCo has granted Offtaker a "Land Purchase Option" (as defined in the Land Option Agreement) to purchase a fee interest in the real property owned by LandCo.

F. The Senior Agent and the Offtaker wish to enter into this Agreement in order to, among other things, (a) confirm that the Senior Agent's security interest in the Senior Collateral granted by the Project Company pursuant to the Senior Security Document has priority over the Offtaker's security interest in the Senior Collateral granted by the Project Company pursuant to the Subordinated Security Documents, (b) provide for the relative rights of the Senior Agent and the Senior Lenders, on the one hand, and the Offtaker, on the other hand, in connection with the enforcement of such security interests in the Senior Collateral, and (c) confirm the Senior

Agent's prior right to exercise Remedial Actions (as defined below) with respect to the Senior Collateral.

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein, and the mutual covenants herein contained, and for other good and valuable consideration, each of the Senior Agent (on behalf of and for the benefit of itself and the Senior Lenders) and the Offtaker hereby agrees as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Certain Definitions. The following terms when used in this Agreement shall have the following meanings, and all capitalized terms used herein, without definition herein, shall have the meanings given to them in the Power Purchase Agreement:

"Act" means all of the provisions contained in the California Joint Exercise of Powers Act found in Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, beginning at California Government Code Section 6500 et seq.

"Agreement" is defined in the preamble hereto.

"Applicable Law" means any law of the United States or any other jurisdiction where any Senior Collateral is located or the Project Company operates, including, without limitation, the UCC.

"Bankruptcy Code" means Title 11 of the United States Bankruptcy Code (11 U.S.C. 101 et seq.), as amended from time to time and any successor statute.

"Consent" means that Consent and Agreement, dated as of _____, 2015, by and among the Offtaker, the Project Company, the Senior Agent and EFS Renewables Holdings, LLC.

"Corona" is defined in Recital A hereto.

"Credit Documents" collectively means the Senior Credit Documents and the Subordinated Security Documents.

"Insolvency Proceeding" means (a) any voluntary or involuntary insolvency or bankruptcy case or proceeding, or any receivership, liquidation, reorganization or other similar case or proceeding relative to the Project Company or any of its property or assets, (b) any liquidation, dissolution, reorganization or winding up of the Project Company, whether voluntary or involuntary and whether or not involving insolvency or bankruptcy, or (c) any assignment for the benefit of creditors or any other marshaling of assets and liabilities of the Project Company howsoever effectuated.

"Intercreditor Party" means each party to this Agreement, together with such party's successors and permitted assigns.

"Joint Powers Agreement" means the "Southern California Public Power Authority Joint Powers Agreement" entered into pursuant to the provisions of the Act among SCPPA and SCPPA's members, dated as of November 1, 1980, as amended or modified from time to time.

"LandCo" is defined in Recital E hereto.

"Land Purchase Option" is defined in Recital E hereto.

"Land Purchase Option Agreement" is defined in Recital E hereto.

"Lodi" is defined in Recital A hereto.

"Lien" means any mortgage, deed of trust, lien, security interest, retention of title or lease for security purposes, pledge, charge, encumbrance, equity, attachment, claim, easement, right of way, covenant, condition or restriction, leasehold interest, purchase right or other right of any kind, including any option, of any other person in or with respect to any real or personal property.

"Moreno Valley" is defined in Recital A hereto.

"Obligor" means the Project Company and any other entity providing security under the Senior Credit Documents.

"Offtaker" is defined in the preamble hereto.

"Option Agreement" is defined in Recital E hereto.

"Power Purchase Agreement" is defined in Recital D hereto.

"Proceeds" means "proceeds," as such term is defined in Section 9-102 of the UCC and, in any event, shall include without limitation, (a) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to the Project Company from time to time with respect to any of the Senior Collateral, (b) any and all payments (in any form whatsoever) made or due and payable to the Project Company from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Senior Collateral by any governmental authority, (c) any and all other amounts from time to time paid or payable under or in connection with any of the Senior Collateral on account of any Remedial Action and (d) the following types of property acquired with cash Proceeds: accounts, chattel paper, contracts, documents, general intangibles, equipment, investment property and inventory, as such terms are defined in the UCC.

"Products" means any and all Facility Energy, Capacity Rights, Environmental Attributes (as such terms are defined in the Power Purchase Agreement), and ancillary products, services or attributes similar to the foregoing that are or can be produced by, or are associated with, the Applicable Contract Capacity (as such term is defined in the Power Purchase Agreement) of the Project, whether now attainable or established in the future, including delivered energy, renewable attributes, and renewable energy credits, and all Proceeds thereof.

"Project" is defined in Recital A hereto.

"Project Company" is defined in Recital A hereto.

"Project Purchase Option" is defined in Recital E hereto.

"PWRPA" is defined in Recital A hereto.

"Rancho Cucamonga" is defined in Recital A hereto.

"Remedial Action" means any claim, action or agreement to judicially or non-judicially foreclose upon, take possession of, sell, lease, dispose of, or realize upon any of the Senior Collateral, whether pursuant to the UCC or other Applicable Law, by foreclosure, by self-help, repossession, by appointment of a receiver or trustee, by judicial action or otherwise, or any exercise of any right or power of ownership (including all voting and consent rights) with respect to any Senior Collateral, or an assignment or deed-in-lieu of any of the foregoing, or the exercise of any other right or remedy under the Subordinated Security Documents with respect to the Senior Collateral. Remedial Action shall not include the exercise by Offtaker of the Project Purchase Option, the Land Purchase Option, or the Right of First Offer.

"SCPPA" is defined in Recital A hereto.

"Security Documents" collectively means the Senior Security Documents and the Subordinated Security Documents.

"Senior Agent" is defined in the preamble hereto.

"Senior Collateral" is defined in Recital C hereto.

"Senior Credit Agreement" is defined in Recital B hereto.

"Senior Credit Documents" collectively means (a) the Senior Credit Agreement, the Senior Security Agreement, the Senior Deed of Trust and any other Senior Security Documents and (b) interest rate hedge agreements entered into on a pari passu basis with, and related to the obligations evidenced by, the documents described in clause (a) above, and, in the case of each of clauses (a) and (b) above, all other documents, instruments, guaranties and agreements now or hereafter executed or delivered in connection therewith, as the same may be amended, restated, supplemented, replaced or otherwise modified from time to time.

"Senior Deed of Trust" is defined in Recital C hereto.

"Senior Deed of Trust Collateral" is defined in Recital C hereto.

"Senior Lenders" is defined in Recital B hereto; provided that "Senior Lenders" shall include as applicable, in addition to the lenders party to the Senior Credit Agreement from time to time, the counterparties under the interest rate hedging agreements described in clause (b) of the definition of "Senior Credit Documents."

"Senior Loan" is defined in Recital B hereto.

"Senior Obligations" means (a) the principal of, and premium, if any, payable on redemption or prepayment of, and interest on, all indebtedness now existing or hereafter incurred, and all other now existing or hereafter incurred obligations, liability and indebtedness of every kind, nature and description of the Project Company and the other Obligors secured by or under the Senior Security Documents, contingent or not, due or not, obligatory or not, direct or indirect, primary or secondary, liquidated or unliquidated, or otherwise from operation of law or otherwise, including without limitation, all fees, expenses (including reasonable fees and expenses of counsel), claims, charges, fees, indemnity obligations and interest (in each case whether arising, accruing or incurred before or after the commencement of any Insolvency Proceeding, and whether or not allowed in such Insolvency Proceeding) secured by or under the Senior Credit Documents, and (b) any renewals, extensions, modifications, amendments, replacements, supplements, deferrals or other changes to any of the foregoing, including the proceeds of any indebtedness used to refinance any of the foregoing and debtor in possession financing. To the extent any payment with respect to the Senior Obligations (as Proceeds of security, enforcement of any right of setoff or otherwise) is declared to be fraudulent or preferential, set aside or required to be paid to a trustee, receiver or similar person for any reason, then such payment or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

"Senior Security Agreement" is defined in Recital C hereto.

"Senior Security Agreement Collateral" is defined in Recital C hereto.

"Senior Security Documents" is defined in Recital C hereto.

"Subordinated Collateral" is defined in Recital D hereto.

"Subordinated Obligations" means the obligations and liabilities of the Project Company secured by or under the Subordinated Security Documents, contingent or not, due or not, obligatory or not, direct or indirect, primary or secondary, liquidated or unliquidated, or otherwise from operation of law or otherwise, including without limitation, all fees, expenses (including reasonable fees and expenses of counsel), claims, charges, fees, indemnity obligations and interest (in each case whether arising, accruing or incurred before or after the commencement of any Insolvency Proceeding, and whether or not allowed in such Insolvency Proceeding) secured by or under the Subordinated Security Documents, and (b) any renewals, extensions, modifications, amendments, replacements, supplements, deferrals or other changes to any of the foregoing, including the proceeds of any indebtedness used to refinance any of the foregoing and debtor in possession financing. To the extent any payment with respect to the Subordinated Obligations (as Proceeds of security, enforcement of any right of setoff or otherwise) is declared to be fraudulent or preferential, set aside or required to be paid to a trustee, receiver or similar person for any reason, then such payment or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

"Subordinated Security Documents" is defined in Recital D hereto.

"UCC" means the Uniform Commercial Code as in effect in each applicable jurisdiction.

ARTICLE II
COLLATERAL ISSUES, ETC.

Section 2.1 Representations and Warranties as to this Agreement. Each Intercreditor Party hereby represents and warrants for itself to the other Intercreditor Parties hereto that (a) it has all requisite power and authority to execute, deliver and perform under this Agreement; (b) the execution, delivery and performance by it of this Agreement has been duly authorized by all requisite corporate or other action; (c) no consent or approval of any other person and no consent, license, approval or authorization of any governmental authority is required in connection with the execution, delivery and performance by it of this Agreement; and (d) this Agreement constitutes its legal, valid and binding obligation enforceable in accordance with its terms subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws in effect from time to time affecting the rights of creditors generally and general principles of equity regardless of whether such enforcement is considered in a proceeding in equity or at law.

Section 2.2 Priority of Liens. Irrespective of (a) the time, order, manner or method of creation, attachment, perfection or validity of the respective Liens granted by the Project Company to any Intercreditor Party in any or all of the Senior Collateral, (b) the time, manner or place of the filing of the respective UCC financing statements, deeds of trust, or other applicable filings of any Intercreditor Party with respect to any or all of the Senior Collateral or other means of perfection, (c) any provision or statement contained in any Senior Credit Document, (d) any other event, circumstance, occurrence or otherwise or (e) any provision of any Applicable Law to the contrary, the Liens granted by the Project Company to the Senior Agent (for and on behalf of itself and the Senior Lenders), pursuant to the Senior Credit Documents, and all terms, covenants, rights and remedies of Senior Agent and the Senior Lenders under the Senior Security Documents with respect to the Senior Collateral, are and shall be unconditionally superior and prior in all respects to any Liens granted by the Project Company to the Offtaker and to all terms, covenants, rights and remedies of Offtaker under the Subordinated Security Documents with respect to the Senior Collateral, unless and until the Senior Obligations shall have been paid in full. Without limiting any security interest the Offtaker may have therein, the Offtaker acknowledges and agrees that the Senior Agent shall have sole and exclusive control and dominion over all of the Project Company's deposit accounts, securities accounts and other similar bank or investment accounts, all certificates evidencing ownership interests in the Project Company and all amounts and investment property on deposit from time to time therein or credited from time to time thereto. Except as otherwise provided in this Agreement, while the Senior Obligations remain outstanding the Offtaker shall not hinder, delay, interfere, contest or take any other action that may, either directly or indirectly, limit in any respect the Senior Agent's security interest in and to the Senior Collateral. The expression "payment in full" or "paid in full" or any similar term or phrase when used in this Agreement shall mean the termination of all Construction Loan Commitments and Bridge Loan Commitments (each as defined in the Senior Credit Agreement) under the Senior Credit Documents and final payment in full of all Construction Loan Facilities and Bridge Loan Facilities (each as defined in the Senior Credit Agreement) in cash, or, in the case of such Senior Obligations consisting of contingent obligations in respect of letters of credit or other reimbursement obligations for

drawings under letters of credit under the Senior Credit Documents, the setting apart of cash sufficient to discharge such portion of Senior Obligations in an account for the exclusive benefit of the Senior Agent, in which account the Senior Agent shall be granted a first priority perfected security interest in a manner acceptable to the Senior Agent, which payment or perfected security interest shall have been retained by the Senior Agent, in each case, for the period that such payment or security interest may be avoided as a preference under the Bankruptcy Code or other Applicable Law.

Subject to Section 3.7, it is expressly understood and agreed that upon any release, sale or disposition of Senior Collateral permitted pursuant to the terms of the Senior Collateral Documents that results in a release of the Liens of the Senior Agent, the Liens of the Offtaker shall be automatically and unconditionally released with respect to such Senior Collateral with no further consent or action of any person necessary.

Section 2.3 Limitation on Rights of the Offtaker. Notwithstanding anything to the contrary set forth in the Subordinated Security Documents, unless and until the Senior Obligations shall have been paid in full, neither the Offtaker nor any agent or representative therefor shall (i) have the right to commence or take, and the Offtaker shall not commence or take or cause or permit any agent or representative to directly or indirectly commence or take, any Remedial Action with respect to the Senior Collateral, (ii) commence, prosecute or participate in any administrative, legal or equitable action or proceeding against the Project Company or its property seeking the filing of any reorganization, arrangement, composition, readjustment, liquidation, bankruptcy or any other action involving the readjustment of all or any part of the Senior Obligations or Subordinated Obligations, or other similar relief under the Bankruptcy Code or any present or future state or foreign statute, law or regulations relative to the Project Company or its properties or any proceedings for voluntary liquidation, dissolution or other winding up of the Project Company's business, or the appointment of any trustee, receiver or liquidator for the Project Company or any part of its properties or any assignment for the benefit of creditors or any marshaling of assets of the Project Company, (iii) commence, prosecute or participate in any administrative, legal or equitable action or proceeding challenging the enforceability or exercise of the Senior Credit Documents, including the rights and remedies afforded to the Senior Agent in the Senior Collateral, or (iv) take any other action against the Senior Collateral under the Subordinated Security Documents. Notwithstanding the foregoing and the other terms, conditions and limitations of this Agreement, the Offtaker shall not have any duties, obligations or liabilities to the Senior Agent or the Senior Lenders, except as expressly provided herein. Nothing in this Agreement modifies, impairs or shall be deemed a waiver of any rights or remedies the Offtaker may have with respect to the Subordinated Collateral or under the Subordinated Security Documents, other than in favor of the Senior Agent and the Senior Lenders as set forth in this Agreement.

Section 2.4 Enforcement Rights of Senior Lenders. The Senior Agent and each Senior Lender shall have the exclusive right to carry out, or not to carry out, the provisions of each Senior Security Document, and to exercise or not to exercise any Remedial Action and other rights and remedies under the Senior Credit Documents, all in the Senior Agent's and each Senior Lender's discretion and in the exercise of its and their business judgment (without regard to the rights of the Offtaker under any Subordinated Security Documents). Such exclusive rights

shall include, specifically (but not by way of limitation) the right to hold, prepare for sale, sell, lease or otherwise dispose of (or not take any such action), any or all of the Senior Collateral and to incur reasonable expenses in connection therewith, all as may be desirable in the Senior Agent's and each Senior Lender's discretion. Notwithstanding the foregoing, following acceleration of the Senior Obligations, the Senior Agent shall notify the Offtaker in writing of such acceleration and offer the Offtaker a one-time (subject to the terms of this Section) option to purchase the Senior Obligations for cash at par (plus accrued interest and fees thereon). The Offtaker shall have forty-five (45) days (such 45 day period, the "Election Period") from its receipt of the notice of acceleration from the Senior Agent to elect to purchase the Senior Obligations through notifying the Senior Agent during such period in writing of its determination to purchase the Senior Obligations. In the event that the Offtaker elects to purchase the Senior Obligations, it shall (x) work in good faith with the Senior Agent and the Senior Lenders to agree to documentation in respect of such purchase (it being understood and agreed that any such purchase will be without recourse to or warranty from the Senior Agent and the Senior Lenders other than as to title to the outstanding Senior Obligations and the Senior Security Documents) and (y) close on such purchase with sixty (60) days of its election to purchase (such 60 day period, the "Closing Period"). If (a) the Offtaker fails to elect to make the purchase within the Election Period or (b) if it has made an election, fail to close the purchase during the Closing Period, then the Offtaker shall no longer have any rights under this Section 2.4 and all such rights shall be irrevocably terminated, provided, however, that if a Remedial Action is not consummated within eighteen (18) months following the date of the expiration of the Closing Period, Senior Agent must provide another notice and Election Period pursuant to the foregoing terms. Nothing in this Section 2.4 shall affect in any manner the rights of the Senior Agent or any Senior Lenders to take any action with respect to the Secured Obligations or the Senior Collateral as they may decide in their sole and absolute discretion. In exercising its rights as aforesaid, the Senior Agent and each Senior Lender shall not have any duties, obligations or liabilities to the Offtaker, except as expressly provided herein or in the Consent. Nothing in this Agreement modifies, impairs or shall be deemed a waiver of any rights or remedies the Senior Agent or the Senior Lenders may have with respect to the Senior Collateral or under the Senior Credit Documents.

ARTICLE III
OTHER AGREEMENTS

Section 3.1 Insurance and Condemnation Awards.

(a) The Senior Agent and the Senior Lenders shall have the sole and exclusive right, subject to the rights of the Project Company and the other Obligors under the Senior Credit Documents, to adjust, settle, direct or otherwise deal with any insurance policy or proceeds therefrom covering or relating to the Senior Collateral and to approve any award granted in any condemnation or similar proceeding affecting the Senior Collateral.

(b) All the proceeds of any insurance policies and any awards relating to the Senior Collateral shall be applied as provided in the Senior Credit Documents.

(c) In the event that the Senior Agent or the Senior Lenders allow any portion of such insurance proceeds or awards with respect to the Senior Collateral to be used by the Project Company or any other Obligor to repair or replace the Senior Collateral affected or for any other purposes, the Offtaker agrees to take all reasonable actions to permit such use and shall not interfere therewith or claim any interest therein.

Section 3.2 No Obligation Owing to Offtaker.

(a) The Senior Agent and the Senior Lenders may, at any time, without the consent of, or notice to, the Offtaker, without incurring any liabilities to the Offtaker and without impairing or releasing any of their Liens in the Senior Collateral and other benefits provided in this Agreement and the other Senior Credit Documents, do any one or more of the following:

(i) change in any manner the Senior Obligations and the Senior Credit Documents, including the manner, place or terms of payment or change or extend the time of payment of, or renew, refinance, exchange, substitute, amend, settle, compromise, increase the original principal amount of the Senior Obligations or alter the terms of any of the Senior Obligations or any Lien in any of the Senior Collateral, or any liability incurred, directly or indirectly in respect thereof;

(ii) sell, exchange, substitute, release, surrender, realize upon, enforce or otherwise deal with in any manner and in any order any part of the Senior Collateral or Senior Obligation, or any liability incurred directly or indirectly in respect thereof; and

(iii) exercise or delay in or refrain from exercising any right or remedy against all or any part of the Senior Collateral, the Project Company, or any other Obligor or with respect to any Senior Credit Document or Senior Obligation.

(b) The Senior Agent and the Senior Lenders shall have no obligation whatsoever to the Offtaker to assure the ownership, existence or genuineness of the Senior Collateral, and the Senior Agent and the Senior Lenders shall have no obligation whatsoever to the Offtaker to preserve the rights or benefits of any person (including the Offtaker) in the Senior Collateral.

(c) Neither the Senior Agent nor the Senior Lenders shall be under any obligation to the Offtaker to institute or defend any action, suit or other proceeding, or take any other action against any person, in connection with any Senior Collateral. Each Intercreditor Party shall be entitled to rely upon any writing or other document believed by such Intercreditor Party to be genuine and correct and to have been signed, sent or made by the proper person. Each Intercreditor Party may consult counsel with respect to any question arising hereunder or in connection herewith and such Intercreditor Party

shall not be liable for any action taken or omitted to be taken in good faith upon advice of such counsel.

(d) All rights, interests, agreements and obligations of the Senior Agent and Senior Lenders under this Agreement shall remain in full force and effect irrespective of:

(i) any lack of validity or enforceability of the Senior Credit Documents or any agreement or instrument relating thereto;

(ii) any taking, exchange, release or non-perfection of any collateral, or any taking, release or amendment or waiver of or consent to or departure from any guaranty or indemnity for all or any portion of the Senior Obligations;

(iii) any manner of application of collateral, or proceeds thereof, to all or any portion of the Senior Obligations, or any manner of sale or other disposition of any collateral for all or any portion of the Senior Obligations or any other assets of the Project Company or any other Obligor;

(iv) any change, restructuring or termination of the corporate structure or existence of the Project Company or any other Obligor; or

(v) any other circumstance which might otherwise constitute a defense available to, or a discharge of, either of the Project Company or any other Obligor in respect of the Senior Obligations in respect of this Agreement.

Section 3.3 Insolvency Proceedings. In connection with any Insolvency Proceeding, the Senior Agent and the Senior Lenders, with respect to the Senior Obligations and the Senior Credit Documents, on the one hand, and the Offtaker, with respect to the Subordinated Obligations and the Subordinated Security Documents, on the other hand, agree as follows:

(a) Filing of Claims. The Offtaker may file proofs of claim with respect to the Subordinated Obligations, subject to the limitations contained in this Agreement. Offtaker shall not make or consent to any filing or motion, or vote or take any other action, including without limitation, voting in favor of any plan of reorganization, which would have the effect of (a) modifying or abrogating any of the rights or interests of the Senior Agent or Senior Lenders under this Agreement, or (b) adversely affecting Senior Agent or Senior Lenders' rights or remedies under the Senior Credit Documents, provided, however, that enforcing the terms of this Agreement shall not be deemed to have an adverse effect.

(b) Automatic Stay. The Offtaker shall not seek relief from the automatic or any other stay in any Insolvency Proceeding in connection with the enforcement of any of its rights and remedies under any of the Subordinated Security Documents or otherwise with respect to the Senior Collateral; provided, however, that in the event that failure to take such action with respect to any Senior Collateral by the Offtaker would cause the

loss of any of its rights under any Subordinated Security Documents, the Offtaker may take such action to preserve such right so long as the exercise of such right is not commenced until after this Agreement is terminated.

(c) Distributions.

(i) In the event of any distribution, division, or application, partial or complete, voluntary or involuntary, by operation of law or otherwise, of all or any part of the assets of the Project Company or the proceeds thereof to the creditors of the Project Company or readjustment of the obligations and indebtedness of the Project Company, whether by reason of liquidation, bankruptcy, arrangement, receivership, assignment for the benefit of creditors, marshaling of assets of the Project Company or any other action or proceeding involving the readjustment of all or any part of the Senior Obligations or Subordinated Obligations or the application of the assets of the Project Company to the payment or liquidation thereof, or upon the dissolution or other winding up of the Project Company's business, or upon the sale of all or substantially all of the Project Company's assets, then, and in any such event, (i) the Senior Agent and the Senior Lenders shall first receive payment in full of all Senior Obligations prior to the payment of all or any part of the Subordinated Obligations, (ii) any payment or distribution of any kind or character, whether in cash, property or securities, by set-off, counterclaim or otherwise, to which the Offtaker would be entitled with respect to the Subordinated Obligations but for the provisions of this Agreement, shall be paid or delivered by the liquidating trustee or agent or other person making such payment or distribution, whether a trustee in bankruptcy, a receiver or liquidating trustee or otherwise, directly to the Senior Agent, to the extent necessary to make payment in full of all Senior Obligations remaining unpaid after giving effect to any concurrent payment or distribution to the Senior Lenders, and (iii) in the event that, notwithstanding the foregoing provisions of this Agreement, Offtaker shall have received any payment or distribution of any kind or character, whether in cash, property or securities, by set-off, counterclaim or otherwise with respect to the Subordinated Obligations before all Senior Obligations are paid in full, then and in such event such payment or distribution shall be deemed to be the property of, segregated, received and held in trust for the benefit of and shall be forthwith paid over or delivered to the Senior Agent for application in the manner received to the payment of all Senior Obligations remaining unpaid until all such Senior Obligations shall have been paid in full.

(ii) Until the full and final payment of the Senior Obligations, the Offtaker shall not seek to cause the Project Company to confirm or vote in favor of a plan of reorganization pursuant to Section 1129(b)(i) of the Bankruptcy Code that fails to provide for the full and final payment of the Senior Obligations on the effective date of such confirmed plan of reorganization. In addition, Offtaker shall not contest (or support any other person or entity contesting) (a) any request by Senior Agent for adequate protection pursuant to Section 361 of the Bankruptcy Code or otherwise, (b) any objection by Senior Agent or Senior

Lenders to any motion, relief, action or proceeding based on the Senior Lenders claiming a lack of adequate protection pursuant to Section 361 of the Bankruptcy Code or otherwise, (c) the entry of any cash collateral order in favor of the Senior Lenders, (d) the entry of any financing order in favor of the Senior Lenders under Section 364 of the Bankruptcy Code or otherwise, (e) an election by the Senior Lenders pursuant to Section 1111(b) of the Bankruptcy Code, or (f) any claim submitted in any proceeding by Senior Agent or Senior Lenders, or any valuation of the Senior Collateral submitted by Senior Agent or Senior Lenders in such proceeding. Senior Agent shall give Offtaker such notice of the foregoing actions as may be required by the Bankruptcy Code.

(iii) The Senior Obligations shall continue to be treated as Senior Obligations and the provisions of this Agreement shall continue to govern the relative rights and priorities of the Senior Lenders and the Offtaker even if all or part of the Senior Obligations or the security interests securing the Senior Obligations are subordinated, set aside, avoided, declared to be fraudulent or preferential, or disallowed in connection with any Insolvency Proceeding. This Agreement shall be reinstated if at any time any payment of any of the Senior Obligations is rescinded or must otherwise be returned by any holder of Senior Obligations or any representative of such holder.

Section 3.4 Waivers.

(a) No right of the Senior Agent or any Senior Lender to enforce the Lien subordination in any Senior Collateral or Remedial Action with respect thereto in respect of any Senior Collateral as provided in this Agreement shall in any manner be prejudiced or impaired by any act or failure to act on the part of the Project Company or by any act or failure to act by the Senior Agent or any Senior Lender, or by any noncompliance by any person with the terms, provisions and covenants of any of the Senior Credit Documents or any of the Subordinated Security Documents, regardless of any knowledge thereof which the Senior Agent or any Senior Lender may have or be otherwise charged with.

(b) Offtaker hereby waives, to the fullest extent permitted by law, any claim it may have against the Senior Agent or any Senior Lender arising out of or with respect to any action which the Senior Agent or any Senior Lender may take or permit or omit to take with respect to: (i) the Senior Credit Documents, (ii) collection of the Senior Obligations, (iii) the Project Company, (iv) the Senior Collateral, (v) any Remedial Action or the enforcement of any right or remedy under the Senior Credit Documents, or (vi) as a result of any other actions otherwise permitted pursuant to this Agreement (including, without limitation, Section 2.4), in each case not including any claims arising out of Senior Agent's or Senior Lenders' gross negligence or willful misconduct. The Offtaker agrees that the Senior Agent and the Senior Lenders have no duty to it in respect of the maintenance or preservation of the Senior Collateral or any rights of any person therein or in respect of the application of any proceeds of any loans or other financial accommodations extended under the Senior Credit Documents. The Senior Agent and

the Senior Lenders agree that, except as set forth in this Agreement and the Consent, the Offtaker shall have no obligation owing to the Senior Agent and the Senior Lenders.

(c) The Offtaker agrees not to assert and hereby waives, to the fullest extent permitted by law, any right to contest the validity, priority or enforceability of the Senior Security Documents, or to demand, request, plead or otherwise assert or otherwise claim the benefit of, any marshaling, appraisement, valuation or other similar right that may otherwise be available under Applicable Law with respect to the Subordinated Obligations or any other similar rights a junior secured creditor may have under Applicable Law with respect to the Subordinated Obligations.

(d) The Offtaker hereby waives any defense based on the adequacy of a remedy at law which might be asserted as a bar to the remedy of specific performance of this Agreement in any action brought therefor by the Senior Agent or any Senior Lender.

Section 3.5 Information Concerning the Project Company, etc. To the extent it deems necessary, each Intercreditor Party (other than the Senior Agent) shall be responsible, to the extent applicable, for keeping itself informed of (a) the financial condition of the Project Company and all endorsers and/or guarantors of the Subordinated Obligations or the Senior Obligations, as the case may be, and (b) all other circumstances bearing upon the risk of nonpayment of the Subordinated Obligations or the Senior Obligations, as the case may be. No Intercreditor Party shall have any present or future duty or responsibility to any other Intercreditor Party to advise them of information known to it regarding the financial condition of Project Company or of any circumstances bearing upon the risk of nonpayment of the Senior Obligations or the Subordinated Obligations. If any such information is conveyed by any Intercreditor Party to any other Intercreditor Party, such Intercreditor Party shall have no continuing duty or responsibility to advise such other Intercreditor Party of any inaccuracy in such information that it subsequently discovers or of any updated or subsequent information, whether or not of like kind.

Section 3.6 No Rights of Subrogation. No payment or distribution to the Senior Agent or any Senior Lender shall entitle the Offtaker to exercise any right of subrogation until the Senior Obligations shall have been paid in full.

Section 3.7 Application of Payments. All proceeds arising from any Remedial Action with respect to any Senior Collateral (whether or not resulting from or after an Insolvency Proceeding) shall be applied, first, to the payment of the Senior Obligations in the manner provided in the Senior Credit Documents until they have been paid in full in cash and without prejudice to Section 3.3(c), second, to the extent required by Applicable Law, to the payment of the Subordinated Obligations until they are paid in full in cash. Senior Agent agrees that prior to any distribution by Senior Agent of any proceeds arising from any Remedial Action to any party other than the Senior Agent and Senior Lenders, Senior Agent shall notify the Offtaker of such distribution at least fifteen (15) days prior to the distribution to the extent practicable.

Section 3.8 Independent Decisions. Each Intercreditor Party has, independently and without reliance on any other Intercreditor Party, and instead in reliance upon information supplied to it on behalf of the Project Company and upon such other information as it has deemed appropriate, made its own independent decision to enter into its Credit Documents and to enter into its obligations to the Project Company thereunder; and each Intercreditor Party shall, independently and without reliance upon any other Intercreditor Party, continue to make its own independent analysis and decisions in acting or not acting under its Credit Documents and this Agreement; provided, however, it is understood that the Senior Agent is not making any extension of credit and is acting solely at the discretion of the Senior Lenders pursuant to the terms of the Senior Credit Agreement; further, provided, however, that the Offtaker has no obligation to provide any extension of credit.

Section 3.9 Turnover of Prohibited Transfers. If any Senior Collateral is received by the Offtaker in violation of the terms of this Agreement, such Senior Collateral shall, without the necessity of demand or request by the Senior Agent, be delivered forthwith by the Offtaker to the Senior Agent for application to the Senior Obligations, in the form received, except for the addition of any endorsement or assignment necessary to effect a transfer of all rights therein to such other party. Until so delivered, any Senior Collateral shall be held by the Offtaker in trust for the Senior Agent and shall not be commingled with other funds or property of the Offtaker.

Section 3.10 Effectiveness During Insolvency Proceeding. This Agreement shall continue in full force and effect notwithstanding any Insolvency Proceeding, and shall apply with full force and effect with respect to all Senior Collateral acquired by the Project Company and to all Senior Obligations and Subordinated Obligations incurred by the Project Company from and after the initiation of any such Insolvency Proceeding.

Section 3.11 Amendments. The Offtaker shall not amend, supplement or otherwise modify, without the consent of the Senior Agent, the terms of any of its Subordinated Security Documents, or enter into any other agreement having the effect of doing so in a manner that would adversely affect the rights of the Senior Agent pursuant to this Agreement. Offtaker may also, without the consent of the Senior Agent, amend, supplement or otherwise modify the Subordinated Security Documents to correct any technical errors or omissions contained therein which are also corrected in the Senior Credit Documents.

Section 3.12 Indulgences Not Waivers. Neither the failure nor any delay on the part of the Senior Agent or any Senior Lender to exercise any right, remedy, power or privilege hereunder or under any instruments, documents or agreements evidencing or relating to any of the Senior Obligations shall operate as a waiver thereof or give rise to an estoppel, nor be construed as an agreement to modify the terms of this Agreement, nor shall any single or partial exercise of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No consent or waiver by a party hereunder shall be effective unless it is in writing and signed by the party making such consent or waiver, and then only to the extent specifically stated in such writing.

Section 3.13 Duration and Termination; Payment Invalidated.

(a) This Agreement shall constitute a continuing agreement and shall terminate with respect to the Senior Agent and the Senior Lenders only upon the final payment in full of each of the Construction Loan Facilities and the Bridge Loan Facilities (each as defined in the Senior Credit Agreement) and the termination of the commitments thereunder. The agreements set forth herein shall remain in full force and effect regardless whether the Offtaker, the Senior Agent or any Senior Lender in the future seeks to rescind, amend, terminate or reform, by litigation or otherwise, its agreements with the Project Company or any other Obligor. The termination of this Agreement shall, subject to clause (b), release fully and irrevocably all parties hereto from any and all liabilities (including, without limitation, the validity of this Agreement on an ongoing basis), duties and responsibilities hereunder to the same extent as if this Agreement had been fully terminated by all the parties hereto, provided that the foregoing shall not release any of the parties with respect to any obligations arising prior to such termination; provided further that this Section 3.13 is subject, and without prejudice, to and shall not release, any rights or obligations the Project Company may have in respect of the Power Purchase Agreement and the Subordinated Security Documents.

(b) In the event that this Agreement is terminated with respect to the Senior Agent and the Senior Lenders, as provided in clause (a), and the Senior Agent or any Senior Lender shall be required by a court or other tribunal of competent jurisdiction to disgorge, refund, rebate or otherwise return any amount received with respect to any of the Senior Collateral to any debtor-in-possession or trustee in respect of any Insolvency Proceeding or any other person (whether as the result of such payment constituting, or being alleged to constitute, a preference, a fraudulent conveyance or any other payment required to be disgorged pursuant to any such Insolvency Proceeding) then, in any such event, (i) the terms and conditions of this Agreement shall be reinstated, notwithstanding any prior termination of this Agreement pursuant to this Section, and (ii) all provisions of this Agreement shall once again be operative until all such Senior Obligations are again paid in full in cash.

Section 3.14 Subordinated Security Documents and Senior Security Documents. The Offtaker confirms that it has delivered to the Senior Agent true and correct copies of the Subordinated Security Documents, in each case as in effect on the date hereof, and all UCC financing statements and other filings to perfect its security interest in the Senior Collateral. The Senior Agent confirms that it has delivered to the Offtaker true and correct copies of the Senior Security Documents, in each case as in effect on the date hereof, and all UCC financing statements and other filings to perfect its security interest in the Subordinated Collateral.

Section 3.15 New Agreement. In connection with any assignment or transfer of any or all of the Senior Obligations (including any refinancing or replacement thereof or any debtor-in-possession financing provided to the Project Company by the Senior Lender), the Offtaker agrees, to execute and deliver an agreement containing terms identical to those contained herein in favor of any such assignee or transferee and, in addition, will execute and deliver an agreement containing terms identical to those contained herein in favor of any third person who succeeds to or replaces any or all of the financing provided under the Senior Credit Documents,

whether such successor financing or replacement occurs by transfer, assignment, "takeout" or any other means or vehicle, in each circumstance to which this Section 3.15 applies, if and only to the extent, Offtaker would be required to execute a new or replacement subordination agreement for the benefit of such parties under the terms of the Power Purchase Agreement.

ARTICLE IV
MISCELLANEOUS

Section 4.1 Conflict. In the event of any conflict between the terms of any of the Senior Credit Documents or the Subordinated Security Documents and the terms of this Agreement, the terms of this Agreement shall control; provided, that this Agreement is not intended to amend or supersede the terms of the Consent. In the event of any conflict between the terms of this Agreement and the Consent, the Consent shall govern and control. The parties hereto acknowledge and agree that, subject to and without limiting the immediately preceding sentence of this Section 4.1, but notwithstanding any other provision of this Agreement, so long as no Default exists under the Power Purchase Agreement upon transfer of the Project or the Project assets pursuant to any foreclosure or sale or conveyance in lieu of foreclosure of the Senior Collateral (it being acknowledged and agreed that if Offtaker irrevocably waives any Default of the Project Company under the Power Purchase Agreement, no such Default shall be deemed to exist), the designee(s) or assignee(s) of the Project or Project Assets shall assume the Project Company's (or its designee's or assignee's) rights under Power Purchase Agreement and the rights and obligations of the parties under the Option Agreement and the Land Option Agreement shall remain in full force and effect.

Section 4.2 Benefit of Agreement, etc. This Agreement is entered into only for the benefit of the parties hereto, and their respective successors and assigns, and no benefit shall accrue or is intended with respect to any other third party, including, without limitation, the Project Company or any trustee in bankruptcy for the Project Company. This Agreement is intended only to define the rights and obligations of the Offtaker, on the one hand, and the Senior Agent and the Senior Lenders, on the other hand, in the Senior Collateral and the other matters set forth expressly herein, and this Agreement shall in no way affect or impair the rights and obligations of the Intercreditor Parties or the Project Company under the Power Purchase Agreement, Senior Credit Documents or the Subordinated Security Documents.

Section 4.3 Amendment; No Waiver. This Agreement may be amended, modified or supplemented, but only by a written agreement signed by the parties hereto. Any waiver or consent shall be effective only in the specific instance and for the specified purpose for which given. A waiver or consent shall be effective only if it is in writing and signed by the party giving the waiver or consent.

Section 4.4 Successors and Assigns. All the covenants, terms and agreements in this Agreement shall bind and inure to the benefit of the respective successors and assigns of the Offtaker and the Senior Agent. The Offtaker shall not assign all or any part of its rights and obligations under the Subordinated Security Documents to any person unless such person agrees in writing to be bound by all the terms of this Agreement. The Senior Agent shall not assign all

or any part of its rights and obligations under the Senior Security Documents to any person unless such person agrees in writing to be bound by the terms of this Agreement.

Section 4.5 Severability. In the event any provision of this Agreement is determined to be void, unlawful, or otherwise unenforceable, that provision shall be severed from the Agreement, and the remainder of this Agreement shall be interpreted and constructed in such a manner as if a provision containing terms as nearly like the void, unlawful, or unenforceable provision as possible replaced such severed provision, and the Agreement, as so interpreted and constructed, shall continue to be in full force and effect. If the application of any provision of this Agreement to any person or circumstance is determined to be void, unlawful, or unenforceable, then that provision remains valid, lawful, and enforceable as applied to other persons and circumstances.

Section 4.6 Notices. All notices, requests, demands or other communications hereunder shall be in writing and shall be delivered personally, by facsimile, as a ".PDF" attachment to an electronic mail, or by reputable express courier service addressed to the relevant party hereto at the address stated below or at any other address notified by the party to the other as its address for purposes of this Agreement. Any communication so given personally and any notice so given by express courier service shall be deemed to have been delivered on the date of receipt of the intended recipient. As proof of such delivery it shall be sufficient to produce a receipt showing personal service or the receipt of a reputable courier company showing the correct address of the addressee.

If to the Senior Agent:

Deutsche Bank Trust Company Americas
Trust and Agency Services
60 Wall Street, 16th Floor
MS: NYC60-1630
New York, NY 10005
Attention: Project Finance Agency Services – RE Astoria 2 LLC
Fax: 732-578-4636

If to the Offtaker:

Southern California Public Power Authority
1160 Nicole Court
Glendora, CA 91740
Attention: Executive Director
Facsimile: (626) 704-9461
Tel: (626) 793-9364
Email: bcarnahan@scppa.org, shomer@scppa.org,
knguyen@scppa.org

Section 4.7 Governing Law. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF

CALIFORNIA APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN SUCH STATE.

Section 4.8 Consent to Jurisdiction. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS FOR ITSELF AND ITS PROPERTY TO THE EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA AND OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA SITTING IN THE COUNTY OF LOS ANGELES, AND ANY APPELLATE COURT FROM ANY OF THE FOREGOING COURTS FOR PURPOSES OF ALL LEGAL SUITS, ACTIONS, AND PROCEEDINGS ARISING OUT OF, CONNECTED WITH OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY HEREBY IRREVOCABLY WAIVES AND AGREES NOT TO PLEAD, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION OR DEFENSE WHICH IT MAY NOW OR HEREAFTER HAVE TO (A) THE LAYING OF VENUE IN SUCH A COURT, (B) ANY CLAIM THAT SUCH A COURT IS AN INCONVENIENT FORUM, (C) LACK OF PERSONAL, IN REM OR QUASI IN REM JURISDICTION, OR (D) ANY SIMILAR GROUNDS.

Section 4.9 Intentionally Omitted.

Section 4.10 Counterparts; Electronic Delivery. This Agreement may be executed in one or more counterparts, each of which shall be an original but all of which, taken together, shall constitute only one legal instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than one counterpart.

Section 4.11 Further Assurances. The Offtaker, on the one hand, and the Senior Agent, on the other hand, agree to execute such further documents and agreements as may be reasonably requested by the other to give effect to the purposes of this Agreement.

Section 4.12 Reliance. The consent by the Senior Lenders to the execution and delivery of the Subordinated Security Documents and the grant to the Offtaker of a Lien in the Senior Collateral shall be deemed to have been made in reliance upon this Agreement. The Offtaker expressly waives all notice of the acceptance of and reliance on this Agreement by the Senior Agent and the Senior Lenders.

Section 4.13 [Reserved].

Section 4.14 Application to Other Agreements between Offtaker and Project Company. The parties hereto acknowledge that this Agreement is not intended to, and shall not, apply to any agreements, contracts or other arrangements (including, without limitation, interconnection agreements, transmission agreements, construction services agreements, easement agreements, and retail service agreements) between Offtaker and the Project Company other than the Subordinated Obligations and the Subordinated Security Documents. For the avoidance of doubt and notwithstanding anything in this Agreement to the contrary, nothing in this Agreement will be deemed to amend or otherwise modify the Project Company's rights and

obligations under and pursuant to the Senior Credit Documents, the Power Purchase Agreement, the Subordinated Security Documents or any other document or instrument entered into between the Project Company and one or more Intercreditor Parties. Further, for the avoidance of doubt and notwithstanding anything in this Agreement to the contrary, nothing in this Agreement will be deemed to amend or otherwise modify the Offtaker's rights and obligations between itself and the Project Company under and pursuant to the Land Option Agreement or any deed of trust that secures the Land Option Agreement.

Section 4.15 Acknowledgment by the Project Company. By executing the acknowledgment to this Agreement, the Project Company acknowledges the rights and obligations of the Intercreditor Parties hereunder and shall not, either directly or indirectly, take any action to challenge the enforceability or validity of this Agreement; provided that, except as expressly set forth in this sentence, the Project Company shall have no obligations pursuant to, or liability under or in connection with, the terms of this Agreement. Notwithstanding the foregoing, the Project Company is not a party to this Agreement and a separate acknowledgment by the Project Company shall not be required with respect to any amendment, supplement or waiver hereto; provided that the Project Company, by its acknowledgement hereof, will not be deemed to have acknowledged or agreed to any such amendment, supplement or waiver until it has received a copy of any such amendment, supplement or waiver.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

SENIOR AGENT:

DEUTSCHE BANK TRUST COMPANY AMERICAS,
as Collateral Agent for the Secured Parties

By: Deutsche Bank National Trust Company

By:_____
Name:
Title:

By:_____
Name:
Title:

[Signature Page to Intercreditor and Subordination Agreement]

OFFTAKER:

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

By:_____
Name:
Title:

POWER AND WATER RESOURCES POOLING AUTHORITY

By:_____
Name:
Title:

CITY OF LODI

By:_____
Name:
Title:

Approved as to form _____
City Attorney

CITY OF CORONA

By:_____
Name:
Title:

[Signature Page to Intercreditor and Subordination Agreement]

CITY OF MORENO VALLEY

By:_____
Name:
Title:

CITY OF RANCHO CUCAMONGA

By:_____
Name:
Title:

ACKNOWLEDGED AND AGREED:

RE ASTORIA 2 LLC

By:_____

Name:

Title:

STATE OF _____}
}ss
COUNTY OF_____}

On _____, 2015 before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ties), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of _____ that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(Seal)

Signature _____

Commission #: _____

Commission Expiration: _____

EXHIBIT A

STATE OF NEW JERSEY

ss:

COUNTY OF HUDSON

On the day of , in the year 2015 before me, the undersigned, a Notary Public in and for said State, personally appeared _____ and _____, Authorized Signatories for Deutsche Bank National Trust Company on behalf of Deutsche Bank Trust Company Americas, personally known to me or proved to me on the basis of satisfactory evidence to be the individuals whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their capacities, and that by their signatures on the instrument, the individuals, or the persons or entities upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

7929378_3

EXHIBIT A

RESOLUTION NO. 2015-____

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING A COLLATERAL ASSIGNMENT OF THE POWER PURCHASE AGREEMENT TO PERMIT FINANCING OF THE ASTORIA 2 SOLAR PROJECT BY EFS RENEWABLES HOLDINGS, LLC AND APPROVING RELATED AMENDMENTS TO THE EXISTING POWER PURCHASE AGREEMENT TO EFFECTUATE SUCH FINANCING AS CONTAINED IN A CONSENT AND AGREEMENT; A NON-DISTURBANCE AND ATTORNMENT AGREEMENT; AND AN INTERCREDITOR AND SUBORDINATION AGREEMENT; AND DIRECTING THE CITY MANAGER TO EXECUTE SAID AGREEMENTS

==========

WHEREAS, on June 18, 2014, the Lodi City Council approved a Power Purchase Agreement (PPA) with RE Astoria 2 LLC, a wholly-owned subsidiary of Recurrent Energy, to purchase 10 MW of energy and capacity, and associated environmental attributes, to be generated by RE Astoria 2 LLC from the Astoria 2 Solar Project for a period of 20 years at a fixed price of $64 per MWh; and

WHEREAS, in addition to RE Astoria 2 LLC as Seller and the City of Lodi, the other parties to the PPA are the Southern California Public Power Authority (SCPPA), Power and Water Resources Pooling Authority (PWRPA), and the cities of Corona, Moreno Valley and Rancho Cucamonga (Cities). SCPPA, PWRPA, Cities, and the City of Lodi are jointly the buyers (Buyers) under the PPA; and

WHEREAS, the Astoria 2 Solar Project is a 75 MW photovoltaic plant currently under construction which will assist the Lodi Electric Utility (LEU) with meeting its Renewables Portfolio Standard obligations; and

WHEREAS, RE Astoria 2 LLC has requested the consent of the Buyers to a collateral assignment of the PPA for the Astoria 2 Solar Project to reflect the ownership interest of a proposed new tax equity investor, EFS Renewables Holdings, LLC, a wholly-owned subsidiary of General Electric Corporation, which requires the consent of the Buyers; and

WHEREAS, the PPA provides the Buyers' consent shall not be unreasonably withheld; and

WHEREAS, EFS Renewables Holdings, LLC, has requested certain limited amendments to the PPA be approved by RE Astoria 2 LLC and the Buyers, as indicated in the Consent and Agreement in order to secure financing from its construction lender Deutsche Bank Trust Company Americas (DBTC); and

WHEREAS, DBTC has further requested that RE Astoria 2 LLC and the Buyers approve a Non-Disturbance and Attornment Agreement and an Intercreditor and Subordination Agreement to protect DBTC's rights in the event of default by RE Astoria 2 LLC or EFS Renewables Holdings, LLC, as a condition of its loan; and

WHEREAS, the Non-Disturbance and Attornment Agreement also includes as a party, RE Astoria 2 Landco LLC, an additional wholly-owned subsidiary of Recurrent Energy and the owner of the property on which the Astoria 2 Solar Project is being constructed; and

WHEREAS, in consideration of the requested contractual amendments and approvals, RE Astoria 2 LLC has agreed to provide to the Buyers, including the City of Lodi, a $1 per MWh reduction in price as reflected in the proposed Consent and Agreement; and

WHEREAS, each of the Consent and Agreement, Non-Disturbance and Attornment Agreement, and Intercreditor and Subordination Agreement were presented to the Risk Oversight Committee at their November 9, 2015 meeting and unanimously recommended City Council approval.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve a collateral assignment of the Power Purchase Agreement to permit financing of the Astoria 2 Solar Project by EFS Renewables Holdings, LLC; and

BE IT FURTHER RESOLVED that the Lodi City Council does hereby approve related amendments to the existing Power Purchase Agreement to effectuate such financing as contained in the following agreements, approves the following agreements, and directs the City Manager to execute them on behalf of the City of Lodi, with any non-substantial changes recommended and approved by the City Attorney:

1. Consent and Agreement among Southern California Public Power Authority (SCPPA), Power and Water Resources Pooling Authority (PWRPA), City of Lodi, City of Corona, City of Moreno Valley, and City of Rancho Cucamonga (jointly identified in the said agreement as Contracting Parties); and RE Astoria 2 LLC (identified in the said agreement as Project Company), Deutsche Bank Trust Company Americas (DBTC) (identified in the said agreement as Collateral Agent) and EFS Renewables Holdings, LLC (identified in the said agreement as Class A Member); and

2. Non-Disturbance and Attornment Agreement among RE Astoria 2 LandCo LLC (identified in said agreement as Owner), RE Astoria 2 LLC (identified in said agreement as Lessee), DBTC (identified in said agreement as Collateral Agent); and SCPPA, PWRPA, City of Lodi, City of Corona, City of Moreno Valley, and City of Rancho Cucamonga (jointly identified in the said agreement as Fee Secured Party); and

3. Intercreditor and Subordination Agreement among SCPPA, PWRPA, City of Lodi, City of Corona, City of Moreno Valley, and City of Rancho Cucamonga (jointly identified in said agreement as Offtaker) and DBTC (identified in said agreement as Senior Agent).

BE IT FURTHER RESOLVED that the Lodi City Council authorizes the City Manager to execute and deliver any and all other documents and instruments and to do and cause to be done any and all acts and things necessary or advisable for carrying out the transactions contemplated by this Resolution for the Astoria 2 Solar Project, for the benefit of the City and the other parties to the aforementioned agreements with administrative duties performed by the Electric Utility Director.

Dated: November 18, 2015

==========

I hereby certify that Resolution No. 2015-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 18, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAIOLO
City Clerk

AGENDA ITEM C-11

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Authorizing the Lodi Police Department to Participate in the AVOID the 10 Grant Funded by the Office of Traffic Safety; Appropriating Funds ($22,500); and Further Authorizing the Chief of Police to Execute the Agreement

MEETING DATE: November 18, 2015

PREPARED BY: Chief of Police

RECOMMENDED ACTION: Adopt resolution authorizing the Lodi Police Department to participate in the AVOID the 10 grant funded by the Office of Traffic Safety; appropriating funds in the amount of $22,500; and further authorizing the Chief of Police to execute the agreement

BACKGROUND INFORMATION: Lodi has a significant problem with alcohol and speed-related fatal and injury collisions, including those involving pedestrians, bicyclists, hit-and-run drivers, and motorcyclists (illustrated below).

Fiscal Year	DUI-Related Traffic Collisions	DUI Arrests
12/13	65	303
13/14	60	281
14/15	62	358

To address DUI, the Lodi Police Department deploys existing officers on weekend and holiday evenings for DUI saturation enforcement and DUI checkpoints. This grant will allow for additional saturation patrols and DUI checkpoints.

By adopting this resolution, the Lodi Police Department will receive $50,000 in grant funding from the Office of Traffic Safety (OTS), administered by the Stockton Police Department, to augment a comprehensive traffic safety enforcement program to reduce fatal and injury collisions where the primary collision factor is driving under the influence (DUI). The Lodi Police Department has participated in this grant in previous years, and would like to continue that partnership.

With Council approval, the City of Lodi and the City of Stockton will enter into an agreement that provides $50,000 in grant funding to augment enhanced DUI enforcement.

FISCAL IMPACT: This grant will allow the City to conduct needed education and enforcement without using General Fund dollars.

FUNDING AVAILABLE: Requested Appropriation: 2015/16 DUI AVOID Grant (AL1462) ($22,500)

Jordan Ayers
Deputy City Manager/Internal Services Director

Tod Patterson
Chief of Police

cc: City Attorney

APPROVED: _____
Stephen Schwabauer, City Manager

MEMORANDUM OF UNDERSTANDING
BETWEEN SAN JOAQUIN COUNTY LAW ENFORCEMENT AGENCIES FOR THE"AVOID THE 10" DUI CAMPAIGN
OCTOBER 1, 2015 THROUGH SEPTEMBER 30,2016
Grant Number: AL1642

This Memorandum of Understanding ("MOU") is entered into on October 1, 2015, for a term of one year to expire on September 30, 2016, between the Stockton Police Department, Manteca Police Department, Lodi Police Department, Tracy Police Department, Ripon Police Department, Escalon Police Department, Lathrop Police Services, San Joaquin County Sheriff's Department, San Joaquin County Probation Department, and the California Highway Patrol ("Agencies"). These Agencies comprise the 10 law enforcement entities located within San Joaquin County that will participate in the California Office of Traffic Safety ("OTS") Avoid the 10- DUI Campaign, as funded by OTS grant number AL1642 ("GRANT").

These Agencies will work cooperatively to reduce alcohol related fatal and injury traffic collisions in San Joaquin County. In furtherance of that goal, all agree to fully support the goals and objectives of the OTS Grant.

THE STOCKTON POLICE DEPARTMENT AGREES TO:

1. Serve as the host agency for a regional DUI effort in San Joaquin County, and administer the project with OTS including submitting all required financial and programmatic reports;

2. Reimburse Agencies promptly when invoiced for project-related costs. Eligible costs include hourly overtime costs for officers, deputies, sergeants, community service officers, dispatchers, clerical positions and Reserve Officers as applicable. Straight time costs will only be reimbursed for Community Service Officers and Reserve Officers. Administrative overhead will not be reimbursed;

3. Participate in all project related enforcement activities and take turns coordinating and hosting enforcement operations on a mutually agreeable rotational basis with participating agencies;

4. Schedule project related meetings as needed to coordinate activities and fund travel for Agencies through Contractual Services to OTS sponsored conferences;

5. Ensure that the total amount for reimbursable overtime expenses from this grant shall not exceed $202,443.00 total aggregate for all participating Agencies (excluding Stockton Police Department); and

6. Ensure that the total amount for reimbursable overtime expenses from this grant shall not exceed $140,577.00 total for the Stockton Police Department.

THE MANTECA POLICE DEPARTMENT, LODI POLICE DEPARTMENT, TRACY POLICE DEPARTMENT, RIPON POLICE DEPARTMENT, ESCALON POLICE DEPARTMENT, LATHROP POLICE SERVICES, SAN JOAQUIN COUNTY SHERIFF'S DEPARTMENT, SAN JOAQUIN COUNTY PROBATION DEPARTMENT, AND THE CALIFORNIA HIGHWAY PATROL AGREE TO:

1. Assign staff to assist with all project-related enforcement activities, to include:
    a. Memorial Day holiday
    b. Labor Day holiday period
    c. Winter holiday period
    d. 4th of July holiday
    e. Other holidays and events as described in the Grant

2. Take turns coordinating and hosting enforcement operations on a mutually agreeable rotational basis with the other participating agencies;

3. Attend project related meetings to schedule and coordinate activities and send one representative to OTS sponsored conferences when applicable;

4. Submit invoices and proper documentation (copies of salary schedules and overtime payroll records) to the Stockton Police Department within 15-days after the end of each quarter. Final claims not received by October 15, 2016, will not be reimbursed

5. Budgeted grant activities will be conducted by agency personnel on an overtime basis. Grant funded operations may be conducted by personnel such as a Sergeant, Officer, Corporal, Deputy, Community Service Officer, Reserve Officer, Traffic Technician, and Dispatcher depending on the titles used by the agency. Personnel will be deployed as needed to accomplish the grant goals and objectives. Costs are estimated based on an overtime hourly rate range of $40.00 hr. to $90.00 hr. based on position and fiscal year of the enforcement action. Overtime reimbursement (OT hourly rate and benefit) will reflect actual costs of the personnel conducting the appropriate operation up to the maximum range specified;

6. Collect and submit statistics on project activities necessary for completion of specific grant reporting requirements prior to being reimbursed for expenses incurred from this Grant;

7. Assume responsibility for the conduct and actions of their personnel; and

8. Ensure that overtime costs do not exceed $345,000.00 aggregate total for all participating agencies.

The undersigned affirms that he or she has the authority to execute this Memorandum of Understanding on behalf of the agency he or she represents. The parties may execute this agreement in counterparts, each of which is deemed an original and all of which only constitute one original.

Stockton Police Department

_____ _____

Chief of Police Eric Jones Date

_____

Name (Please Print)

Manteca Police Department

_____ _____

Chief of Police Nick Obligacion Date

_____

Name (Please Print)

Lodi Police Department

_____ _____

Chief of Police Tod Patterson Date

_____

Name (Please Print)

Approved as to form

_____

Citv Attorney

Tracy Police Department

_____ _____

Chief of Police Gary Hampton Date

_____

Name (Please Print)

Ripon Police Department

_____ _____

Chief of Police Edward Ormonde Date

Name (Please Print)

Escalon Police Department

Chief of Police Mike Borges Date

Name (Please Print)

Lathrop Police Services

Sheriff Steve Moore Date

Name (Please Print)

San Joaquin County

Sheriff Steve Moore Date

Name (Please Print)

San Joaquin County Probation Department

Chief Probation Officer Stephanie James Date

Name (Please Print)

California Highway Patrol

Captain Barry Koenig Date

Name (Please Print)

1. AA# _____
2. JV# _____

CITY OF LODI
APPROPRIATION ADJUSTMENT REQUEST

TO:	Internal Services Dept. - Budget Division		
3. FROM:	**Police Department**	5. DATE:	**11/2/15**
4. DEPARTMENT/DIVISION:			

6. REQUEST ADJUSTMENT OF APPROPRIATION AS LISTED BELOW

	FUND #	BUS. UNIT #	ACCOUNT #	ACCOUNT TITLE	AMOUNT
A. SOURCE OF FINANCING	**214**	**21400000**	**56421**	**Avoid the 10**	**$ 22,500.00**
				(Office of Traffic Safety - AL1642)	
B. USE OF FINANCING	**214**	**21499000**	**77020**	**Overtime**	**$ 22,500.00**

7. REQUEST IS MADE TO FUND THE FOLLOWING PROJECT NOT INCLUDED IN THE CURRENT BUDGET

Please provide a description of the project, the total cost of the project, as well as justification for the requested adjustment. If you need more space, use an additional sheet and attach to this form.

Grant funds will cover staff overtime to conduct DUI saturations, traffic enforcement operations, motorcycle operations,m bicycle/pedestrian operations, and special enforcement operations.

If Council has authorized the appropriation adjustment, complete the following:

Meeting Date: _____ Res No: _____ Attach copy of resolution to this form.

Department Head Signature: _____

8. APPROVAL SIGNATURES

Deputy City Manager/Internal Services Manager Date

Submit completed form to the Budget Division with any required documentation.
Final approval will be provided in electronic copy format.

RESOLUTION NO. 2015-____

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE LODI POLICE DEPARTMENT TO
PARTICIPATE IN THE AVOID THE 10 GRANT FUNDED
BY THE OFFICE OF TRAFFIC SAFETY; APPROPRIATING
FUNDS; AND FURTHER AUTHORIZING THE CHIEF OF
POLICE TO EXECUTE THE AGREEMENT

==========

WHEREAS, Lodi has a significant problem with alcohol and speed-related fatal and injury collisions, including those involving pedestrians, bicyclists, hit-and-run drivers, and motorcyclists; and

WHEREAS, the Office of Traffic Safety (OTS) develops rankings based on the Statewide Integrated Traffic Records System data for collisions reported by agencies other than the California Highway Patrol. Lodi is ranked 37th out of 103 California municipalities in the 50,000 to 100,000 population category; and

WHEREAS, to address driving under the influence (DUI), the Lodi Police Department deploys existing officers on weekend and holiday evenings for DUI saturation enforcement and DUI checkpoints; and

WHEREAS, by adopting this resolution, the Lodi Police Department will receive $50,000 in grant funding from the OTS, administered by the Stockton Police Department, to augment a comprehensive traffic safety enforcement program to reduce fatal and injury collisions where the primary collision factor is driving under the influence; and

WHEREAS, with Council approval, the City of Lodi and the City of Stockton will enter into an agreement that provides $50,000 in grant funding to augment enhanced DUI enforcement.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the Lodi Police Department to participate in the AVOID the 10 Grant funded by the Office of Traffic Safety; and

BE IT FURTHER RESOLVED funds in the amount of $22,500 be appropriated; and

BE IT FURTHER RESOLVED, that the Chief of Police is hereby authorized to execute the Agreement on behalf of the City of Lodi.

Date: November 18, 2015

==========

I hereby certify that Resolution No. 2015-____ was passed and adopted by the Lodi City Council in a regular meeting held November 15, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAIOLO
City Clerk

AGENDA ITEM C-12

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Execute Service Maintenance Agreement with Sungard Public Sector, Inc., of Lake Mary, Florida ($147,495.72)

MEETING DATE: November 18, 2015

PREPARED BY: Chief of Police

RECOMMENDED ACTION: Adopt resolution authorizing City Manager to execute service maintenance agreement with Sungard Public Sector, Inc., of Lake Mary, Florida, in the amount of $147,495.72.

BACKGROUND INFORMATION: Since 2009 the Lodi Police Department has utilized Sungard Public Sector, Inc. as the provider of our department computer aided dispatch system.

The Sungard OSSI system provides records management, computer-aided dispatching, in-field reporting, mobile computing, and statistical data that enhance the department's ability to function more efficiently. An annual maintenance agreement is required; and provides software and hardware support to address software issues and system malfunctions.

The City extended the agreement from October 2014 through September 2015 at a cost of $143,199.24. The service contract for October 2015 through September 2016 was increased by 3% to $147,495.72.The maintenance agreement provides ongoing technical support that will minimize any disruption in the department's ability to provide service.

FISCAL IMPACT: $147,495.72 is included in the FY 2015/16 budget.

FUNDING AVAILABLE: $147,495.72 from Org.obj:10031004.72450

_____
Jordan Ayers
Deputy City Manager/Internal Services Director

_____
Tod Patterson
Chief of Police

TP:po
cc: City Attorney

APPROVED: _____
Stephen Schwabauer, City Manager

AGREEMENT FOR PROFESSIONAL SERVICES

ARTICLE 1
PARTIES AND PURPOSE

Section 1.1 Parties

THIS AGREEMENT is entered into on _____, 2015, by and between the CITY OF LODI, a municipal corporation (hereinafter "CITY" or "Customer"), and SunGard Public Sector Inc., a Florida Corporation (hereinafter "CONTRACTOR" or "SunGard Public Sector").

Section 1.2 Purpose

CITY selected the CONTRACTOR to provide the services required in accordance with attached Exhibit A - Scope of Services attached hereto and incorporated by this reference.

CITY wishes to enter into an agreement with CONTRACTOR for support and maintenance services (hereinafter "Support") as set forth in the Scope of Services and the related terms and conditions attached here as Exhibit A. CONTRACTOR acknowledges that it is qualified to provide such services to CITY.

ARTICLE 2
SCOPE OF SERVICES

Section 2.1 Scope of Services

CONTRACTOR, for the benefit and at the direction of CITY, shall perform the Scope of Services as set forth in Exhibit A.

Section 2.2 Time For Commencement and Completion of Work

CONTRACTOR shall commence work pursuant to this Agreement on the date set forth in Section 2.6 and shall perform all services in a commercially reasonable manner and complete work under this Agreement as designated in Section 2.6.

CONTRACTOR shall submit to CITY such reports, diagrams, drawings and other work products as may be designated in the Scope of Services.

CONTRACTOR shall not be responsible for delays caused by the failure of CITY staff to provide required data or review documents within the appropriate time frames. The review time by CITY shall not be counted against CONTRACTOR's contract performance period. Also, any delays due to weather, vandalism, acts of God, etc., shall not be counted. CONTRACTOR shall remain in contact with Customer and make commercially reasonable efforts to review and return all comments.

Section 2.3 Meetings

CONTRACTOR and CITY shall attend meetings as may be set forth in the Scope of Services.

Section 2.4 Representations, Indemnification

The Scope of Services shall be performed by CONTRACTOR, unless agreed to otherwise by CITY in writing. CONTRACTOR represents it is prepared to and can perform all services within the Scope of Services (Exhibit A) and is prepared to and can perform all services specified therein.

CONTRACTOR represents that it has, or will have at the time this Agreement is executed, all licenses, permits, qualifications, insurance and approvals of whatsoever nature are legally required for CONTRACTOR to practice its profession, and that CONTRACTOR shall, at its own cost and expense,

keep in effect during the life of this Agreement all such licenses, permits, qualifications, insurance and approvals. CONTRACTOR will defend, indemnify and hold CITY harmless from and against any loss, cost and expense that CITY incurs because of a claim that use of a Licensed Program, as hereinafter defined, infringes any United States copyright of others. CONTRACTOR's obligations under this indemnification are expressly conditioned on the following: (i) CITY must promptly notify CONTRACTOR of any such claim; (ii) CITY must in writing grant CONTRACTOR sole control of the defense of any such claim and of all negotiations for its settlement or compromise (if CITY chooses to represent its own interests in any such action, CITY may do so at its own expense, but such representation must not prejudice CONTRACTOR's right to control the defense of the claim and negotiate its settlement or compromise); (iii) CITY must cooperate with CONTRACTOR to facilitate the settlement or defense of the claim; (iv) the claim must not arise from modifications or (with the express exception of the other Licensed Programs and third party hardware and software specified by CONTRACTOR in writing as necessary for use with the Licensed Program(s) giving rise to the infringement claim) from the use or combination of products provided by CONTRACTOR with items provided by CITY or others. If any Licensed Program is, or in CONTRACTOR's opinion is likely to become, the subject of a United States copyright infringement claim, then CONTRACTOR, at its sole option and expense, will either: (A) obtain for CITY the right to continue using the Licensed Program under the terms of this Agreement; (B) replace the Licensed Program with products that are substantially equivalent in function, or modify the Licensed Program so that it becomes non-infringing and substantially equivalent in function; or (C) refund to CITY the portion of the license fee paid to CONTRACTOR for the Licensed Program(s) giving rise to the infringement claim, less a charge for use by CITY based on straight line depreciation assuming a useful life of five (5) years.

Section 2.5 Subcontracts

Unless prior written approval of CITY is obtained, CONTRACTOR shall not enter into any subcontract with any other party for purposes of providing any work or services covered by this Agreement.

Section 2.6 Term

The term of this Agreement commences on October 1, 2015 and concludes on September 30, 2016. The Term is renewable as provided in Exhibit A.

ARTICLE 3
COMPENSATION

Section 3.1 Compensation

CONTRACTOR's compensation for all work under this Agreement shall conform to the provisions of Exhibit A as well as the Fee Proposal which is attached hereto as Exhibit B and incorporated by this reference.

CONTRACTOR shall not undertake any work beyond the scope of this Agreement unless such additional work is approved in advance and in writing by CITY.

Section 3.2 Method of Payment

As provided in Exhibit A.

Section 3.3 Costs

As provided in Exhibit A.

Section 3.4 **Auditing**

CITY reserves the right to periodically audit all charges made by CONTRACTOR to CITY for services under this Agreement. Upon request, CONTRACTOR agrees to furnish CITY, or a designated representative, with reasonably necessary information and assistance needed to conduct such an audit.

CONTRACTOR agrees that CITY or its delegate will have the right to review, obtain and copy all records pertaining to performance of this Agreement. CONTRACTOR agrees to provide CITY or its delegate with any relevant information requested and shall permit CITY or its delegate access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with this requirement. CONTRACTOR further agrees to maintain such records for a period of three (3) years after final payment under this Agreement.

ARTICLE 4
MISCELLANEOUS PROVISIONS

Section 4.1 **Nondiscrimination**

In performing services under this Agreement, CONTRACTOR shall not discriminate in the employment of its employees or in the engagement of any sub-CONTRACTOR on the basis of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, age, or any other criteria prohibited by law.

Section 4.2 **ADA Compliance**

In performing services under this Agreement, CONTRACTOR shall comply with the Americans with Disabilities Act (ADA) of 1990, and all amendments thereto, as well as all applicable regulations and guidelines issued pursuant to the ADA.

Section 4.3 **Indemnification and Responsibility for Damage**

To the fullest extent permitted by law, and to the extent provided for under this Agreement, for claims related to bodily injury, death and damage to real property and tangible personal property, as well as fines, assessments and penalties imposed by any authority, Contractor shall indemnify and hold harmless the CITY from and against all direct damages and costs of any kind, including but not limited to reasonable attorney fees, arising out of or resulting from any negligent acts, or negligent omissions of Contractor, regardless of whether such claims are caused in part by any party indemnified hereunder, but not to the extent that the CITY is legally liable for such damages and costs. In no event, however, will Contractor be liable for any consequential damages, including lost profits, savings or reprocurement costs, even if Contractor has been advised of their possibility.

Section 4.4 **No Personal Liability**

Neither the City Council, nor any other officer or authorized assistant or agent or City employee shall be personally responsible for any liability arising under this Agreement.

Section 4.5 **Responsibility of CITY**

CITY shall not be held responsible for the care or protection of any material or parts of the work described in the Scope of Services, except as expressly provided herein.

Section 4.6 **Insurance Requirements for CONTRACTOR**

CONTRACTOR shall take out and maintain during the life of this Agreement, insurance coverage as set forth in Exhibit C attached hereto and incorporated by this reference.

Section 4.7 **Successors and Assigns**

CITY and CONTRACTOR each bind themselves, their partners, successors, assigns, and legal representatives to this Agreement without the written consent of the others. CONTRACTOR shall not assign or transfer any interest in this Agreement without the prior written consent of CITY. Consent to any such transfer shall be at the sole discretion of CITY. Notwithstanding, CONTRACTOR reserves the right to assignment of this Agreement to CONTRACTOR's successor by merger or consolidation or to any person or entity that acquires all or substantially all of its capital stock or assets

Section 4.8 **Notices**

Any notice required to be given by the terms of this Agreement shall be in writing signed by an authorized representative of the sender and shall be deemed to have been given when the same is personally served or upon receipt by express or overnight delivery, postage prepaid, or three (3) days from the time of mailing if sent by first class or certified mail, postage prepaid, addressed to the respective parties as follows:

To CITY:
City of Lodi
221 West Pine Street
P.O. Box 3006
Lodi, CA 95241-1910
Attn: Paula O'Keefe

To CONTRACTOR:
SunGard Public Sector Inc.
1000 Business Center Drive
Lake Mary, FL 32746
Attn: Vice-President

Section 4.9 **Cooperation of CITY**

CITY shall cooperate fully and in a timely manner in providing relevant information it has at its disposal relevant to the Scope of Services.

Section 4.10 **CONTRACTOR is Not an Employee of CITY**

CONTRACTOR agrees that in undertaking the duties to be performed under this Agreement, it shall act as an independent contractor for and on behalf of CITY and not an employee of CITY. CITY shall not direct the work and means for accomplishment of the services and work to be performed hereunder. CITY, however, retains the right to require that work performed by CONTRACTOR meet specific standards without regard to the manner and means of accomplishment thereof.

Section 4.11 **Termination**

See Exhibit A, Section 9.

Section 4.12 Confidentiality

CONTRACTOR agrees to maintain confidentiality of all work and work products produced under this Agreement, except to the extent otherwise required by law or permitted in writing by CITY. CITY agrees to maintain confidentiality of any documents owned by CONTRACTOR and clearly marked by CONTRACTOR as "Confidential" or "Proprietary", except to the extent otherwise required by law or permitted in writing by CONTRACTOR. CONTRACTOR acknowledges that CITY is subject to the California Public Records Act.

Section 4.13 Applicable Law, Jurisdiction, Severability, and Attorney's Fees

This Agreement shall be governed by the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be venued with the San Joaquin County Superior Court. If any part of this Agreement is found to conflict with applicable laws, such part shall be inoperative, null, and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall be in force and effect. In the event any dispute between the parties arises under or regarding this Agreement, the prevailing party in any litigation of the dispute shall be entitled to reasonable attorney's fees from the party who does not prevail as determined by the San Joaquin County Superior Court.

Section 4.14 City Business License Requirement

CONTRACTOR acknowledges that Lodi Municipal Code Section 3.01.020 requires CONTRACTOR to have a city business license and CONTRACTOR agrees to secure such license and pay the appropriate fees prior to performing any work hereunder.

Section 4.15 Captions

The captions of the sections and subsections of this Agreement are for convenience only and shall not be deemed to be relevant in resolving any question or interpretation or intent hereunder.

Section 4.16 Integration and Modification

This Agreement represents the entire understanding of CITY and CONTRACTOR as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by both parties.

Section 4.17 Contract Terms Prevail

All exhibits and this Agreement are intended to be construed as a single document. Should any inconsistency occur between the specific terms of this Agreement and the attached exhibits, the terms of this Agreement shall prevail.

Section 4.18 Severability

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

Section 4.19 Ownership of Documents

All documents, photographs, reports, analyses, audits, computer media, or other material documents or data, and working papers, whether or not in final form, which have been obtained or prepared under this Agreement, shall be deemed the property of CITY. Upon CITY's request, CONTRACTOR shall allow CITY to inspect all such documents during CONTRACTOR's regular business

hours. Upon termination or completion of services under this Agreement, all information collected, work product and documents shall be delivered by CONTRACTOR to CITY within ten (10) calendar days.

CITY agrees to indemnify, defend and hold CONTRACTOR harmless from any liability resulting from CITY's use of such documents for any purpose other than the purpose for which they were intended.

Notwithstanding any contrary terms contained in this Section 4.19, all Vendor Programs are and shall remain the sole property of SunGard Public Sector as provided under Exhibit A, Section 7.

Section 4.20 Authority

The undersigned hereby represent and warrant that they are authorized by the parties to execute this Agreement.

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IN WITNESS WHEREOF, CITY and CONTRACTOR have executed this Agreement as of the date first above written.

CITY OF LODI, a municipal corporation

ATTEST:

JENNIFER FERRIAOLO
City Clerk

STEPHEN SCHWABAUER, City Manager

APPROVED AS TO FORM:
JANICE D. MAGDICH, City Attorney

By:

CONTRACTOR: **SunGard Public Sector Inc.**

By: Lisa Neumann
Name: Lisa Neumann
Title: Controller

Attachments:
Exhibit A – Scope of Services
Exhibit B – Fee Proposal
Exhibit C – Insurance Requirements

Funding Source:10031004.72450
(Business Unit & Account No.)

Doc ID:

CA:rev.09.2011

SUNGARD PUBLIC SECTOR INC.
LICENSED PROGRAM(S) SUPPORT AGREEMENT

WITNESSETH:

WHEREAS, SunGard Public Sector and Customer entered into that certain SunGard Public Sector Software License Agreement dated September 2, 2008 (the "License Agreement") under which Customer obtained a perpetual, non-exclusive, nontransferable license to use certain computer software in object code form and related user documentation on certain terms and conditions;

WHEREAS, Customer desires to receive the Support, as defined herein, from SunGard Public Sector and SunGard Public Sector desires to render the Support to Customer with respect to the Licensed Program (as hereinafter defined) on the terms and conditions set forth herein;

NOW THEREFORE, in consideration of the premises hereof, and the mutual obligations herein, the parties hereto, intending to be legally bound, hereby agree as follows:

Section 1

DEFINITIONS

For the purposes of this Agreement, the following definitions shall apply to the respective capitalized terms:

1.1 "Licensed Program." "Licensed Program" means the software identified in a schedule, supplement or amendment to the License Agreement between the parties (Schedules), including any extracts from such software, derivative works of such software, or collective works constituting such software (such as subsequent Releases) to the extent offered to Customer under this Agreement or License Agreement. This excludes computer software not developed by SunGard Public Sector which might be used in conjunction with the SunGard Public Sector Public Safety Licensed Program, such as word processors, spreadsheets, terminal emulators, etc.

1.2 "Modification." "Modification" means a change to the Licensed Program requested by Customer to meet its specific needs and use, adding value, functionality and/or desirability for Customer.

1.3 "Agreement Term." An initial period shall commence upon the Maintenance Plan Start Date reflected on Exhibit B and extend for a period of one year. Thereafter, the Agreement Term shall automatically renew for successive periods of one year each unless and until terminated pursuant to Section 9 hereof or otherwise superseded by the execution of a new Licensed Program Support Agreement. In no event, however, shall the Agreement Term extend beyond the prescribed term of the License Agreement.

1.4 "Error." Any failure of the Licensed Program to conform in all material respects to the functional specifications for the Licensed Program published from time to time by SunGard Public Sector. However, any nonconformity resulting from Customer's misuse or improper use of the Licensed Program or combining or merging the Licensed Program with any hardware or software not supplied by SunGard Public Sector, or not authorized to be so combined or merged by SunGard Public Sector, shall not be considered an Error.

Nor shall Licensed Program or data file damage resulting from unauthorized software alterations (including problems, errors, or malfunctions caused or created by the operator), customizing of programs, accident, neglect, power surge or failure, lightning, operating environment not in conformance with the manufacturer's specifications (for electric power, air quality, humidity or temperature), operating system errors, or hardware malfunction be considered an Error.

1.5 "Error Correction." Either a software modification or addition that, when made or added to the Licensed Program, establishes material conformity of the Licensed Program to the functional specifications, or a procedure or routine that, when observed in the regular operation of the Licensed Program, eliminates the practical adverse effect on Customer of such nonconformity. Not covered under Error Correction is the responsibility for data file damage due to software or hardware malfunction.

1.6 "Enhancement." Any modification or addition that, when made or added to the Licensed Program, materially changes its utility, efficiency, functional capability, or application, but that does not constitute solely an Error Correction. Enhancements may be designated by SunGard Public Sector as minor or major, depending on SunGard Public Sector's assessment of their value and of the function added to the preexisting Licensed Program.

1.7 "Coverage Hours." Monday through Friday 7:00 A.M. to 6:00 P.M. Eastern Standard Time excluding holidays for any questions regarding the Licensed Program(s) included in this Agreement. For a Major Application Problem on SunGard Public Sector's Base Computer Aided Dispatch System (Base CAD) only, SunGard Public Sector coverage hours will be 24-hours per day, 7-days per week.

1.8 "Response Time." Within Eight (8) hours of the Coverage Hours from the time that SunGard Public Sector verifies that an Error is present, SunGard Public Sector will initiate work toward development of an Error Correction for a Major Application Problem. Minor Application Problems will be fixed with the next scheduled Licensed Program Release.

1.9 "Licensed Program Releases." New versions of the Licensed Program, which new versions may include both Error Corrections and Enhancements.

1.10 "System Administrator." An agent of Customer with sufficient training and/or experience with the Licensed Program to communicate effectively with the SunGard Public Sector Support personnel.

1.11 "Major Application Problem." The Licensed Program is not functioning to the point that the Licensed Program is the cause of the Customer not being able to enter CAD calls, dispatch units, or update unit status in the Base CAD system. Therefore, the Base CAD system is down or non-operational because of the Licensed Program as determined by SunGard Public Sector.

1.12 "Minor Application Problem." The Licensed Program functions with inconveniences or programmatic error; however, the Licensed Program has not stopped Customers' daily operations.

1.13 "Non-Application Problem" is a problem, which is determined by SunGard Public Sector to have been caused by a source other than the Licensed Program, such as hardware failure, network malfunction, etc.

Section 2

ELIGIBILITY FOR SUPPORT

To be eligible for support for a Licensed Program, Customer must meet the following requirements. Acceptance of this Agreement by SunGard Public Sector is conditioned upon confirmation by SunGard Public Sector that the Licensed Program is eligible for support. Customer agrees that the obligation of SunGard Public Sector to continue to provide Services with respect to a Licensed Program shall terminate if, at any time during the term of this Agreement, these requirements are not met. To be eligible for Support for a Licensed Program, Customer must meet all of the following requirements:

a. Customer has a valid Software License Agreement for the Licensed Program.

b. Customer has a System Administrator.

c. The hardware configuration on which the Licensed Program is to be used is supported by SunGard Public Sector.

d. Customer is, and remains, in compliance with the schedule of payments.

SunGard Public Sector may require Customer to appoint a new System Administrator if SunGard Public Sector determines that the System Administrator does not have the training or experience necessary to communicate effectively with the SunGard Public Sector support personnel.

Section 3

SCOPE OF SERVICES

3.1 During the Agreement Term, SunGard Public Sector shall render the following services in support of the Licensed Program, during Coverage Hours, subject to the compensation fixed for each type of service in SunGard Public Sector 's current rate schedule:

a. SunGard Public Sector shall maintain a program control center capable of receiving by telephone any operator reports of system irregularities.

b. SunGard Public Sector shall maintain a telephone hot line that allows Customer to report system problems and seek assistance in use of the Licensed Program.

c. SunGard Public Sector shall maintain a trained staff capable of rendering the services set forth in this Agreement.

d. SunGard Public Sector shall be responsible for using all reasonable diligence in correcting verifiable and reproducible Errors when reported to SunGard Public Sector in accordance with SunGard Public Sector's standard reporting procedures. SunGard Public Sector shall, after verifying that such an Error is present, initiate work, within Response Time, in a diligent manner toward development of an Error Correction. Following completion of the Error Correction, SunGard Public Sector shall provide the Error Correction through a "temporary fix" consisting of sufficient programming and operating instructions to implement the Error Correction, and SunGard Public Sector shall include the Error Correction in all subsequent Releases of the Licensed Program. SunGard Public Sector shall not be responsible for correcting Errors in any version of the Licensed Program other than the most recent Release of the Licensed Program, provided that SunGard Public Sector shall continue to support prior Releases superseded by recent Releases for a reasonable period sufficient to allow Customer to implement the newest Release, not to exceed 180 days.

e. SunGard Public Sector may, from time to time, issue new Releases of the Licensed Program to its customers generally, containing Error Corrections, minor Enhancements, and, in certain instances if SunGard Public Sector so elects, major Enhancements. SunGard Public Sector shall provide Customer with one copy of each new Release, without additional charge. SunGard Public Sector shall provide reasonable assistance to help Customer install and operate each new Release, provided that such assistance, if required to be provided at Customer's facility, shall be subject to the supplemental charges set forth in SunGard Public Sector's current rate schedule.

f. Subject to space availability and training fees, Customer may enroll its employees in SunGard Public Sector's training classes.

g. SunGard Public Sector shall consider and evaluate the development of Enhancements for the specific use of Customer and shall respond to Customer's requests for additional services pertaining to the Licensed Program (including, without limitation, data conversion and report-formatting assistance), provided that such assistance, if agreed to be provided, shall be subject to supplemental charges mutually agreed to by SunGard Public Sector and Customer.

h. SunGard Public Sector's software support is intended exclusively for SunGard Public Sector's Licensed Program(s); however, SunGard Public Sector can optionally provide first line support for selected operating systems where SunGard Public Sector has an agreement with the supplier. When the Customer contracts for this service, SunGard Public Sector will

make a good faith effort to find solutions to operating system problems. However, Customer must be aware of the following facts:

1. In some cases, Customer is in a much better position to deal with operating system issues because they are on-site and because of technical expertise they may have. In these cases, SunGard Public Sector recommends that they work directly with the appropriate operating system vendor on these matters. SunGard Public Sector will still be available to provide assistance whenever needed.

2. SunGard Public Sector is required to work with the company that supplied the operating system. If that company fails to provide quality support, SunGard Public Sector will not be able to provide quality support to our customers.

3. Some operating system problems can only be solved on-site. If and when this situation occurs, SunGard Public Sector personnel will travel to Customer's site with Customer's approval. Customer will be billed according to the SunGard Public Sector's professional services fee schedule plus the Customer will be billed for travel expenses and comprehensive per diem.

4. In the event that a bug is identified in the operating system, SunGard Public Sector will immediately report the problem directly to the provider. However, SunGard Public Sector and the Customer will be required to accept their schedule for fixing the problem.

5. If enhancement requests are made to SunGard Public Sector for changes to the operating system, SunGard Public Sector will pass them along to the provider. SunGard Public Sector can make no commitments as to when, or if, the enhancements will be included in future releases.

6. SunGard Public Sector will provide assistance with operating system upgrades via phone but Customer is responsible for obtaining the upgrade from the vendor and paying any required fee.

7. Most operating system upgrades require on-site assistance. The fee for on-site assistance is not included with SunGard Public Sector software support.

8. SunGard Public Sector must approve all operating system upgrades in advance to verify that the upgrade is necessary and compatible with the SunGard Public Sector Licensed Program(s).

3.2 The following items are specifically <u>not</u> covered by this Agreement:

a. Any hardware failure including, but not limited to, failure caused by wiring, multiplexers, modems, phone lines, power, or connectors. Also, any hardware limitations due to insufficient memory, disk storage or processing power.

b. Any problems caused by hardware failure.

c. Any work required to restore or recover the operating system and/or data files.

d. Any problem caused by an operator.

e. Configuring, maintaining, and upgrading the operating system including, but not limited to, backups and restores, fixes, and patches.

f. Any problems caused by incorrectly installed, configured, or maintained operating system, or versions of the operating system not supported by SunGard Public Sector.

g. Problems with, or caused by <u>any</u> software not supported by SunGard Public Sector, including, but not limited to, SNA, word processors, terminal emulators, etc.

h. System software installations made by the Customer without authorization of SunGard Public Sector such as installing a new Windows SQL version.

Section 4

OBLIGATION OF CUSTOMER

4.1 Customer shall provide, without charge to SunGard Public Sector, access to its facilities in connection with the performance of SunGard Public Sector of its obligations hereunder. It is agreed that prior notification will be given when access is required.

4.2 Customer must provide SunGard Public Sector with information sufficient for SunGard Public Sector to duplicate the circumstances under which a Problem in a Licensed Program became apparent.

4.3 Customer must maintain a current license of pcAnywhere, the SunGard Public Sector OSSI services workstation, and a 128K internet connection (Cable, DSL or similar) for support of the Licensed Programs. These items will connect to the active OSSI application data set(s) using a Licensed Program maintained by SunGard Public Sector hereunder. If desired, the Customer may install a dedicated 56K modem and phone line as a backup support option via dial-up. The customer shall provide access to a voice grade local telephone line for communication with the SunGard Public Sector support staff. SunGard Public Sector strongly recommends PC Anywhere and modem connection as a backup solution in the event Customer loses the broadband connection. In the event Customer elects not to maintain such, Customer acknowledges that SunGard Public Sector will not be able to provide support and will be relieved from all obligations hereunder for providing support.

4.4 A representative of Customer must be present when any on-site support is provided. Customer agrees that if such representative is not present when the SunGard Public Sector representative arrives on site, no work will be performed and Customer will be charged for such SunGard Public Sector representative.

4.5 All communications by Customer to SunGard Public Sector must be in the English language.

4.6 Customer is responsible for providing one or more qualified System Administrators as described in Section 5. At least one of these System Administrators must be available at all times.

4.7 Customer is responsible to support and maintain all system software. Customer shall NOT upgrade the operating system or third party software identified as integral to the operation of SunGard Public Sector's Licensed Programs without approval from SunGard Public Sector.

Section 5

SYSTEM ADMINISTRATOR REQUIREMENTS

5.1 Each System Administrator must be certified by SunGard Public Sector by completing the following:

a. Operating System training by either SunGard Public Sector or by a certified Microsoft training organization. This course work must include Administrating Windows 2000 Workstation, Administrating Windows 2000 Server, Windows SQL Administration (or the most current version supported by SunGard Public Sector at the time of installation) and other courses determined at the installation planning session based on the experience of the individuals.

b. SunGard Public Sector's application administration and code file course for each Licensed Program.

c. SunGard Public Sector's application training courses for each Licensed Program.

5.2 Each System Administrator must meet with a SunGard Public Sector Project Manager to review and sign on each of SunGard Public Sector's "Licensed Program(s) and/or Services Delivered" list.

5.3 Each System Administrator must be identified by Customer to SunGard Public Sector.

5.4 Each System Administrator must be qualified to address, without the aid of SunGard Public Sector, all problems relating to any hardware, software or operating system not directly associated with the Licensed Program(s).

5.5 Calls received by anyone who has not identified as a System Administrator are not covered by this Agreement and are therefore subject to hourly fees, and are not subject to minimum Response Time.

5.6 Each System Administrator must attend all of SunGard Public Sector's Licensed Program training.

Section 6
FEES AND CHARGES

6.1 Customer shall pay SunGard Public Sector Support fees and charges as outlined in Exhibit B. Additional Licensed Programs may be added to this Agreement by the Schedules. SunGard Public Sector reserves the right to change its Support fees, provided that no such change will be effective until at least 30 days after SunGard Public Sector has given Customer written notice of such change by means of an invoice. In addition to the foregoing changes in Support Fees, fee changes will also result from changes in (1) Software prices, (2) Increases in the number of modules of a Licensed Program, (3) Increases in the number of users on the system, (4) Changes in the computer hardware or (5) Selection by Customer of different Coverage Hours.

6.2 SunGard Public Sector shall invoice Customer at the beginning of each contract year for all Support fees. All reimbursable expenses incurred shall be invoiced at the beginning of the next calendar month. Customer shall pay the invoiced amounts immediately upon receipt of such invoices. Any amount not paid within thirty (30) days after the invoice date shall bear interest at the highest rate allowed by applicable law.

6.3 Customer shall be responsible for procuring, installing, and maintaining all equipment, telephone lines, modems, communications interfaces, and other hardware necessary to operate the Licensed Program and to obtain from SunGard Public Sector the Services called for by this Agreement.

6.4 Customer agrees to pay additional charges according to the SunGard Public Sector fee schedule for all work performed outside of Coverage Hours. These charges are applicable for any work performed after hours regardless of cause even if it was reported and/or initiated during Coverage Hours. Customer will be required to authorize any work outside of coverage hours that results in additional charges.

6.5 On-site assistance will be performed as requested by Customer. However, Customer will be billed according to the SunGard Public Sector fee schedule for travel expenses and comprehensive per diem.

6.6 Customer is responsible for paying all taxes (except for taxes based on SunGard Public Sector's net income or capital stock) relating to this Agreement, the Improvements, any services provided or payments made under this Agreement. If Customer is exempt from the payment of any such taxes, Customer must provide SunGard Public Sector with a valid tax exemption certificate; otherwise, absent proof of Customer's direct payment of such tax amounts to the applicable taxing authority, SunGard Public Sector will invoice Customer for and Customer will pay to SunGard Public Sector all such tax amounts.

Section 7

PROPRIETARY RIGHTS

7.1 To the extent that SunGard Public Sector may provide Customer with any Error Corrections or Enhancements or any other software, including any new software programs or components, or any

compilations or derivative works prepared by SunGard Public Sector (collectively, "Vendor Programs"), Customer may (1) install one set of the Vendor Programs in the most current form provided by SunGard Public Sector , in Customer's own facility; (2) use such Vendor Programs in connection with the Licensed Programs, and in a manner consistent with the requirements of the License Agreement, for purposes of serving Customer's internal business needs; and (3) make one copy of the Vendor Programs in machine-readable form for nonproductive backup purposes only. Customer may not use, copy, or modify the Vendor Programs, or any copy, adaptation, transcription, or merged portion thereof, except as expressly authorized by SunGard Public Sector . Upon termination of such License Agreement, Customer shall return or destroy the Vendor Programs, and returning the Vendor Programs in the manner required by the License Agreement shall be sufficient for such purposes.

7.2 The Vendor Programs are and shall remain the sole property of SunGard Public Sector, regardless of whether Customer, its employees, or contractors may have contributed to the conception of such work, joined in the effort of its development, or paid SunGard Public Sector for the use of the work product. Customer shall from time to time take any further action and execute any further instrument, including documents of assignment or acknowledgment that SunGard Public Sector may reasonably request in order to establish and protect its exclusive ownership rights in such works. Customer shall not assert any right, title, or interest in such works, except for the non-exclusive right of use granted to Customer at the time of its delivery or on-site development.

Section 8

DISCLAIMER OF WARRANTY AND LIMITATION OF LIABILITY

8.1 SUNGARD PUBLIC SECTOR DISCLAIMS ALL WARRANTIES EITHER EXPRESSED OR IMPLIED AND REPRESENTATIONS WITH RESPECT TO THE LICENSED PROGRAM, INCLUDING ITS CONDITION, ITS CONFORMITY TO ANY REPRESENTATION OR DESCRIPTION, THE EXISTENCE OF ANY LATENT OR PATENT DEFECTS, AND ITS MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE.

8.2 In no event shall SunGard Public Sector's cumulative liability for any claim arising in connection with this Agreement exceed the total fees and charges paid to SunGard Public Sector by Customer within the last twelve (12) months.

8.3 No action, whether based on contract, strict liability, or tort, including any action based on negligence, arising out of the performance of services under this Agreement, may be brought by either party more than one (1) year after such cause of action accrued.

Section 9

TERMINATION

9.1 This Agreement may be terminated as follows:

a. This Agreement shall immediately terminate upon the termination of the License Agreement;

b. This Agreement may be terminated by Customer upon the expiration of the then-current term of this Agreement, provided that at least ninety (90) days prior written notice is given to SunGard Public Sector. SunGard Public Sector may terminate this Agreement upon the expiration of the second term of this Agreement, provided that at least ninety (90) days prior written notice is given to Customer; or

c. This Agreement may be terminated by either party upon thirty (30) days prior written notice if the other party has materially breached the provisions of this Agreement and has not cured such breach within such notice period.

9.2 Following termination of this Agreement, SunGard Public Sector shall immediately invoice Customer for all accrued fees and charges and all reimbursable expenses, and Customer shall pay the invoiced amount immediately upon receipt of such invoice. Customer may continue to use any work

supplied to Customer by SunGard Public Sector for the remaining term of the License Agreement. Any amount not paid within thirty (30) days after the invoice date shall bear interest at the rate allowed by applicable law.

Exhibit B

Fee Proposal

Per SunGard Public Sector Invoice Document No. 107224 which is dated September 16, 2015 and which is attached hereto and incorporated herein by this reference.

SUNGARD® PUBLIC SECTOR

1000 Business Center Drive
Lake Mary, FL 32746
800-727-8088
www.sungardps.com

Invoice

Company	Document No	Date	Page
LG	107224	16/Sep/2015	1 of 6

Bill To: Lodi Police Department
215 W. Elm St.
LODI, CA 95240
United States
Attn: Paula O'Keefe 209-333-6722

Ship To: Lodi Police Department
215 W. Elm St.
LODI, CA 95240
United States
Attn: Paula O'Keefe 209-333-6722

Customer Grp/No.		Customer Name	Customer PO Number	Currency	Terms	Due Date
1	5858LG	Lodi Police Department		USD	NET30	16/Oct/2015

No	SKU Code/Description/Comments	Units	Rate	Extended
	Contract No. 080877			
1	OSSI Base Computer Aided Dispatch System Tier 3 Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	13,547.03	13,547.03
2	OSSI Additional CAD Console License Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	3.00	759.65	2,278.95
3	OSSI Alpha Numeric Paging Module Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	1,071.29	1,071.29
4	OSSI First CAD Map Display and Map Maintenance Software License Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	1,071.29	1,071.29
5	OSSI Additional CAD Map Display Site License Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	5.00	389.57	1,947.85
6	OSSI CAD Resource Monitor Display License with Maps Client Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	2.00	292.17	584.34
7	OSSI Rip and Run Printing/Faxing Module Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	1,071.29	1,071.29
8	OSSI CAD Roster Module Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	1,071.29	1,071.29
9	OSSI E911 Interface Module Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	1,071.29	1,071.29
10	OSSI Firehouse RMS Interface Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	1,071.29	1,071.29
11	OSSI Interface to Pagegate Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	194.78	194.78
12	OSSI Station Toning Module Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	1,071.29	1,071.29
13	OSSI Zetron Model 3030 TDD Interface Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	876.52	876.52
14	OSSI Telestaff Interface	1.00	1,071.29	1,071.29
			Page Total	27,999.79

SUNGARD® PUBLIC SECTOR

1000 Business Center Drive
Lake Mary, FL 32746
800-727-8088
www.sungardps.com

Invoice

Company	Document No	Date	Page
LG	107224	16/Sep/2015	2 of 6

Bill To: Lodi Police Department
215 W. Elm St.
LODI, CA 95240
United States
Attn: Paula O'Keefe 209-333-6722

Ship To: Lodi Police Department
215 W. Elm St.
LODI, CA 95240
United States
Attn: Paula O'Keefe 209-333-6722

Customer Grp/No.		Customer Name	Customer PO Number	Currency	Terms	Due Date
1	5858LG	Lodi Police Department		USD	NET30	16/Oct/2015

No	SKU Code/Description/Comments	Units	Rate	Extended
	Maintenance Start: 01/Oct/2015, End: 30/Sep/2016			
15	OSSI Base Mobile Server Software Client - 50 Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	3,895.62	3,895.62
16	OSSI CAD Client AVL License Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	7.00	389.57	2,726.99
17	OSSI Client AVL Mobile License Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	35.00	25.97	908.95
18	OSSI AVL Server Host License Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	6,817.34	6,817.34
19	OSSI MCT Client for Digital Dispatch Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	35.00	172.27	6,029.45
20	OSSI Mobile Client Maps Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	35.00	34.63	1,212.05
21	OSSI License of Incident/Offense Field Reporting Module Client Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	35.00	172.27	6,029.45
22	OSSI - MFR Client - Accident Reporting Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	85.00	86.57	7,358.45
23	OSSI Mobile Arrest Module Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	35.00	51.94	1,817.90
24	OSSI - MFR Client - MOBLAN Version Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	50.00	86.57	4,328.50
25	OSSI - MCT Interface to Firehouse Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	1,460.86	1,460.86
26	OSSI Review Module for Field Reporting - 50 Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	3,029.93	3,029.93
27	OSSI's Integrated Messaging Software Switch Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	3,895.62	3,895.62
28	OSSI - LAN Client License for Message Switch	30.00	58.43	1,752.90
			Page Total	51,264.01

SUNGARD® PUBLIC SECTOR

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LODI, CA 95240
United States
Attn: Paula O'Keefe 209-333-6722

Customer Grp/No.		Customer Name	Customer PO Number	Currency	Terms	Due Date
1	5858LG	Lodi Police Department		USD	NET30	16/Oct/2015

No	SKU Code/Description/Comments	Units	Rate	Extended
	Maintenance Start: 01/Oct/2015, End: 30/Sep/2016			
29	OSSI Canine Module in MFR Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	2.00	51.94	103.88
30	OSSI Police to Citizen Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	2,164.24	2,164.24
31	OSSI Client Base Records Management System - 50 Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	14,058.88	14,058.88
32	OSSI Police to Police Internet Data Sharing Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	0.00	0.00
33	OSSI Basic Accident Module - 50 Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	952.27	952.27
34	OSSI Accident Wizard Base Server License Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	865.69	865.69
35	OSSI Accident Wizard Workstation License Client Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	95.00	25.97	2,467.15
36	OSSI Animal Control Module Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	1,298.54	1,298.54
37	OSSI Bar Coding Server License Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	432.85	432.85
38	OSSI Bike Registration Module - 10 Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	259.70	259.70
39	OSSI Calls for Service Module Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	346.28	346.28
40	OSSI RMS Canine Tracking Module Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	952.27	952.27
41	OSSI Crime Analysis Module - Client License Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	2,164.24	2,164.24
42	OSSI Crime Stoppers Management Module	1.00	605.99	605.99
			Page Total	26,671.98

SUNGARD® PUBLIC SECTOR

1000 Business Center Drive
Lake Mary, FL 32746
800-727-8088
www.sungardps.com

Invoice

Company	Document No	Date	Page
LG	107224	16/Sep/2015	4 of 6

Bill To: Lodi Police Department
215 W. Elm St.
LODI, CA 95240
United States
Attn: Paula O'Keefe 209-333-6722

Ship To: Lodi Police Department
215 W. Elm St.
LODI, CA 95240
United States
Attn: Paula O'Keefe 209-333-6722

Customer Grp/No.		Customer Name	Customer PO Number	Currency	Terms	Due Date
1	5858LG	Lodi Police Department		USD	NET30	16/Oct/2015

No	SKU Code/Description/Comments	Units	Rate	Extended
	Maintenance Start: 01/Oct/2015, End: 30/Sep/2016			
43	OSSI Document Scanning and Storage Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	1,731.39	1,731.39
44	OSSI Felony Registration Module -10 Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	259.70	259.70
45	OSSI Generic Permit Module - 10 Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	519.42	519.42
46	OSSI Bar Coding Hand-Held Client License (Each) Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	2.00	275.94	551.88
47	OSSI - Link Analysis Module Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	3,029.93	3,029.93
48	OSSI RMS Map Display and Pin Mapping License - 50 Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	1,731.39	1,731.39
49	OSSI Notification Module - 50 Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	2,458.57	2,458.57
50	OSSI Ordinance Module Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	259.70	259.70
51	OSSI Probation and Parole Module - 10 Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	259.70	259.70
52	OSSI - Problem Oriented Policing Module - 10 Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	605.99	605.99
53	OSSI Property and Evidence Module Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	952.27	952.27
54	OSSI Residential Security Watch - 10Module Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	259.70	259.70
55	OSSI Sex Offender Module Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	2,597.08	2,597.08
56	Gang Profile Module	1.00	1,298.54	1,298.54
			Page Total	16,515.26

SUNGARD® PUBLIC SECTOR

1000 Business Center Drive
Lake Mary, FL 32746
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Invoice

Company	Document No	Date	Page
LG	107224	16/Sep/2015	5 of 6

Bill To: Lodi Police Department
215 W. Elm St.
LODI, CA 95240
United States
Attn: Paula O'Keefe 209-333-6722

Ship To: Lodi Police Department
215 W. Elm St.
LODI, CA 95240
United States
Attn: Paula O'Keefe 209-333-6722

Customer Grp/No.		Customer Name	Customer PO Number	Currency	Terms	Due Date
1	5858LG	Lodi Police Department		USD	NET30	16/Oct/2015

No	SKU Code/Description/Comments	Units	Rate	Extended
	Maintenance Start: 01/Oct/2015, End: 30/Sep/2016			
57	OSSI Professional Standards (Internal Affairs) Module Client Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	3,029.93	3,029.93
58	OSSI Client Jail Management System Module - 5 Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	2,597.08	2,597.08
59	OSSI Site License Mugshot Display Software License - 75 Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	4,544.90	4,544.90
60	OSSI Mugshot Capture Station Software Only Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	952.27	952.27
61	OSSI State Livescan Interface Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	1,471.68	1,471.68
Contract No. 080877-3				
64	OSSI Concealed Weapons Registration Module Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	254.62	254.62
Contract No. 090867				
63	OSSI RMS Custom Modification - Dataworks Interface Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	865.69	865.69
Contract No. 130373				
65	OSSI CAD Resource Monitor Display License with Maps - POP Tier 2 Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	2,884.00	2,884.00
Contract No. 2009-2119				
62	OSSI - Lodi Interface to San Joaquin County Maintenance Start: 01/Oct/2015, End: 30/Sep/2016	1.00	2,804.85	2,804.85
Contract No.				
66	Tax (Type - CM)	1.00	0.00	0.00
67	Tax (Type - MA)	1.00	5,639.66	5,639.66
			Page Total	25,044.68

SUNGARD® PUBLIC SECTOR

1000 Business Center Drive
Lake Mary, FL 32746
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Invoice

Company	Document No	Date	Page
LG	107224	16/Sep/2015	6 of 6

Bill To: Lodi Police Department
215 W. Elm St.
LODI, CA 95240
United States
Attn: Paula O'Keefe 209-333-6722

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Customer Grp/No.		Customer Name	Customer PO Number	Currency	Terms	Due Date
1	5858LG	Lodi Police Department		USD	NET30	16/Oct/2015

No	SKU Code/Description/Comments	Units	Rate	Extended

Remit Payment To: SunGard Public Sector Inc.
Bank of America
12709 Collection Center Drive
Chicago, IL 60693

Subtotal	141,856.06
Sales Tax	5,639.66
Invoice Total	147,495.72
Payment Received	0.00
Balance Due	147,495.72

Insurance Requirements for Contractor The Contractor shall maintain during the life of this Agreement, insurance coverage as listed below. These insurance policies shall protect Contractor and any subcontractor performing work covered by this Agreement from claims for damages for personal injury, including accidental death, as well as from claims for property damages, which may arise from Contractors operations under this Agreement, whether such operations be by Contractor, or by any subcontractor, or by anyone directly or indirectly employed by either of them, and the amount of such insurance shall be as follows:

1. COMMERCIAL GENERAL LIABILITY
   $1,000,000 Each Occurrence
   $2,000,000 General Aggregate

2. BUSINESS AUTOMOBILE LIABILITY
   $1,000,000 Combined Single Limit
   Such insurance shall cover liability arising out of any vehicle (including, owned, hired and non-hired vehicles) operated in performing any and all services pursuant to this Agreement. Coverage shall be written on ISO form CA 00 0112 90, or a later version of this form, or an equivalent form providing equivalent liability coverage.

Furthermore, the requirements for coverage and limits shall be the minimum coverage and limits specified in these insurance requirements.

A copy of the certificate(s) of insurance with the following endorsements shall be furnished to the City:

(a) Additional Insured Status
City of Lodi, its elected and appointed boards, commissions, officers, agents, employees, and volunteers are to be included as additional insureds.

(b) Primary and Non-Contributory Insurance Status
Additional insurance coverage under the Contractor's policy shall be "primary and non-contributory" and will not seek contribution from City's insurance or self-insurance and shall be at least as broad as ISO form CG 20 01 04 13.

(c) Limits of Coverage
The limits of insurance coverage required may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance of Contractor shall apply on a primary and non-contributory basis for the benefit of the City before the City's own insurance or self-insurance shall be called upon to protect the City as a named insured.

(d) Separation of Insureds Clause
A separate of insureds clause shall be included in the Commercial General Liability policy.

(e) Notice of Cancellation or Change in Coverage
Contractor will use commercially reasonable efforts to notify the City 30 days prior to any material change or cancellation which would prevent Contractor from meeting the obligations set forth in this agreement.

(f) Continuity of Coverage
All policies shall be in effect on or before the first day of the Term of this Agreement At within 30 day of the renewal of each insurance policy, Contractor shall furnish a certificate(s) showing that a new or extended policy has been obtained which meets the minimum requirements of this Agreement Contractor shall provide proof of continuing insurance on at least an annual basis during the Term. If Contractor's insurance lapses or is discontinued for any reason, Contractor shall immediately notify the City and immediately obtain replacement insurance.

(g) Failure to Comply

Notwithstanding and other provision of this Agreement, if Contractor fails or refuses to obtain or maintain insurance as required by this agreement, or fails to provide proof of insurance, the City may terminate this Agreement upon such breach. Upon such termination, Contractor shall immediately cease use of the Site or facilities and commence and diligently pursue the removal of any and all of its personal property from the site or facilities.

(h) Qualified Insurer(sl

All insurance required by the terms of this Agreement must be provided by insurers authorized to do business in the State of California which are rated at least "A-, VI" by the AM Best Ratings Guide. Non-admitted surplus lines carriers may be accepted provided they are included on the most recent list of California eligible surplus lines insurers (LESLI list) and otherwise meet City requirements.

Workers Compensation Insurance The Contractor shall maintain during the life of this Agreement, Worker's Compensation Insurance for all of Contractor's employees employed at the site of the project and, if any work is sublet, Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees

RESOLUTION NO. 2015-____

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE CITY MANAGER TO EXECUTE THE
SERVICE MAINTENANCE AGREEMENT WITH
SUNGARD PUBLIC SECTOR, INC.

==========

WHEREAS, in 2009, the Lodi Police Department purchased a new computer system from Sungard Public Sector, Inc.; and

WHEREAS, the new Sungard OSSI system provides records management, computer-aided dispatching, field reporting, mobile computing, and other functions which allow the department to function more efficiently; and

WHEREAS, the annual Service Maintenance Agreement between the Lodi Police Department and Sungard Public Sector provides for software and hardware support in the event of system malfunctions and minimizes any disruption in the department's ability to provide service to the public.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute the Service Maintenance Agreement for current police information systems with Sungard Public Sector, Inc., of Lake Mary, Florida, for the period of October 1, 2015, through September 30, 2016, and authorize payment in the amount of $147,495.72 from the 2015/16 Lodi Police Department Operating Budget.

Dated: November 18, 2015

==========

I hereby certify that Resolution No. 2015-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 18, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS: --

JENNIFER M. FERRAIOLO
City Clerk

AGENDA ITEM C-13

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Setting Off-Season Rate for Lodi Lake Park Running Events

MEETING DATE: November 18, 2015

PREPARED BY: Parks, Recreation and Cultural Services Director

---

RECOMMENDED ACTION: Adopt resolution setting off-season rate for Lodi Lake Park running events.

BACKGROUND INFORMATION: At the request of City Council members and fun run/race organizers to reduce expenses for a Lodi Lake Park rental, Parks, Recreation and Cultural Services staff developed a proposed rental rate for "off-season" runs that would provide a financial incentive for organizers to conduct whole-park races during late fall and winter, when conflicts on other park users are minimized.

The Recreation Commission considered the proposal at its October 6, 2015, meeting and unanimously voted to support an off-season (November 1 through February 28 or 29) rate following comment from the public. Rather than pay the approved whole-park rate of $1,250 for a race/run, the price would be reduced to $800, plus $1 for every participant over 200. This addresses race organizers' concerns about low turnout due to poor weather, but also shares the benefits between the race and PRCS with a large turnout. The Recreation Commission also unanimously supported the following conditions on a reduced rate rental:

- The fun run/race must be conducted by a nonprofit based within the city limits for local public benefit.
- The event must be completed by 11 a.m., with the park reopening for other users.
- If it is a new event, it may require Division of Boating and Waterways approval once the new boat ramp and parking facility are constructed.

Whole-park events held in spring, summer and early fall have an adverse impact on our large number of daily park users, picnic area rental customers, the Headwaters' operation of the boat house, and vehicle entrance fees. As a special revenue fund, PRCS depends heavily on user fees to reinvest in park infrastructure, but continues to delay needed maintenance and repairs. At Lodi Lake Park alone the past two years, PRCS has spent:

- $55,000 to repair the east end of the lake shore to combat erosion.
- Tens of thousands of dollars on emergency tree work.
- Thousands of dollars on emergency work in the Nature Area because of water pouring in through an abandoned irrigation line, a repair that will costs thousands of dollars more.
- $13,000 to repair the wading pool at the beach this spring because its 15-year-old plaster surface was failing.
- $4,700 last winter to repair a portion of the south restroom roof; and we are making more repairs this week on another section.
- Thousands of dollars more on general repairs to water lines, picnic shelter, paved areas, etc.

APPROVED: _____

Stephen Schwabauer, City Manager

FISCAL IMPACT: Negligible.

FUNDING AVAILABLE: Not applicable.

_____
Jeff Hood
Parks, Recreation and Cultural Services Director

JH:tl

cc: City Attorney

RESOLUTION NO. 2015-____

A RESOLUTION OF THE LODI CITY
COUNCIL ADOPTING OFF-SEASON
RATE FOR LODI LAKE PARK
RUNNING EVENTS

==========

WHEREAS, at the request of City Council members and fun run/race organizers to reduce expenses for a Lodi Lake Park rental, Parks, Recreation, and Cultural Services staff developed a proposed rental rate for off-season runs that would provide a financial incentive for organizers to conduct whole-park races during late fall and winter, when conflicts with other park users are minimized; and

WHEREAS, the off-season period shall be defined as November through February; and

WHEREAS, the proposed fees, which received unanimous Recreation Commission support, were crafted through a combination of staff recommendations, public comment and Commission debate.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the revised fees for fun run/races at Lodi Lake as shown below:

Off Season (November-February) Nonprofit Fun Run Rental Rate:	
$800	Fun run/race conducted by a nonprofit organization based within the city limits for local public benefit up to 199 participants
$1 per person	Over 200 participants
New events may require Division of Boating and Waterways approval once the new boat ramp and parking facility are constructed.	

BE IT FURTHER RESOLVED by the Lodi City Council that the above-referenced fees shall take effect upon adoption of this Resolution.

Dated: November 18, 2015

==========

I hereby certify that Resolution No. 2015-____ was passed and adopted by the City Council of the City of Lodi in a special meeting held November 18, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAIOLO
City Clerk

AGENDA ITEM C-14

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Approving Various Public Works Policies and Various Public Works Fees, Charges, and Penalties

MEETING DATE: November 18, 2015

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution approving various Public Works policies and various Public Works fees, charges, and penalties.

BACKGROUND INFORMATION: Operations within the Water and Wastewater Divisions have evolved over the past two decades. As a result, several of the existing policies need to be updated, and new policies need to be created, to reflect current conditions within those utilities. In addition, this provides an opportunity to inform the City Council regarding the respective roles and responsibilities of the City and its customers.

The Public Works Policies and Procedures Manual covers a wide range of services, including: administration, engineering, storm, streets, sewer, water, transit, and solid waste. The action requested of the City Council herein is specific to the sewer and water policies as described below. Copies of the various policies are attached.

In addition, a comprehensive listing of Public Works fees, charges and penalties is provided. The majority of the fees, charges and penalties are existing, with a few new fees proposed and some charges and penalties increased. In addition, some of the fees are proposed to be reset to reflect the cost of providing the service. A standard annual indexing based upon the Consumer Price Index, All Urban Consumers, San Francisco-San Jose-Oakland, CA is proposed that would apply to most of the fees.

<u>Water Policy No. 6 – Water Service Upgrading (Exhibit A)</u>

This is an existing policy that requires property owners of parcels which are to be developed, or redeveloped, to upgrade water services that do not conform to existing City standards. The principal change to the policy is the addition of this statement, “Installation of the water meter shall be performed by the City.”

The Water Meter Program will install, relocate, and upgrade all residential, industrial, commercial and multi-family water services within the City. The charge to the property owner is the cost of the meter assembly (based upon meter size) and all other related work is paid by the water utility. Property owners required to upgrade their water service prior to and after the Water Meter Program is complete, did not or will not benefit from the utility’s subsidy. Some customers have complained about the inequity of this application of the policy.

<u>Water Policy No. 9 – Water Service Maintenance (Exhibit B)</u>

This is a new policy that establishes the responsibility for maintenance of water service. The property owner is responsible to repair and maintain the water service lateral from the service side of the water meter box to

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APPROVED: _____
Stephen Schwabauer, City Manager

the building. The City will repair and maintain the water service from the public water main up to the service side of the water meter box at no cost to the property owner. In conjunction with the Water Meter Program, the City has paid for the repair of customers' water service laterals when the City's contractor is nearby and a repair is needed as part of the program. Generally, the City has provided this service for a two-year period following acceptance of a water meter program phase that is the same as the warranty period required of the contractor.

Water Policy No. 10 – Water Meter Installation (Exhibit C)

This is a new policy that establishes the procedures for installing water meters. The policy is backed by State law requiring all water customers within the Lodi service area to have meters by 2025. At locations with a standard meter box assembly for which a meter has been purchased, there is no charge for City forces to set the meter. At locations with a standard meter box assembly for which a meter has not been purchased, the meter charge is based upon size. A recommended meter charge schedule is included in the resolution that, if approved, charges would annually change indexed to the Consumer Price Index beginning January 1, 2017. That date is selected based upon staff's objective to distribute water meter invoices to all non-residential, multi-family and condominium customers by that date. Those invoices will be based upon the water meter charge schedule approved by City Council as presented in Exhibit G.

Sewer Policy No. 4 – Wastewater Lateral Maintenance (Exhibit D)

This is an existing policy that is not changing, but a few differences exist from Water Policy No. 9 – Water Service Maintenance, that we bring to the City Council's attention. First, the property owner is responsible for maintaining the entire wastewater lateral from the main to the building that includes rodding, flushing, roto-rootering, etc. If a lateral needs to be repaired, the City will only repair the lateral from the main to the property line at no cost to the property owner. The property owner is responsible for all costs of determining maintenance and/or repair needs for the entire lateral. If a lateral is located in a back yard, the City is responsible for the portion from the main to the cleanout.

Over the past many years, this policy has been enforced at a variety of levels. The purpose of bringing this to the City Council is to re-establish a consistent approach and response to customer lateral maintenance and repair. We would adhere to the policy described in the above paragraph.

We have frequently experienced in the past, a property owner will hire a plumbing service to clear a suspected blockage in a lateral only to discover a blockage exists in the publicly-owned wastewater main. Sometimes the property owner will seek reimbursement from the City for the cost of investigating the private lateral and routinely these claims are denied on the basis of it being required under the maintenance requirement of the policy.

Sewer Policy No. 8 – Septic Waste Disposal Policy (Exhibit E)

This is an existing policy, however, the wording is changed to clarify the area from where septic waste is accepted is "north of Eight Mile Road, west and north to the Sacramento County lines and east to Amador and Calaveras County lines." In addition, the days of service are revised to Monday through Thursday. Fridays are eliminated due to the plant being staffed by a single operator as a result of the current 9/80 work schedule. Service can be provided on Fridays, weekends, and holidays with advance registration and payment of a 20-percent surcharge. The charge for septic waste disposal from areas outside the City limits is 150-percent of the inside City limits charge. This is consistent with other charges to water and wastewater customers receiving service outside the City limits.

Sewer Policy No. 9 – Grease Disposal Policy (Exhibit F)

This is an existing policy with a few of the provisions being revised to reflect current operations. For example, the days that grease dumping is allowed are Monday through Thursday. Fridays are eliminated due to the plant being staffed by a single operator as a result of the current 9/80 work schedule. Service can be provided on Fridays, weekends, and holidays with advance registration and payment of a 20-percent surcharge. The charge for grease disposal from areas outside the City limits is 150-percent of the inside City limits charge. This is consistent with other charges to water and wastewater customers receiving service outside the City limits.

Public Works Fee Schedule (Exhibit G)

The consolidated Public Works Fee Schedule represents a complete listing of fees levied by the Public Works Department. The fees listed have been adopted by various resolutions over time with some subject to inflationary increase and others not. A few new fees are included in the list. An objective is for the Council to approve a complete list of fees by resolution, with a common methodology and indexing for annual updates of the fees.

The new fees are the Final Map Processing fee of $12 per lot; Special Events and Block Party Encroachment Permit fee of $200 and $43, respectively; Building Permit (Commercial, Industrial, and Multi-Family) and Building Permit (Residential) of Fats, Oils, and Greases (FOG) Inspection and Re-Inspection fee of $100 and $125, respectively. These new fees are computed based upon time records and hourly costs for staff performing the work, except for the FOG fee that was set at the level charged by the City of Stockton. The FOG fee may need to be adjusted in the future as experience is gained in performing the State-mandated inspections. The Block Party fee will not be charged for National Night Out block parties.

The fees for installing a wastewater lateral (4-inch), installing water services (3/4-, 1-, 1½-, and 2-inch), and abandoning water services are proposed to be reset based upon experience in the field. Some are increasing (wastewater lateral and abandonment) more than the indexing suggests and others are reducing (water services generally).

Two categories of fees, Transportation and Water Meters, will not be indexed fees. The Transportation fees are set equal to the Caltrans transportation fees. The Water Meter fees are inclusive of the purchase cost and installation and are not set to change until all customers under the Water Meter Program have been charged for their new water meter. This way, all water customers pay the same price for their water meter based upon the size of the meter, regardless of the installation date.

All the fees listed in the Public Works Fee Schedule will be increased every July 1 by the amount of the 12-month change in the Consumer Price Index, All Urban Consumers, San Francisco-San Jose-Oakland, CA, not including the exceptions noted above. The Old Fee column in Exhibit G is the fees enacted July 1, 2014 and the New Fee column is the fees enacted July 1, 2015, with the exception of the new fees to be approved as part of the proposed resolution.

The above information was presented to the City Council at the October 27, 2015 Shirtsleeve meeting. Staff was requested to present alternatives for water waste penalties. The Lodi penalty structure, the proposed and an alternative for Council consideration is presented in Exhibit H. In addition, penalty structures for other communities in the region are provided.

FISCAL IMPACT: Revenues collected from fees will increase as the Consumer Price Index increases. More complete cost recovery for services will be achieved.

FUNDING AVAILABLE: Not applicable.

F. Wally Sandelin
Public Works Director

Prepared by F. Wally Sandelin/Public Works Director
FWS/FWS/tb

Attachments

CITY OF LODI

PUBLIC WORKS DEPARTMENT

POLICIES AND PROCEDURES

WATER – 6	WATER SERVICE UPGRADING	04/26/2010

GENERAL

Existing parcels, which are to be developed or redeveloped, on which there are existing water services, that do not conform to existing City Standards, are to have the services upgraded at the time of construction.

Construction of new, or additions to existing, single-family houses with existing services are exempt.

DEVELOPER'S RESPONSIBILITY

- On parcels where the development falls under the requirements of the off-site improvement ordinance and where there is no change required in the size of the water service, the cost of upgrading the existing water service to present standard will be borne by the developer. The work may be done by the City or the developer's plumber, depending on conditions of the existing service.
- In all cases where new service is required, the entire cost of installation and/or abandonment is the responsibility of the developer. The work will normally be done by the City.
- In all cases where a water meter is required, the cost of the meter is the responsibility of the developer/builder/property owner. Installation of the water meter shall be performed by the City.
- It is also the developer's responsibility to disconnect the existing service prior to demolition and to be aware of its location during demolition.

F. Wally Sandelin
Public Works Director

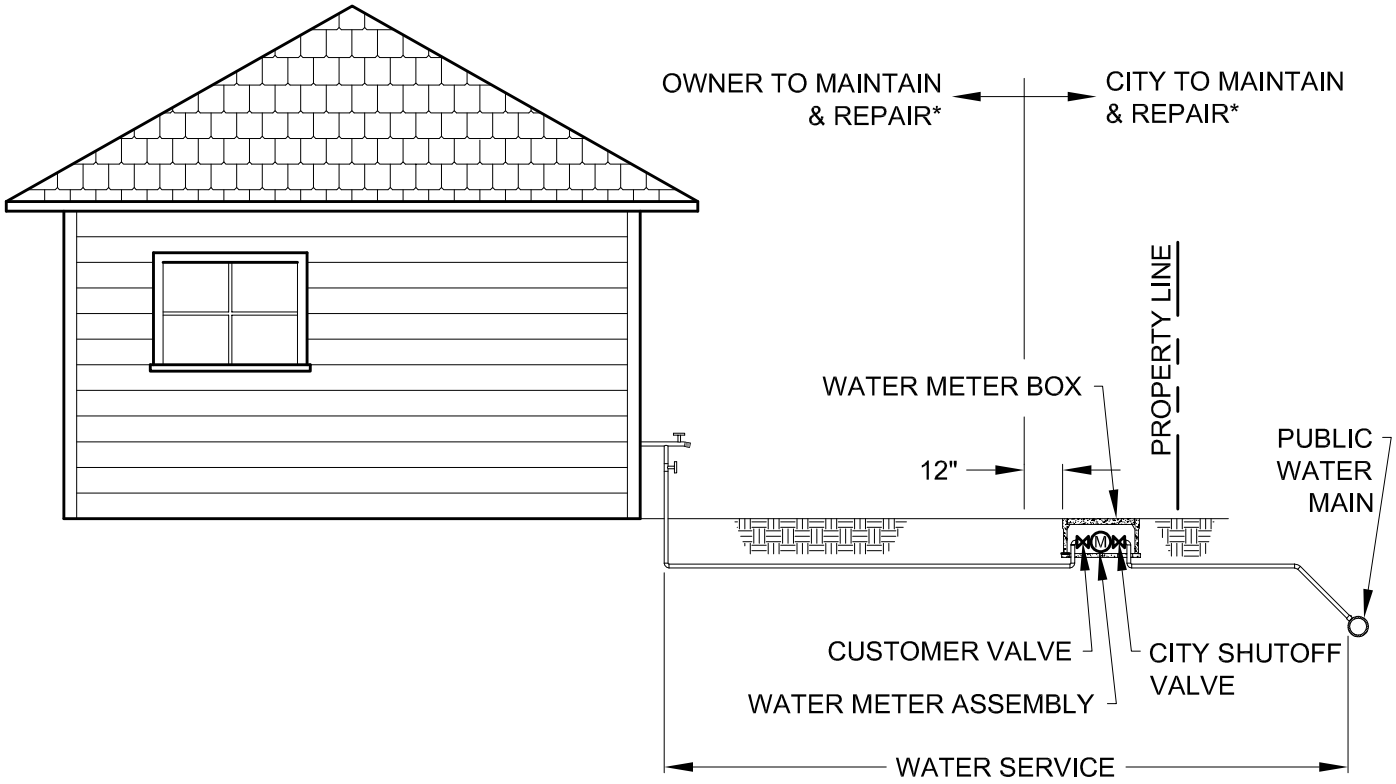
Exhibit B

CITY OF LODI

PUBLIC WORKS DEPARTMENT

POLICIES AND PROCEDURES

WATER - 9	WATER SERVICE MAINTENANCE	7/15



Water Service Maintenance Policy Adopted by City Council _____, 2015 Resolution No. - 2015

1. The property owner is responsible to repair and maintain the water service lateral from the service side of the water meter box to the building as shown above. Maintenance includes repairing broken or leaking water pipes.

2. The City will repair and maintain the water service from the public water main up to the service side of the water meter box as shown above, including the water meter assembly, radio transponder, and the meter box, at no cost to the property owner.

3. The property owner shall not tamper with the water meter assembly or the city shut off valve inside the water meter box. Any damages caused by the tampering will be repaired at the property owner's expense.

4. The property owner shall not alter the elevation or location of the water meter box and the water meter assembly. No stationary object shall be placed directly on top of the water meter box.

5. For water service problems that do not appear to be property owner's responsibility, call the City Utilities Operation at (209) 368-5735. The City will confirm if it's their problem.

* In cases where the water main is in a rear/side yard easement, the demarcation will be at the water shut off at the easement line.

F. WALLY SANDELIN, PUBLIC WORKS DIRECTOR

K:\CADD\EXHIBITS\Unnumbered\Water Service Lateral Maintenance.dwg, Layout1, 9/23/2015 10:09:22 AM, jpizzo

CITY OF LODI

PUBLIC WORKS DEPARTMENT

POLICIES AND PROCEDURES

WATER – 10	Water Meter Installation	9/2015

GENERAL

Current State Law requires that all customers within the Lodi Service Area have meters installed by 2025. Since 1979, new residential development and some residential redevelopment has been required to install meter boxes but was not required to purchase a water meter. Since 1992, new residential development and some residential redevelopment has been required to install meter boxes and to pay for a water meter that generally was not set in the box. Since 2002, the City has rehabilitated portions of the water system and has installed meter boxes in the process but has not yet installed meters. Approximately 11,000 residential properties constructed prior to 1979 in the Lodi Service Area have neither meter box nor meter.

Construction of new housing is required to install the meter box assembly and meter as is the requirement for all non-residential development.

Developer/Property Owner Responsibility

1. At residential service locations where the meter box assembly has been installed by the developer/property owner and a meter has not been paid for, the cost for the new meter, installation, and permit is the obligation of the property owner. This cost shall be in an amount determined by the City Council by resolution.
2. At residential service locations where the meter box assembly has been installed by the developer/property owner and a meter has been paid for, there is no cost to the developer/property owner for the installation and permit for setting the meter.
3. At residential service locations where neither meter box assembly nor meter has been set, the cost for the meter box assembly, meter, meter purchase and permit is the responsibility of the developer/property owner. This cost shall be in an amount determined by City Council by resolution.

City Responsibility

1. The City is responsible for implementing a program to complete the installation of water meters to all customers by January 21, 2025.
2. The City is responsible for the cost to upgrade any part of the meter box assembly or meter to a new standard for all existing residential meters.
3. Installation of water meters into meter box assemblies.

Procedure

1. All water meters shall be installed by City forces or by Contractors under contract with the City.
2. The cost for the meter installation shall be in an amount determined by City Council by resolution.
3. Installation of a meter or meter box assembly/meter requires the issuance of a Work Order by the Finance Department. The work is to be performed by City forces or by Contractors under contract with the City. The Work Order will be activated by only one of the following:
   a. Issuance of a Building Permit or Plumbing Permit by the Community Development Department for the installation of a new, upgraded, or altered water service.
   b. Issuance of a Water Service Upgrade Permit by the Public Works Department to upgrade or add a service.
   c. Issuance of a Water Meter Installation Permit by the Public Works Department for the installation of a pre-purchased meter in an existing meter box assembly.
   d. Issuance of a Water Meter Installation Permit by the Public Works Department for the installation of a meter purchased by the developer/property owner in an existing meter box assembly.

F. Wally Sandelin
Public Works Director

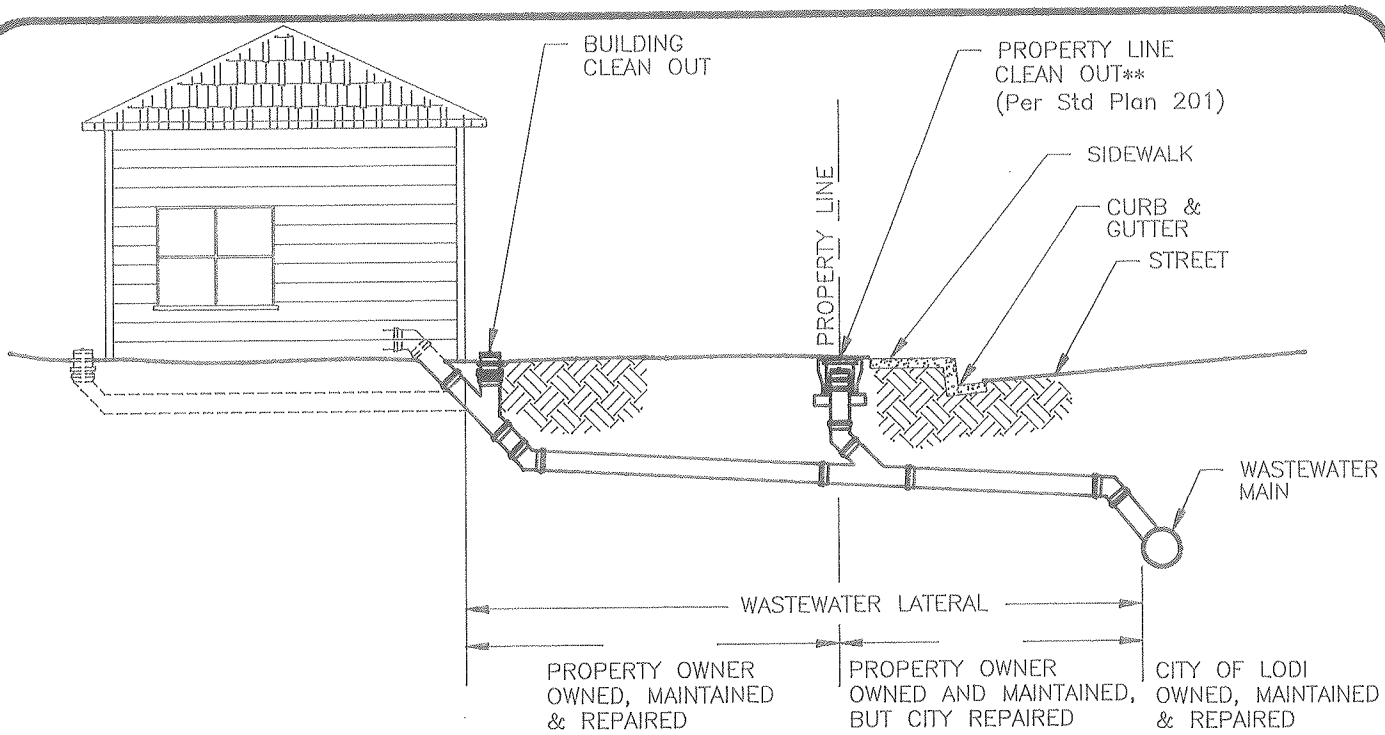
Approved by City Council _____
Resolution No. 2015-___

Exhibit D

CITY OF LODI
PUBLIC WORKS DEPARTMENT

POLICIES AND PROCEDURES

SEWER-4	WASTEWATER LATERAL MAINTENANCE	12/93



WASTEWATER BUILDING LATERAL MAINTENANCE POLICY
ADOPTED BY CITY COUNCIL DECEMBER 6. 1967

1. The property owner is responsible for maintaining the entire wastewater lateral from the wastewater main to the building. Maintenance includes rodding, flushing, roto-rootering, etc.

2. The property owner is responsible for costs of determining maintenance and/or repair needs for the entire lateral.

3. When the wastewater lateral needs to be repaired, the City will only repair the lateral from the wastewater main to the property line*, at no cost to the property owner.

4. The above clean outs must be (re)installed by the property owner whenever their portion of the lateral is being replaced or repaired. The City will normally install the property line clean out** if the City portion is being replaced.
(In cases of laterals existing before January 1987 where the building clean out is within 25' of the property line*, the property line clean out installation may be waived by the Public Works Department.)

5. For wastewater problems that do not appear to be the property owner's responsibility, call the City Utilities Operator at 368-5735. The City will confirm if it's their problem.

* In cases where the wastewater main is in a rear/side yard easement, the demarcation will be at the property line clean out**, and if there is no property line clean out the demarcation will be at the water shut off at the easement line.

** The property line cleanout could be located on either side of the property line or easement line, see Public Works Department Standard Plan 201.

JACK L. RONSKO PUBLIC WORKS DIRECTOR

m:\open\exhibits\ww-later

Exhibit E

CITY OF LODI
PUBLIC WORKS DEPARTMENT

POLICIES AND PROCEDURES

SEWER – 8	SEPTIC WASTE DISPOSAL POLICY	Rev. 9/2015

The City has agreed with San Joaquin County to accept septic tank waste from the north part of county (north of Eight Mile Road, west and north to the Sacramento County lines, and east to Amador and Calaveras County lines). Wastes generated outside the prescribed area will not be accepted. Wastes generated outside Lodi city limits will be assessed a surcharge (See Fee and Service Charges Schedule).

This procedure outlines requirements and/or restrictions that must be followed by septic tank pumper companies authorized to discharge domestic holding tank waste at the White Slough Water Pollution Control Facility (WSWPCF), located at 12751 North Thornton Road.

- Must have a current City of Lodi Wastewater Discharge Permit (renewable every two years).
- Wastes must comply with Lodi Municipal Code (LMC) Chapter 13.12 and any special provisions established for this type of waste.
- All grease must be of animal or vegetable origin. No mineral-based greases will be accepted.
- No waste will be accepted whose origin is a sand/oil trap.
- No waste will be accepted that is deemed hazardous by any federal, state or local regulations.
- Grease Interceptor waste must originate from within City of Lodi limits (See Grease Disposal Policy).
- Domestic holding tank waste shall only be discharged to the City's sewer system at the designated dump station, located at 12751 North Thornton Road, between the hours of 7:00 a.m. and 3:30 p.m., Monday through Thursday, excluding holidays.
- In extreme situations or emergencies, the City will accept waste on weekends/holidays. Due to limited staff (one person) during these time periods, an appointment must be scheduled in advance with the duty operator. This scheduling can be accomplished by calling the WSWPCF at (209) 333-6749 between 7:00 a.m. and 12:00 p.m., Friday, Saturday, Sunday or holidays. If no answer, you will automatically enter the City's voice mail system. Our duty operator will review the voice message system at 12:00 p.m. and return any septic waste hauler's call to schedule a time to discharge at the WSWPCF. On no occasion will this be before 7:00 a.m. or after 3:30 p.m. If hauler is unable to make the appointment it is their responsibility to notify City staff and reschedule. This weekend/holiday schedule service allowed in extreme situations and/or emergencies does take our staff from their normal duties and will disrupt their schedules. Therefore, weekend/holiday dumping privileges will constitute an additional 20 percent charge above the current rate.
- A domestic holding tank manifest must be submitted for each load detailing origins of waste. Drivers must also sign a WSWPCF log before dumping each load.

- Septic tank pumper companies and their employees will be responsible for maintaining and cleaning of any spills at this designated grease pump station.
- Bills are issued after the first of each month for the preceding month and are due and payable within 45 days of issue. (See current Public Works fee and servive Charge Schedule). Failure to pay a billin this time period will result in revocation of Wastewater Dischrge Permit and will also be subject to a required cash deposit established by the City's Finance Director as defined in the LMC, Chapter 13.04.
- Reinstatment of a revoked Wastewater Dischrge Permit will require reapplying for said permit along with a $75 fee to process a reissuance of a Wastewater Discharge Permit. Wastewater Discharge Permits revoked more than twice during a 12 month period will not be reinstated for a period of one year.

F. Wally Sandelin
Public Works Director

Approved by City Council _____
Resolution No. 2015-___

Exhibit F

CITY OF LODI
PUBLIC WORKS DEPARTMENT

POLICIES AND PROCEDURES

SEWER – 9	GREASE DISPOSAL POLICY	Rev. 9/2015

The City has agreed with San Joaquin County to accept grease trap waste fromcommercial and industrial grease traps from the north part of county (north of Eight Mile Road, west and north to the Sacramento County lines, and east to Amador and Calaveras County lines). Wastes generated outside the prescribed area will not be accepted. Wastes generated outside Lodi city limits will be assessed a surcharge (See Fee and Service Charges Schedule).

This procedure outlines requirements and/or restrictions that must be followed by grease tank pumper companies authorized to discharge domestic holding tank waste at the White Slough Water Pollution Control Facility (WSWPCF), located at 12751 North Thornton Road.

- Must have a current City of Lodi Wastewater Discharge Permit (renewable every two years).
- Wastes must comply with Lodi Municipal Code (LMC) Chapter 13.12 and any special provisions established for this type of waste.
- All grease must be of animal or vegetable origin. No mineral-based greases will be accepted.
- No waste will be accepted whose origin is a sand/oil trap.
- No waste will be accepted that is deemed hazardous by any federal, state or local regulations.
- Grease trap waste shall only be discharged to the City's sewer system at the designated dump station, located at 12751 North Thornton Road, between the hours of 7:00 a.m. and 3:30 p.m., Monday through Thursday, excluding holidays.
- In extreme situations or emergencies, the City will accept waste on weekends/holidays. Due to limited staff (one person) during these time periods, an appointment must be scheduled in advance with the duty operator. This scheduling can be accomplished by calling the WSWPCF at (209) 333-6749 between 7:00 a.m. and 12:00 p.m., Friday, Saturday, Sunday or holidays. If no answer, you will automatically enter the City's voice mail system. Our duty operator will review the voice message system at 12:00 p.m. and return any septic waste hauler's call to schedule a time to discharge at the WSWPCF. On no occasion will this be before 7:00 a.m. or after 3:30 p.m. If hauler is unable to make the appointment it is their responsibility to notify City staff and reschedule. This weekend/holiday schedule service allowed in extreme situations and/or emergencies does take our staff from their normal duties and will disrupt their schedules. Therefore, weekend/holiday dumping privileges will constitute an additional 20 percent charge above the current rate.
- A grease trap manifest must be submitted for each load detailing origins of waste. Drivers must also sign a WSWPCF log before dumping each load.

- Grease trap pumper companies and their employees will be responsible for maintaining and cleaning of any spills at this designated grease pump station.
- Bills are issued after the first of each month for the preceding month and are due and payable within 45 days of issue. (See current Public Works fee and servive Charge Schedule). Failure to pay a billin this time period will result in revocation of Wastewater Dischrge Permit and will also be subject to a required cash deposit established by the City's Finance Director as defined in the LMC, Chapter 13.04.
- Reinstatment of a revoked Wastewater Dischrge Permit will require reapplying for said permit along with a $75 fee to process a reissuance of a Wastewater Discharge Permit. Wastewater Discharge Permits revoked more than twice during a 12 month period will not be reinstated for a period of one year.

F. Wally Sandelin
Public Works Director

Approved by City Council _____
Resolution No. 2015-___

Exhibit G

Public Works Fee Schedule for July 1, 2015

	Engineering Fees	Old Fee	New Fee	Note
1	Inspection on overtime callout (per hour)	$ 80.00	$ 139.00	
2	Improvement Agreement	$ 1,991.00	$ 2,048.00	
3	Improvement Agreement Addenda	$ 663.00	$ 682.00	
4	Partial Project Acceptance	$ 293.00	$ 301.00	
5	Deferred Improvement Agreement	$ 1,991.00	$ 2,048.00	
6	Annexation[2]	$ 763.00	$ 784.00	
7	Building Permit - Commercial, Industrial, Multi-Family[1]	$ 726.00	$ 1,050.00	
8	Building Permit - Single Family Residential[1]	$ 134.00	$ 525.00	
9	Development Plan [1,2]	$ 1,270.00	$ 1,306.00	
10	per lot over 4 lots	$ 18.00	$ 19.00	
11	Parcel Map Check/Processing	$ 328.00	$ 337.00	
12	per lot over 4 lots	$ 12.00	$ 12.00	
13	Final Map Processing	$ 264.00	$ 271.00	
14	per lot over 4 lots	n/a	$ 12.00	
15	Tentative Parcel Map & Non-Residential Condominium Conversion[1]	$ 1,015.00	$ 1,044.00	
16	Tentative Subdivision Map [1,2]	$ 1,270.00	$ 1,306.00	
17	per lot over 4 lots	$ 18.00	$ 19.00	
18	Site Plan / SPARC	$ 508.00	$ 523.00	

	Storm Drainage Permit Compliance Inspection	Old Fee	New Fee	Note
19	Initial Monthly Construction Inspection	$ 183.00	$ 195.00	
20	Subsequent Monthly Construction Inspection	$ 139.00	$ 155.00	
21	Post-Construction BMP Annual Inspection	$ 138.00	$ 155.00	

	Document Fees	$ 20.00	New Fee	Note
22	Design Standards	$ 20.00	$ 20.00	
23	Construction Specifications	$ 20.00	$ 20.00	
24	Standard Plans	$ 20.00	$ 20.00	

	Prints/Copies of File Maps, Plans, Etc. (bond)	Old Fee	New Fee	Note
25	Size A (8 1/2 x 11)	$ 0.15	$ 0.10	
26	Size B (11x17)	$ 0.50	$ 0.50	
27	Size C, D (17x22, 22x34) First Sheet	$ 5.00	$ 5.00	
28	Each Additional Sheet	$ 2.00	$ 2.00	
29	Size E and Larger (34x44) First Sheet	$ 6.00	$ 6.00	
30	Each Additional Sheet	$ 3.00	$ 3.00	
31	Plans & Specifications Sets for bidding (picked up)	$ 25.00	$ 25.00	
32	Plans & Specifications Sets for bidding (mailed)	$ 30.00	$ 30.00	
33	Certified Payrolls First Sheet	$ 1.00	$ 1.00	
34	Each Additional Sheet	$ 0.25	$ 0.25	
	Plotted Copy of Existing Map (bond)	**Old Fee**	**New Fee**	**Note**
35	Size C, D (17x22, 22x34) First Sheet	$ 16.00	$ 16.00	
36	Each Additional Sheet	$ 7.00	$ 7.00	
37	Size E and Larger (34x44) First Sheet	$ 17.00	$ 8.00	
38	Each Additional Sheet	$ 7.00	$ 7.00	

Public Works Fee Schedule for July 1, 2015

	Encroachment Permit	Old Fee	New Fee	Note
39	Sidewalk/Driveway (Single Parcel)	$ 85.00	$ 88.00	
40	Utility Encroachment	$ 85.00	$ 88.00	
41	Nonconstruction	$ 42.00	$ 43.00	
42	Downtown Sidewalk Encroachment	$ 42.00	$ 43.00	
43	Special Events	n/a	$ 200.00	
44	Block Party	n/a	$ 43.00	

	Public Improvement Reimbursement Agreement	Old Fee	New Fee	Note
45	Agreement Preparation	$ 878.00	$ 903.00	
46	Reimbursement Collection	$ 234.00	$ 241.00	

	Miscellaneous	Old Fee	New Fee	Note
47	Address Change	$ 67.00	$ 69.00	
48	Document Preparation	$ 85.00	$ 88.00	
49	Miscellaneous Easement Abandonment	$ 425.00	$ 437.00	
50	Impact Mitigation Fee Payment Agreement	$ 664.00	$ 683.00	
51	Lot Line Adjustment	$ 1,592.00	$ 1,637.00	
52	Street Abandonment	$ 1,227.00	$ 2,500.00	
53	Street Name Change	$ 425.00	$ 437.00	

	Transportation Permit	Old Fee	New Fee	Note
54	Single Trip	$ 16.00	$ 16.00	per current Caltrans Fee
55	Annual Repetitive Route	$ 90.00	$ 90.00	per current Caltrans Fee

	Streets	Old Fee	New Fee	Note
57	Street Name Sign (Per set - 4 signs)	$ 410.00	$ 410.00	
58	AC Replacement up to 4 inches in depth (per SF)	$ 17.63	$ 17.63	
59	AB Placement up to 6 inches in depth (per SF)	$ 12.48	$ 12.48	
60	Seal Coat (per SF)	$ 0.08	$ 0.08	

	Wastewater Service Installation	Old Fee	New Fee	Note
61	4 " Service (if jacking required converts to T & M)	$ 2,582.71	$ 2,932.00	
62	6" & Larger Service	T & M	T & M	
63	Disconnect/Abandon Service	$ 1,610.24	$ 1,745.00	
64	Charge 80% if water service concurrently installed			

	Miscellaneous	Old Fee	New Fee	Note
65	Septic Tank Waste (per 1,000 gallons)	$ 312.34	$ 321.00	Within City Limits - Friday, Weeknds and Holiday 20% Surcharge
66	Septic Tank Waste (per 1,000 gallons)	$ 663.06	$ 482.00	Outside City Limits - 150% of Inside City Limits Charge
67	Grease Waste (per 1,000 gallons)	$ 312.34	$ 321.00	Within City Limits - Friday, Weeknds and Holiday 20% Surcharge
68	Grease Waste (per 1,000 gallons)	$ 663.06	$ 482.00	Outside City Limits - 150% of Inside City Limits Charge
69	Winery Waste (per 1,000 gallons)	$ 301.00	$ 301.00	
70	Fats, Oils and Greases Inspection Fee	n/a	$ 100.00	
71	Fats, Oils and Greases Re-inspection Fee	n/a	$ 125.00	

Public Works Fee Schedule for July 1, 2015

	Water Service Installation (exclusive of meter charge)	Old Fee	New Fee	Note
72	3/4"	$ 5,254.00	$ 5,080.00	
73	1"	$ 5,356.46	$ 5,080.00	*Consumer Price Index to Begin
74	1 1/2"	$ 6,428.51	$ 5,881.00	January 2017
75	2"	$ 7,222.24	$ 6,815.00	
76	3" & Over	T & M	T & M	
77	Dual Domestic Water Service	$ 5,312.23	$ 5,312.00	Per Standard Plan 418
78	Charge 80% if wastewater service concurrently installed			

	Meter Charge	Old Fee	New Fee	Note
79	3/4"	$ 300.00	$ 300.00	Pricing to remain unchanged until completion of the Water Meter Program. Includes installation by City staff.
80	1"	$ 350.00	$ 350.00	
81	1 1/2"	$ 780.00	$ 780.00	
82	2"	$ 970.00	$ 970.00	
83	3"	$ 1,980.00	$ 1,980.00	
84	4"	$ 3,570.00	$ 3,570.00	
85	6"	$ 6,760.00	$ 6,760.00	
86	8"	$ 11,520.00	$ 11,520.00	

	Disconnect/Abandon Water Service	Old Fee	New Fee	Note
87	2" & under	$ 1,883.19	$ 2,050.00	
88	Over 2"	T & M	T& M	

	Miscellaneous	Old Fee	New Fee	Note
89	Meter Testing	n/a	No Charge	
90	Bacterial Sampling Fee (per sample)	$ 45.00	$ 45.00	
91	Fire Hydrant Meter Deposit	$ 1,000.00	$ 1,000.00	
92	6-Inch Meter Deposit	$ 5,000.00	$ 5,000.00	
93	Meter Rental Charge (per day up to 45 days)	$ 1.00	$ 1.00	
94	per day 46 through 60	$ 2.50	$ 2.50	
95	per day 61 through 90	$ 5.00	$ 5.00	
96	per day over 90 days	$ 10.00	$ 10.00	
97	Water Usage (per CCF)	$ 1.00	Tier 1	
98	Tampering Fee	n/a	$ 75.00	

	Water Waste Fines	Old Fee	New Fee	Note
99	Informational Notification	n/a	No Charge	
100	1st Written Water Waste Notice	n/a	No Charge	
101	2nd Written Water Waste Notice	n/a	$ 35.00	
102	3rd Written Water Waste Notice	n/a	$ 75.00	
103	4th Written Water Waste Notice	n/a	$ 200.00	
104	5th Written Water Waste Notice	n/a	$ 500.00	
105	Subsequent Water Waste Notice	n/a	Disconnection	

Exhibit H

Agency	Utilizes Fines?	1st Offense	2nd Offense	3rd Offense	4th Offense	5th+ Offense
City of Lodi (Existing)	Yes	Warning	Written	$35	$75	$150
City of Lodi (Proposed)	Yes	Warning	Written	$35	$75	$200 $500 (6th) Service shut off (7th)
City of Lodi (Alternative)	Yes	Warning	Written	$100	$200	$500 Service shut off (6th)
City of Stockton (Cal Water)	Yes	Warning	$50	$100	Flow restrictor	Discontinue service
City of Manteca	Yes	Warning	$50	$250	$250	$250
City of Galt (Stage 1-3)	Yes	Warning	$25	$50	$100	Water meter and/or $100. Flow restrictor + $100 on additional offenses
City of Galt (Stage 4)	Yes	Warning	$100	$200	Water meter and/or $200	Flow restrictor + $200
City of Tracy	Yes	Warning	$100	$200	$500	$500
City of Modesto	Yes	Warning	$150	$250	$500	$500
City of Ceres	Yes	Warning	$20	$100	$250	$500
Elk Grove Water District	Yes	Warning	Warning	$200	$500 + flow restrictor	$500 + service shut off

RESOLUTION NO. 2015-____

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING
VARIOUS PUBLIC WORKS POLICIES AND SETTING
VARIOUS CHARGES RELATED TO THE PROVISION OF
PUBLIC WORKS SERVICES

==========

WHEREAS, operations within the Water and Wastewater Divisions have evolved over the past decades; several of the existing policies need to be updated; and new policies need to be created, to reflect current conditions within those utilities; and

WHEREAS, the Public Works Department Policies and Procedures Manual covers a wide range of services, including administration, engineering, storm, streets, sewer, water, transit, and solid waste; and

WHEREAS, staff recommends that the City Council approve the policies listed below that are specific to the sewer and water policies:

1) Water Policy No. 6 – Water Service Upgrading
2) Water Policy No. 9 – Water Service Maintenance
3) Water Policy No. 10 – Water Meter Installation
4) Sewer Policy No. 4 – Wastewater Lateral Maintenance
5) Sewer Policy No. 8 – Septic Waste Disposal Policy
6) Sewer Policy No. 9 – Grease Disposal Policy

WHEREAS, staff further recommends approval of the comprehensive listing of Public Works fees for services, attached hereto, marked Exhibit A; and

WHEREAS, most are existing fees, with a few new proposed fees and a few fees are reset to reflect cost experience in providing the service. In addition, all of the fees listed on Exhibit A will be increased annually on July 1 by the amount of the 12-month change in the Consumer Price Index, All Urban Consumers, San Francisco-San Jose-Oakland, CA beginning in 2016, with the exception of Water Meter Installation which would begin January 1, 2017.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the above-referenced Water and Sewer policies; and

BE IT FURTHER RESOLVED, that the City Council hereby approves the Fee Schedule attached hereto, marked Exhibit A, and made a part of this Resolution; and

BE IT FURTHER RESOLVED that this Resolution supersedes all other prior Resolutions concerning the City of Lodi Public Works Department Fee Schedules for the referenced fees only.

Dated: November 18, 2015

==========

I hereby certify that Resolution No. 2015-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 18, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAIOLO
City Clerk

Exhibit A

Public Works Fee Schedule for July 1, 2015

	Engineering Fees	Old Fee	New Fee	Note
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27	Size C, D (17x22, 22x34) First Sheet	$ 5.00	$ 5.00	
28	Each Additional Sheet	$ 2.00	$ 2.00	
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34	Each Additional Sheet	$ 0.25	$ 0.25	
	Plotted Copy of Existing Map (bond)	**Old Fee**	**New Fee**	**Note**
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Public Works Fee Schedule for July 1, 2015

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42	Downtown Sidewalk Encroachment	$ 42.00	$ 43.00	
43	Special Events	n/a	$ 200.00	
44	Block Party	n/a	$ 43.00	

	Public Improvement Reimbursement Agreement	Old Fee	New Fee	Note
45	Agreement Preparation	$ 878.00	$ 903.00	
46	Reimbursement Collection	$ 234.00	$ 241.00	

	Miscellaneous	Old Fee	New Fee	Note
47	Address Change	$ 67.00	$ 69.00	
48	Document Preparation	$ 85.00	$ 88.00	
49	Miscellaneous Easement Abandonment	$ 425.00	$ 437.00	
50	Impact Mitigation Fee Payment Agreement	$ 664.00	$ 683.00	
51	Lot Line Adjustment	$ 1,592.00	$ 1,637.00	
52	Street Abandonment	$ 1,227.00	$ 2,500.00	
53	Street Name Change	$ 425.00	$ 437.00	

	Transportation Permit	Old Fee	New Fee	Note
54	Single Trip	$ 16.00	$ 16.00	per current Caltrans Fee
55	Annual Repetitive Route	$ 90.00	$ 90.00	per current Caltrans Fee

	Streets	Old Fee	New Fee	Note
57	Street Name Sign (Per set - 4 signs)	$ 410.00	$ 410.00	
58	AC Replacement up to 4 inches in depth (per SF)	$ 17.63	$ 17.63	
59	AB Placement up to 6 inches in depth (per SF)	$ 12.48	$ 12.48	
60	Seal Coat (per SF)	$ 0.08	$ 0.08	

	Wastewater Service Installation	Old Fee	New Fee	Note
61	4 " Service (if jacking required converts to T & M)	$ 2,582.71	$ 2,932.00	
62	6" & Larger Service	T & M	T & M	
63	Disconnect/Abandon Service	$ 1,610.24	$ 1,745.00	
64	Charge 80% if water service concurrently installed			

	Miscellaneous	Old Fee	New Fee	Note
65	Septic Tank Waste (per 1,000 gallons)	$ 312.34	$ 321.00	Within City Limits - Friday, Weeknds and Holiday 20% Surcharge
66	Septic Tank Waste (per 1,000 gallons)	$ 663.06	$ 482.00	Outside City Limits - 150% of Inside City Limits Charge
67	Grease Waste (per 1,000 gallons)	$ 312.34	$ 321.00	Within City Limits - Friday, Weeknds and Holiday 20% Surcharge
68	Grease Waste (per 1,000 gallons)	$ 663.06	$ 482.00	Outside City Limits - 150% of Inside City Limits Charge
69	Winery Waste (per 1,000 gallons)	$ 301.00	$ 301.00	
70	Fats, Oils and Greases Inspection Fee	n/a	$ 100.00	
71	Fats, Oils and Greases Re-inspection Fee	n/a	$ 125.00	

Public Works Fee Schedule for July 1, 2015

	Water Service Installation (exclusive of meter charge)	Old Fee	New Fee	Note
72	3/4"	$ 5,254.00	$ 5,080.00	
73	1"	$ 5,356.46	$ 5,080.00	*Consumer Price Index to Begin
74	1 1/2"	$ 6,428.51	$ 5,881.00	January 2017
75	2"	$ 7,222.24	$ 6,815.00	
76	3" & Over	T & M	T & M	
77	Dual Domestic Water Service	$ 5,312.23	$ 5,312.00	Per Standard Plan 418
78	Charge 80% if wastewater service concurrently installed			

	Meter Charge	Old Fee	New Fee	Note
79	3/4"	$ 300.00	$ 300.00	Pricing to remain unchanged until completion of the Water Meter Program. Includes installation by City staff.
80	1"	$ 350.00	$ 350.00	
81	1 1/2"	$ 780.00	$ 780.00	
82	2"	$ 970.00	$ 970.00	
83	3"	$ 1,980.00	$ 1,980.00	
84	4"	$ 3,570.00	$ 3,570.00	
85	6"	$ 6,760.00	$ 6,760.00	
86	8"	$ 11,520.00	$ 11,520.00	

	Disconnect/Abandon Water Service	Old Fee	New Fee	Note
87	2" & under	$ 1,883.19	$ 2,050.00	
88	Over 2"	T & M	T& M	

	Miscellaneous	Old Fee	New Fee	Note
89	Meter Testing	n/a	No Charge	
90	Bacterial Sampling Fee (per sample)	$ 45.00	$ 45.00	
91	Fire Hydrant Meter Deposit	$ 1,000.00	$ 1,000.00	
92	6-Inch Meter Deposit	$ 5,000.00	$ 5,000.00	
93	Meter Rental Charge (per day up to 45 days)	$ 1.00	$ 1.00	
94	per day 46 through 60	$ 2.50	$ 2.50	
95	per day 61 through 90	$ 5.00	$ 5.00	
96	per day over 90 days	$ 10.00	$ 10.00	
97	Water Usage (per CCF)	$ 1.00	Tier 1	
98	Tampering Fee	n/a	$ 75.00	

	Water Waste Fines	Old Fee	New Fee	Note
99	Informational Notification	n/a	No Charge	
100	1st Written Water Waste Notice	n/a	No Charge	
101	2nd Written Water Waste Notice	n/a	$ 35.00	
102	3rd Written Water Waste Notice	n/a	$ 75.00	
103	4th Written Water Waste Notice	n/a	$ 200.00	
104	5th Written Water Waste Notice	n/a	$ 500.00	
105	Subsequent Water Waste Notice	n/a	Disconnection	

AGENDA ITEM C-15

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Authorizing the Lodi Police Department to Waive Bicycle Licensing Fees for Lodi-Adopt-A-Child for the Month of December

MEETING DATE: November 18, 2015

PREPARED BY: Chief of Police

RECOMMENDED ACTION: Adopt resolution authorizing the Lodi Police Department to waive bicycle licensing fees for Lodi-Adopt-A-Child for the month of December.

BACKGROUND INFORMATION: The Lodi Police Department received a request from the Lodi-Adopt-A-Child to waive the bicycle licensing fees for the month of December.

Lodi-Adopt-A-Child was founded by former Lodi police officer Dennis Lewis, who regularly saw families that went without basic necessities and felt compelled to provide them with presents and food for Christmas. In just a few short years, the entire community worked to bring Christmas to the poorest of Lodi's families. Eventually the Lodi-Adopt-A-Child program expanded to include "back-to-school" clothing, food, new shoes and jackets, and emergency assistance for families who have experienced catastrophic loss.

Each year, Lodi-Adopt-A-Child throws an annual Christmas party for Lodi children in need. Many of the donated gifts include clothing, shoes, games, electronics, and bicycles. Over the past 30 years, many local families have benefitted by the community's generosity each year. This December 12, Lodi-Adopt-A-Child's annual Christmas party projects to hand out over 300 bicycles to children in need.

The Lodi Police Department currently issues an average of 300 bicycle licenses each year at a cost of $5 per license. Because the licensing is left to the recipient, many are unable to afford the licensing fee. If the bicycles are later stolen, no record is available to return the bicycle to the rightful owner. The Lodi Police Department recognizes the good-will in providing these children with items they would otherwise go without and would like to honor the request of Lodi-Adopt-A-Child and waive the first year fees for all bicycle donated by Lodi-Adopt-A-Child for the month of December. The annual license fee in subsequent years is $3 and is not subject to this waiver.

FISCAL IMPACT: Potentially $1,500 in fees waived.

FUNDING AVAILABLE: Not applicable.

_____
Tod Patterson
Chief of Police

TP/pjo

APPROVED: _____
Steve Schwabauer, City Manager

RESOLUTION NO. 2015-____

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE LODI POLICE DEPARTMENT TO WAIVE
BICYCLE LICENSING FEES FOR LODI ADOPT-A-CHILD
FOR THE MONTH OF DECEMBER 2015

==========

WHEREAS, the Lodi Police Department received a request from Lodi Adopt-A-Child to waive the bicycle licensing fees for the month of December 2015; and

WHEREAS, Lodi Adopt-A-Child was founded by former Lodi Police Officer Dennis Lewis, who regularly saw families that went without basic necessities and felt compelled to provide them with presents and food for Christmas. Eventually, the Lodi Adopt-A-Child program expanded to include “back-to-school” clothing, food, new shoes and jackets, and emergency assistance for families who have experienced catastrophic loss; and

WHEREAS, each year, Lodi Adopt-A-Child hosts an annual Christmas party for Lodi children in need. Many of the donated gifts include clothing, shoes, games, electronics, and bicycles. This December 12, Lodi Adopt-A-Child’s annual Christmas party projects to hand out over 300 bicycles to children in need; and

WHEREAS, the Lodi Police Department currently issues an average of 300 bicycle licenses each year at a cost of $5 per license; and

WHEREAS, the Lodi Police Department recognizes the goodwill in providing these children with items they would otherwise go without and would like to honor the request of Lodi Adopt-A-Child to waive the first-year license fees for all bicycles donated by Lodi Adopt-A-Child for the month of December 2015; and

WHEREAS, the annual license fee in subsequent years is $3 and not subject to this waiver.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the Lodi Police Department to waive the first-year license fees for all bicycles donated by Lodi Adopt-A-Child for the month of December 2015; and

BE IT FURTHER RESOLVED that the annual license fees of $3 in subsequent years are not subject to this waiver.

Dated: November 18, 2015

==========

I hereby certify that Resolution No. 2015-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 18, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS: --

JENNIFER M. FERRAIOLO
City Clerk

AGENDA ITEM C-16

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Donate One Retired Police Patrol Vehicle to San Joaquin Delta College Police Academy

MEETING DATE: November 18, 2015

PREPARED BY: Chief of Police

RECOMMENDED ACTION: Adopt resolution authorizing City Manager to donate one retired police patrol vehicle to the San Joaquin Delta College Police Academy.

BACKGROUND INFORMATION: The San Joaquin Delta College Police Academy has requested the donation of a retired police patrol vehicle for use at their training facility. The City has a recently retired, 2007 Ford Crown Victoria with 116,000 miles. The usable equipment was removed and installed in the replacement vehicle.

This vehicle will be used by Police Academy students to conduct scenario based training. This type of training is greatly enhanced with the use of functioning equipment, including lights and sirens. The Lodi Police Department has a long standing relationship with the Police Academy, has hired many graduates of the program and continues to recruit graduates of the program. Donation of equipment to enhance their training through realistic scenarios directly benefits the City of Lodi.

FISCAL IMPACT: Staff approximated the potential loss of general fund revenue to be $1,000.

FUNDING AVAILABLE: Not applicable.

_____
Tod Patterson
Chief of Police

Prepared by: LT Nelson/pjo

APPROVED: _____
Steve Schwabauer, City Manager

RESOLUTION NO. 2015-

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE CITY MANAGER TO DONATE ONE
RETIRED POLICE PATROL VEHICLE TO THE
SAN JOAQUIN DELTA COLLEGE POLICE ACADEMY

==========

WHEREAS, the San Joaquin Delta College Police Academy has requested the donation of a retired police patrol vehicle for use at their training facility; and

WHEREAS, the City has a recently-retired 2007 Ford Crown Victoria with 116,000 miles, which will be used by Police Academy students to conduct scenario-based training. This type of training is greatly enhanced with the use of functioning equipment, including lights and sirens; and

WHEREAS, the Lodi Police Department has a long-standing relationship with the Police Academy, has hired many graduates, and continues to recruit graduates of the program; and

WHEREAS, donation of equipment to the San Joaquin Delta College Police Academy enhances student training through realistic scenarios and directly benefits the City of Lodi.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to donate one retired 2007 Ford Crown Victoria police patrol vehicle to the San Joaquin Delta College Police Academy.

Dated: November 18, 2015

==========

I hereby certify that Resolution No. 2015-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 18, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS: --

JENNIFER M. FERRAIOLO
City Clerk

AGENDA ITEM C-17

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Directing Staff to File the 2015 – 2023 Draft Housing Element with the Department of Housing and Community Development for Review

MEETING DATE: November 18, 2015

PREPARED BY: Community Development Department

RECOMMENDED ACTION: Adopt resolution directing staff to file the 2015-2023 Draft Housing Element with the Department of Housing and Community Development for review.

BACKGROUND INFORMATION: On October 28, 2015, Planning Commission held a public hearing to review the proposed draft 2015-2023 General Plan Housing Element update, accept public testimony, and adopted a Resolution recommending the draft 2015-2023 Housing Element be forwarded to the City Council for approval to be submitted to Housing and Community Development for review and certification.

Once the Department of Housing and Community Development has reviewed the draft Housing Element, it will be returned to the City with comments for adoption by the City Council

The Housing Element addresses the City's housing needs for the 2015-2023 planning period. It is one of seven-mandated elements of the General Plan required by State law. The Housing Element is subject to detailed State law requirements, and is the only element required to be reviewed and certified by the State of California Department of Housing and Community Development (HCD). Failure to secure a Certified Housing Element from HCD can result in the loss of funding for housing and infrastructure related to projects and potential legal challenges.

The Housing Element is an eight-year blueprint for housing Lodi's residents, presenting data, policies, and programs for housing the City's residents at all income levels, including low and moderate-income residents, as well as those with special needs such as seniors. The Housing Element shows how the City will house its share of the projected population growth and of the region, as defined in the Regional Housing Needs Allocation (RHNA), produced by the San Joaquin Council of Governments.

In October of 2011, the City Council adopted the City's 2011-2016 Housing Element. The document was forwarded to State HCD, which subsequently granted certification.

The 2011-2016 Housing Element was done in conjunction with the overall 2010 General Plan Update. A number of the implementation measures were completed with the Development Code update in March of 2013 and the approval of development projects.

APPROVED: _____

Stephen Schwabauer, City Manager

The City of Lodi approved the Rose Gate project in late 2013, Van Ruiten Ranch, Reynolds Ranch, Gianonni and Baker projects in 2014 and Vintner Square in 2015. The amount of residential development has picked up in the past two years, and all approvals were consistent with the General Plan and the existing Housing Element.

Staff views the 2015-2023 Housing Element to be a technical update and continuation of the 2011-2016 Housing Element.

The 2015-2023 General Plan does not include new programs or new implementation policies. This document updates demographic information and provides housing direction for the next eight years.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Stephen Schwabauer
Community Development Director

Attachments:
1) Planning Commission Staff Report
2) Planning Commission Resolution
3) 2015 – 2023 Draft Housing Element
4) City Council Draft Resolution

CITY OF LODI
PLANNING COMMISSION
Staff Report

MEETING DATE:	October 28, 2015
APPLICATION NO:	2015 – 35 GP – 2015 – 2023 Housing Element Update
REQUEST:	Request for Planning Commission to recommend the draft 2015-2023 Housing Element be forwarded to the City Council for approval to be submitted to Housing and Community Development for review and certification (Applicant: City of Lodi; File 2015-35 GP; CEQA Determination: Section 15183 – Previous Environmental Review, 2010 General Plan EIR (SCH#2009022075)
LOCATION:	All Zoning Districts City-Wide
APPLICANT:	City of Lodi 221 West Pine Street. Lodi, CA 95240

RECOMMENDATION
That the Planning Commission review the proposed draft 2015-2023 General Plan Housing Element update, accept public testimony, and adopt the Resolution recommending the draft 2015-2023 Housing Element be forwarded to the City Council for approval to be submitted to Housing and Community Development for review and certification.

SUMMARY
The Housing Element addresses the City's housing needs for the 2015-2023 planning period. It is one of seven-mandated elements of the General Plan required by State law. The Housing Element is subject to detailed State law requirements, and is the only element required to be reviewed and certified by the State of California Department of Housing and Community Development (HCD). Failure to secure a Certified Housing Element from HCD can result in the loss of funding for housing and infrastructure related to projects and potential legal challenges.

The Housing Element is an eight year blueprint for housing Lodi's residents, presenting data, policies, and programs for housing the City's residents at all income levels, including low-income and moderate income residents, as well as those with special needs such as seniors. The Housing Element shows how the City will house its share of the projected population growth and of the region, as defined in the Regional Housing Needs Allocation (RHNA), produced by the San Joaquin Council of Governments (SJCOG).

BACKGROUND
In October of 2011, the City Council adopted the City's 2011-2016 Housing Element. The document was forwarded to State HCD, who subsequently granted certification.

The 2011 - 2016 Housing Element was done in conjunction with the overall 2010 General Plan Update. A number of the implementation measures were completed with the Development Code update in March of 2013 and the approval of development projects.

The City of Lodi approved the Rose Gate project in late 2013, Van Ruiten Ranch, Reynolds Ranch, Gianonni and Baker in 2014 and Vintner Square in 2015. The amount of residential development

has picked up in the past 2 years, and all approvals were consistent with the General Plan and the existing Housing Element.

Staff views the 2015 – 2023 Housing Element to be a technical update and continuation of the 2011 – 2016 Housing Element.

The 2015 – 2023 General Plan does not include new programs or new implementation policies. This document updates demographic information and provides housing direction for the next 8 years.

ANALYSIS

State housing law mandates that local governments plan to meet the existing and projected housing needs of all economic segments of the community through their housing elements (Government Code §65580). The law specifies that in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems which provide opportunities for, and do not unduly constrain, housing development. The law further requires housing elements be updated every five years and that every updated housing element be submitted to the State Department of Housing and Community Development (HCD) to ensure compliance with the State's requirements. When the State HCD determines that a Housing Element complies with the law it grants "certification".

Unlike other State-mandated General Plan elements, the Housing Element is the only element requiring State Certification for compliance, and it is subject to detailed statutory requirements (California Government Code Sections 65580 and 65589), regarding its content, and in summary, must contain the following:

1. An evaluation of the results from housing programs implemented during the previous review period; (i.e. the City's Current Housing Element adopted in 2011);
2. An assessment of the City's existing and projected housing needs based on housing, land use, population, demographic, and employment trends;
3. An analysis of housing opportunities within the City, including an inventory of suitable sites and the City's capacity to meet regional fair-share housing goals;
4. An analysis of constraints to providing housing and mitigating opportunities for those constraints; and
5. A set of goals, policies, resources, and programs for the preservation, improvement and development of housing.

<u>Regional Housing Needs Assessment and the inventory of Sites</u>

A key component of the Housing Element is the Regional Housing Needs Assessment (RHNA). State law requires that during each planning period, each local jurisdiction must provide their "fair share" of the region's new housing need. Factors for determining need include anticipated demand generated by employment and population growth. The RHNA identifies not only the number of housing units the City must plan for, but also the affordability level of those units. Through the RHNA process, HCD provides its determination to the State's sub-regional councils, who then assign each local jurisdiction their fair share of housing need.

In San Joaquin County, SJCOG determines the amount of affordable housing the county will need for the time period and then divides that need among its participating jurisdictions.

The previous 2011 to 2016 Housing Element included land available to accommodate **3,891** additional housing units between 2007 and 2014, of which **1,621** units were to be affordable to extremely-low-, very-low- and low-income households, approximately 42% of Lodi's total share of regional housing needs.

According to the 2014–2022 Regional Housing Needs Allocation Plan prepared by the San Joaquin County Council of Governments, Lodi should plan to accommodate **1,931** additional residential units between 2014 and 2022. Of those residential units, **828,** or 43%, should be affordable to extremely low-, very low-, or low-income households.

Since the housing numbers have been reduced for the 2015 – 2023 Housing Element from the previous 2011 to 2016 Housing Element, there are no modifications to land use, housing policies or programs. The 2015 – 2023 Housing Element will help to implement the vision of the 2010 General Plan.

Lodi is not responsible for actual construction of these units. However, Lodi is responsible for creating a regulatory framework in which these housing units can be built. The intent of the allocation is to ensure that each local jurisdiction provide adequate sites and adequately zoned land to accommodate the RHNA. To meet this objective, the proposed Housing Element contains a plan that addresses the potential and actual governmental constraints on housing development, and demonstrates the City's inventory of vacant land or underutilized sites with appropriate zoning and density to meet its RHNA needs.

HOUSING ELEMENT CONTENT

The Housing Element contains three parts following this introduction:

Chapter 2: Community Profile contains an analysis of population, housing, and employment characteristics and trends; the needs of special population groups such as seniors, large families, persons with disabilities and developmental disabilities; indicators of unmet need, such as overcrowding, overpayment, substandard housing, and the potential loss of affordable rental housing; and future housing construction needs. The purpose of the community profile is to characterize existing conditions and unmet housing needs among Lodi's current residents and to plan for future residents in the city.

Chapter 3: Resources and Constraints addresses the opportunities and challenges to meet the housing needs identified in the community profile. Resources include the availability of land, adequate sites to meet housing needs, public and private organizations that provide housing and supportive services, and funding to implement the City's housing strategy. Constraints include the impacts of government action on housing availability and affordability, the interaction of market forces, infrastructure, and environmental conditions. This analysis focuses on the magnitude of potential constraints and identifies measures to remove them.

Chapter 4: Housing Strategy identifies goals, policies, programs, and quantified objectives to meet identified housing needs, reduce constraints on housing availability and production, and make effective use of available resources. As part of its strategy, this section defines the responsible agencies, time frames, and the anticipated results of the programs.

Appendix A: Accomplishments describes achievements during the previous Housing Element planning period (2007 to 2014), including housing units constructed or available for development and implementation of programs and policies. Lessons learned from these accomplishments have been used to revise policies and programs.

GENERAL PLAN ANALYSIS

The Housing Element contains an appendix which details how the Housing Element is consistent with established City policies in the General Plan (See Housing Element, Chapter 1 and Appendix A). Lodi's Land Use Element already permits high density housing and mixed use developments on the main streets and commercial corridors—which is partially why this Housing Element shows the City can accommodate the 2015-2023 RHNA without any further annexation. This is because the vision and specific policies contained in the General Plan seek to encourage and facilitate the types of infill, re-use, mixed-use, and central city/corridor-oriented residential development that are the focus of the Housing Element and the City's ability to accommodate its regional housing allocation from SJCOG.

ZONING ORDINANCE

One of the implementation actions of the 2010 General Plan and previous Housing Element is to adopt a Zoning / Development Code to implement the General Plan. The current Zoning Code was adopted in March 2013. This Zoning Code created zoning designations consistent with the General

Plan and regulates the type, location, density, and scale of residential development and exists to protect and promote the health, safety, and general welfare of residents. In addition, the Development Code serves to preserve the character and integrity of existing neighborhoods. The Zoning Code ensures that the City will meet our regional housing needs by providing for a wide range of housing types to meet the needs of the community.

RECOMMENDATION

Staff requests that the Planning Commission adopt the attached resolution, recommending the draft 2015-2023 Housing Element be forwarded to the City Council for approval to be submitted to Housing and Community Development for review and certification. The Housing Element is consistent and compatible with the General Plan and policies. The Housing Element does not eliminate the requirement that specific future development projects be consistent with all applicable policies and development standards. In accordance with State law, the 2015-2023 Housing Element includes the City's housing policies and goals, identify action programs, quantified objectives, and resources required for the preservation, improvement, and development of housing to meet the existing and projected needs of the community, during the planning period.

ENVIRONMENTAL ASSESSMENTS

The City prepared Lodi General Plan 2010 and adopted General Plan EIR 2010 (SCH#2009022075). The proposed Housing Element is an implementation of the General Plan 2010 and the General Plan EIR (SCH#2009022075) is the project's Environmental Document. Having been so included, all General Plan level environmental effects were of necessity, therein addressed. City of Lodi General Plan 2010, City of Lodi General Plan Final Environmental Impact Report, February 2010 and City of Lodi General Plan Draft Environmental Impact Report, November 2009 are available for review at the City of Lodi, Community Development Department, located at 221 West Pine Street, California 95240.

PUBLIC HEARING NOTICE

Legal Notice for the Housing Element was published in the Lodi News Sentinel on Saturday, October 17, 2015. Public notice also was mailed to interested parties who expressed their interest of the project.

RECOMMENDED MOTIONS

Should the Planning Commission agree with staff's recommendation, the following motion is suggested:

> "I move that the Planning Commission adopt the attached resolution to recommend the draft 2015-2023 Housing Element be forwarded to the City Council for approval to be submitted to Housing and Community Development for review and certification."

ALTERNATIVE PLANNING COMMISSION ACTIONS:

- Approve the request with attached or alternate conditions
- Deny the request
- Continue the request

Respectfully Submitted,

Craig Hoffman
Senior Planner

Concur,

Stephen Schwabauer
Community Development Director

ATTACHMENTS:

A. Draft Housing Element
B. Draft Planning Commission Resolution

RESOLUTION NO. P.C. 15-21

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LODI RECOMMENDING THE DRAFT 2015-2023 HOUSING ELEMENT BE FORWARDED TO THE CITY COUNCIL FOR APPROVAL TO BE SUBMITTED TO HOUSING AND COMMUNITY DEVELOPMENT FOR REVIEW AND CERTIFICATION

WHEREAS, California Government Code Section 65300 et. Seq. mandates that the City of Lodi adopt a comprehensive General Plan to provide guidance and direction for development activities in the City; and

WHEREAS, Government Code sections 65580-65589 set forth the statutory requirements for the Housing Element; and

WHEREAS, the Housing Element is one of seven (7) required elements of the General Plan; and

WHEREAS, Government Code section 65588(b) requires that the Housing Element be comprehensively updated every five (5) years; and

WHEREAS, the City adopted its current Housing Element in 2011; and

WHEREAS, the Housing Element serves as the data and policy document guiding overall improvements and development of housing and contains a profile and analysis of the City's demographics, housing characteristics, and existing and future housing needs; an analysis of constraints to housing production and maintenance, such as market, governmental, and environmental factors affecting the City's ability to meet identified housing needs; an identification of resources to meet housing needs, including vacant or underutilized land for new construction, as well as financial and administrative resources available for housing; and the City's housing strategy to address identified housing needs, including an assessment of past accomplishments, and a formulation for housing goals, policies, and programs; and

WHEREAS, Government Code section 65583 requires that the City identify adequate sites to accommodate housing for all economic segments of the population, based upon the Regional Housing Needs Assessment provided by the Southern California Association of Governments; and

WHEREAS, the City's Community Development Department has initiated and caused to be prepared a proposed Housing Element for the period from 2015-2023; and

WHEREAS, the Community Development Department staff held a stakeholder group meeting and public workshop on June 25, 2015 to solicit public input on the proposed draft Housing Element for 2015-2023; and

WHEREAS, the draft 2015-2023 Housing Element was prepared and circulated for public review, with such circulation including the provision of the requisite review period for the State of California Department of Housing and Community Development ("HCD"); and

WHEREAS, the Planning Commission, after conduction of a public hearing and consideration of all public comment, recommends the draft 2015-2023 Housing Element be forwarded to the City Council for approval to be submitted to Housing and Community Development for review; and

WHEREAS, the Planning Commission of the City of Lodi held a properly noticed public hearing as required by law on October 28, 2015; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, BE IT RESOLVED that the Planning Commission of the City of Lodi makes the following specific findings based on the evidence as follows:

1. The proposed draft 2015-2023 Housing Element ensures and maintains internal consistency with all of the objectives, policies, general land uses, programs, and actions of the General Plan. The proposed Housing Element update for the 2015-2023 planning period have been designed to be consistent with State Housing Law, the Regional Housing Needs Assessment for local agencies under the jurisdiction of the San Joaquin Council of Governments (SJCOG, Inc), and to be internally consistent with the other elements of the Lodi General Plan.
2. The proposed draft 2015-2023 Housing Element would not be detrimental to the public convenience, safety or general welfare of the City. The draft Housing Element is compatible with the nature, condition, and development of existing uses, buildings and structures and the proposed Housing Element update will not adversely affect the existing or planned uses, buildings, or structures. The proposed Housing Element update includes specific programs that provide opportunities for affordable housing through the identification of appropriate sites and density as required by the State, make provision for emergency and transitional housing, and establish reasonable accommodations to improve constraints in housing for persons with disabilities. The proposed revisions will not expose people to an increased risk of negative health or public safety impacts and are consistent with the environmental analysis indicating the impacts related to the health, safety and general welfare of the community will not be detrimental as a result of the project.
3. The proposed draft 2015-2023 Housing Element is in compliance with the provisions of the California Environmental Quality Act (CEQA). The City prepared Lodi General Plan 2101 and adopted General Plan EIR 2010 (SCH#2009022075). The proposed Housing Element is an implementation of the General Plan 2010 and the General Plan EIR (SCH#2009022075) is the project's Environmental Document. Having been so included, all General Plan level environmental effects were of necessity, therein addressed. City of Lodi General Plan 2010, City of Lodi General Plan Final Environmental Impact Report, February 2010 and City of Lodi General Plan Draft Environmental Impact Report, November 2009 are available for review at the City of Lodi, Community Development Department, located at 221 West Pine Street, California 95240. The documents are also available online at http://www.lodi.gov/community_development/index.html

BE IT FURTHER RESOLVED that based on the written information provided, the public comments received and the findings stated above, the Planning Commission recommends the draft 2015-2023 Housing Element be forwarded to the City Council for approval to be submitted to Housing and Community Development for review and certification.

Dated: October 28, 2011

I certify that Resolution No. 15-21 was passed and adopted by the Planning Commission of the City of Lodi at a regular meeting held on Wednesday, October 28, 2015 by the following vote:

AYES:	Commissioners:	Cummins, Hennecke, Olson and Chair Heinitz
NOES:	Commissioners:	None
ABSENT:	Commissioners:	Kirsten, Kiser and Slater

ATTEST_____
Secretary, Planning Commission

LODI GENERAL PLAN
HOUSING ELEMENT

CITY OF LODI
OCTOBER 2015

DRAFT

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I. Introduction

1.1 PURPOSE AND CONTENTS

The Lodi Housing Element is part of the City's General Plan, which is a comprehensive policy statement regarding the physical, economic, and social development of the city; the preservation and conservation of natural and human features of the landscape; and the reuse of land and buildings within the city. Although housing represents a high priority, planning for housing must be balanced with the community's economic needs and environmental, resource, and open space protection policies, which are also essential aspects of the City's General Plan. Whereas general plans often reflect planning periods 15–25 years long, housing elements are updated every four to eight years, in accordance with state law.

The Housing Element addresses one of the State-mandated General Plan topics and most basic human needs: shelter. For this reason, the Housing Element represents a critical link between land use and transportation policies, which define the location, layout, and movement of people and goods, and environmental/resource policies. For a city to have a strong and balanced economy, where people live in proximity to where they work, workers must have places to live within their economic means.

The Housing Element contains three parts following this introduction:

- **Chapter 2: Community Profile** contains an analysis of population, housing, and employment characteristics and trends; the needs of special population groups such as seniors, large families, persons with disabilities and developmental disabilities; indicators of unmet need, such as overcrowding, overpayment, substandard housing, and the potential loss of affordable rental housing; and future housing construction needs. The purpose of the community profile is to characterize existing conditions and unmet housing needs among Lodi's current residents and to plan for future residents in the city.
- **Chapter 3: Resources and Constraints** addresses the opportunities and challenges to meet the housing needs identified in the community profile. Resources include the availability of land, adequate sites to meet housing needs, public and private organizations that provide housing and supportive services, and funding to implement the City's housing strategy. Constraints include the impacts of government action on housing availability and affordability, the interaction of market forces, infrastructure, and environmental conditions. This analysis focuses on the magnitude of potential constraints and identifies measures to remove them.
- **Chapter 4: Housing Strategy** identifies goals, policies, programs, and quantified objectives to meet identified housing needs, reduce constraints on housing availability and production, and make effective use of available resources. As part of its strategy, this section defines the responsible agencies, time frames, and the anticipated results of the programs.
- **Appendix A: Accomplishments** describes achievements during the previous Housing Element planning period (2007 to 2014), including housing units constructed or available for development and implementation of programs and policies. Lessons learned from these accomplishments have been used to revise policies and programs.

1.2 COMMUNITY CONTEXT

This section describes Lodi's community and demographic context in brief; Chapter 2: Community Profile provides further details.

According to the 2014–2022 Regional Housing Needs Allocation Plan prepared by the San Joaquin County Council of Governments, Lodi should plan to accommodate 1,931 additional residential units between 2014 and 2022. Of those residential units, 828, or 43%, should be affordable to extremely low-, very low-, or low-income households. It should be emphasized that this is the amount of housing the City should plan for; actual amounts of housing built will be influenced by broader economic forces, including the recent national and regional economic downturn. Potential impacts of market factors, as well as City policies and regulations, are examined in Chapter 3: Resources and Constraints.

Between 2010 and 2015, the city's population increased by 3%. By comparison, Tracy and Manteca, similarly sized cities, grew 3% and 10%, respectively, while the population of Stockton grew 5% during this period. From 2000 to 2010, population growth in Lodi was primarily in the age groups encompassing children (5 to 19 years) and people between the ages of 45 and 64.

Although historically San Joaquin County has been known for its agriculture and food processing industries, in 2007 the sectors that accounted for the greatest shares of total employment were trade, transportation and utilities (17%) and government (14%). Between 1992 and 2007, the following sectors saw the greatest increases in the number of jobs: construction, professional and business services, education and health services, retail trade, and transportation/warehousing/utilities. A high percentage of Lodi residents (54%) work outside the community, reflecting regional employment interdependencies.

Lodi residents earn 91% of the countywide median income, according to the 2008–2012 American Community Survey. The median income for all households in Lodi was $49,034, compared with $53,895 for San Joaquin County as a whole. According to the 2008–2012 ACS estimate, Lodi has slightly more homeowners than renters. The monetary resources needed to own a home are much greater than those needed to rent. The majority of renters earn in the $25,000 to $85,000 range, and very few earn over $100,000, demonstrating that individuals with higher incomes are more likely to be able to afford a home.

Lodi's housing stock is composed primarily of single-family homes. The total number of housing units increased from 23,793 in 2011 to 23,809 in 2014—less than a 1% change. The majority of new units are single-family detached homes, composing 99% of the new stock added since 2011. There is an overall lack of construction of townhomes, duplexes, and small- and medium-sized apartment buildings, which often represent more affordable rental housing. Of occupied housing units in Lodi, 54% are owned and 46% are rented. The vacancy rate between 2000 and 2010 increased significantly from 3.2% to 7.1%, according to the California Department of Finance. A vacancy rate of 5% is considered to be "normal"; a vacancy rate less than 5% indicates a tight market in which households may not be able to find vacant units that fit their needs.

Lodi has experienced a growing gap between housing costs and local incomes. In recent years, there has been a substantial increase in the number of households paying more than 30% of their incomes for housing. Based on the 2008–2012 ACS five-year estimate, 32% of owner households overpaid for housing; by comparison, 47% of renter households overpaid.

1.3 STATE REQUIREMENTS

Beginning in 1980 and refined periodically, the California Legislature adopted requirements for the contents of housing elements (California Government Code Sections 65580 to 65589.5). The contents of a housing element, as mandated by state law, include:

- An assessment of housing needs that includes an analysis of population and housing characteristics, employment and population projections, special housing needs, subsidized rental housing at risk of conversion, future housing construction need (regional housing allocation), and opportunities for energy conservation;
- An analysis of constraints (governmental and non-governmental) to the maintenance, improvement, or development of housing for all income levels;
- An inventory of vacant and underutilized sites by zoning category, with an assessment of the availability of public facilities and services to those sites; and
- A housing strategy containing an evaluation of past program achievements, goals, and policies, and a schedule of implementing actions with quantified objectives.

Although state law regarding housing elements requires communities to address the needs of all residents, particular attention in the housing element law is devoted to the needs of extremely-low-, very low-, and low-income households. Specifically, state law requires housing elements to:

- Identify adequate sites to facilitate and encourage housing for all income levels;
- Remove governmental constraints to housing production, maintenance, and improvement;
- Assist in the development of adequate housing for low- and moderate-income households;
- Conserve and improve the condition of existing affordable housing; and
- Promote housing opportunities for all persons.

1.4 DATA SOURCES AND THEIR USE

A variety of local, regional, state, federal, and private sources of information were used to prepare the Housing Element. As required by state law (Government Code Section 65584), the principal source of information used to determine future housing construction need is the San Joaquin County Regional Housing Needs Allocation for the 2014 to 2022 planning period. The principal sources of information included the US Census Bureau, American Community Survey (typically the 2008–2012 five-year estimate), California Department of Finance, California Employment Development Department, City of Lodi, San Joaquin County, California Association of Realtors, local nonprofit organizations serving special needs populations, local housing developers, residents, and local real estate and property management firms.

1.5 PUBLIC PARTICIPATION

The City encouraged participation by all segments of the community in the preparation of the Housing Element through a combination of a community workshop, general public notices and direct contacts with organizations serving low-income and special needs groups, and public hearings.

COMMUNITY WORKSHOP

City staff and the consultant conducted a stakeholders meeting and community workshop on June 25, 2014, to garner feedback for the Housing Element update. A workshop flyer was posted on the City's website and notifications were sent to local stakeholders. Twelve stakeholders attended the meeting to provide input on the development of the Housing Element. Stakeholders identified a need for more transitional housing and multifamily housing in Lodi. Participants also identified that developing new housing, including market-rate housing, is costly to construct even with development fees comparable or lower than surrounding jurisdictions.

Following the stakeholders meeting, a community workshop was held. The workshop was attended by approximately 20 community members. Michael Baker International gave a presentation on the Housing Element update including an overview of Housing Element components, new legislation, the Regional Housing Needs Allocation (RHNA), the update process and schedule, and demographic information. Following the presentation, members of the public were invited to ask questions or provide comments through interactive activities. Workshop participants felt that there was a need for more affordable and multifamily housing in the city. Programs and services that were most important to workshop participants included home maintenance and rehabilitation programs, rental housing assistance and preservation, and fair housing assistance.

Public Review and Hearings

On TBD, the City announced the availability of the draft Housing Element on the City's website. Contact information for the Neighborhood Services Manager was provided. Any substantive comments received were evaluated and incorporated, as appropriate. On TBD, the Planning Commission held a public hearing on the Housing Element to accept public comments. Comments included the following:

- TBD [CITY: This section will be completed following the public hearings.]

1.6 GENERAL PLAN CONSISTENCY

To promote a uniform and compatible vision for the development of the community, the General Plan must be internally consistent in its goals and policies, as required by California Government Code Section 65300.5. Government Code Section 65583(c) requires that a housing element describe how consistency has been achieved among the general plan elements. The most important aspect of consistency among general plan elements is that policies and implementation measures do not conflict, but support one another, to achieve the overall goals and vision of a general plan. Policies included in other Lodi General Plan elements that affect housing are summarized below. The City will review and revise, as necessary, the Housing Element for consistency when amendments are made to the General Plan.

LAND USE ELEMENT

LU-P3 Do not allow development at less than the minimum density prescribed by each residential land use category, without rebalancing the overall plan to comply with the "no net loss provisions of state housing law."

LU-P4 Maintain the highest development intensities downtown, and in mixed-use corridors and centers, with adequate transition to Low-Density Residential neighborhoods.

LU-P6 Locate new medium- and high-density development adjacent to parks or other open space, in order to maximize residents' access to recreational uses; or adjacent to mixed-use centers or neighborhood commercial developments, to maximize access to services.

LU-P18 Encourage medium- and high-density residential development in downtown by permitting residential uses at upper levels; and east and northwest of downtown, as depicted on the Land Use Diagram, by identifying vacant and underutilized sites that are appropriate for redevelopment.

LU-P24 Guide new residential development into compact neighborhoods with a defined Mixed-Use Center, including public open space, a school or other community facilities, and neighborhood commercial development.

LU-P26 Require a master or specific plan in areas with a Mixed-Use Center and adjacent complementary uses, as a condition of subdivision approval. Uses should include neighborhood commercial, civic and institutional uses, parks, plazas, and open space—consistent with Land Use Diagram (unless any of these uses are found infeasible and/or alternative locations are available to carry out mixed-use policies). Streets should adhere to the pattern depicted on the Land Use Diagram.

LU-P27 Provide for a full range of housing types within new neighborhoods, including minimum requirements for small-lot single family homes, townhouses, duplexes, triplexes, and multi-family housing.

GROWTH MANAGEMENT AND INFRASTRUCTURE ELEMENT

GM-G4 Provide public facilities—including police and fire services, schools, and libraries—commensurate with the needs of the existing and future population.

GM-P2 Target new growth into identified areas, extending south, west, and southeast. Ensure contiguous development by requiring development to conform to phasing described in **Figure 3-1** [of the General Plan]. Enforce phasing through permitting and infrastructure provision. Development may not extend to Phase 2 until Phase 1 has reached 75% of development potential (measured in acres), and development may not extend to Phase 3 until Phase 2 has reached 75% of development potential. In order to

respond to market changes in the demand for various land use types, exemptions may be made to allow for development in future phases before these thresholds in the previous phase have been reached.

GM-P3 Use the Growth Management Allocation Ordinance as a mechanism to even out the pace, diversity, and direction of growth. Update the Growth Management Allocation Ordinance to reflect phasing and desired housing mix. Because unused allocations carry over, as of 2007, 3,268 additional permits were available. Therefore, the Growth Management Allocation Ordinance will not restrict growth, but simply even out any market extremes.

GM-P4 Update allocation of units by density to ensure that development density occurs as recommended in Chapter 2: Land Use. For instance, approved permits should be allocated to provide 45.4% of permits for low density, 27.3% medium density, and 27.3% high density/ mixed use housing during phase 1. This represents a shift towards slightly more medium and high density housing in Lodi.

GM-P5 Update impact fee system to balance the need to sufficiently fund needed facilities and services without penalizing multifamily housing or infill development.

GM-P6 Annex areas outside the existing sphere of influence to conform with development needs for Phase 1, Phase 2, and Phase 3. Subsequent phases shall be annexed as current phases reach development thresholds.

GM-P8 Ensure that public facilities and infrastructure—including water supply, sewer, and stormwater facilities—are designed to meet projected capacity requirements to avoid the need for future replacement and upsizing, pursuant to the General Plan and relevant master planning.

GM-P9 Coordinate extension of sewer service, water service, and stormwater facilities into new growth areas concurrent with development phasing. Decline requests for extension of water and sewer lines beyond the city limit prior to the relevant development phase and approve development plans and water system extension only when a dependable and adequate water supply for the development is assured.

GM-P11 Prepare master plan documents as necessary during the planning period to address the infrastructure needs of existing and projected growth, and to determine appropriate infrastructure provision for each phase. Existing master plan documents should be used until new master plans are developed, and updates should occur as follows:

- A sanitary sewer system master plan should be undertaken soon after General Plan adoption. In particular, this master plan should address how to best provide sewer service for the growth on the east side of the city and for infill development, and to determine if additional

wastewater flows will need to be diverted into the proposed South Wastewater Trunk Line.

- A citywide stormwater master plan should be prepared soon after General Plan adoption to confirm or revise existing planning studies.
- A White Slough Water Pollution Control Facility master plan should be completed during the early stages of Phase 1, most likely in 2013 or 2014.
- A recycled water master plan was prepared in May 2008 and is current as of 2009. It may be appropriate to update this document when the next WSWPCF master plan is prepared, in 2013 or 2014, to evaluate the feasibility of constructing a scalping plant to provide recycled water for use within the city.
- A potable water supply and distribution master plan is not urgently needed, as of 2009. Future planning should be completed as necessary.
- The Urban Water Management Plan should be updated on a five year basis in compliance with State of California mandated requirements. Future plans should be developed in 2010, 2015, 2020, 2025, and 2030.

COMMUNITY DESIGN AND LIVABILITY ELEMENT

CD-P1 Incentivize infill housing—within the Downtown Mixed Use district and along mixed use corridors—through the development review, permitting and fee processes.

CD-P2 Ensure that Zoning and Subdivision ordinances include measures that guide infill development to be compatible with the scale, character and identity of adjacent development.

CD-P26 Focus new growth, which is not accommodated through infill development of existing neighborhoods, in easily-accessible and pedestrian friendly neighborhoods that include neighborhood-oriented commercial, public services such as schools and parks, and residential uses.

CD-P38 Promote location and siting of buildings that minimizes energy use by features such as enhancing use of daylight, minimizing summer solar gain, and use of ventilating breezes.

CD-P39 Design any City-owned buildings or City-owned buildings that are proposed for new construction or major renovation to meet the standards set by LEED™ or equivalent.

CD-P40 Prepare, or incorporate by reference, and implement green building and construction guidelines and/or standards, appropriate to the Lodi context, by 2012. The guidelines and/or standards shall ensure a high level of energy efficiency and reduction of environmental impacts associated with new

construction, major renovation, and operations of buildings. Ensure that these guidelines/standards:

- Require documentation demonstrating that building designs meet minimum performance targets, but allow flexibility in the methods used.
- Exceed California's 2005 Title 24 regulation standards for building energy efficiency by 15%, with particular emphasis on industrial and commercial buildings.
- Reduce resource or environmental impacts, using cost-effective and well-proven design and construction strategies.
- Reduce waste and energy consumption during demolition and construction.
- Identify street standards, such as street tree requirements, appropriate landscaping practices, and acceptable materials.
- Incorporate sustainable maintenance standards and procedures.
- Promote incorporation of energy conservation and weatherization features in existing structures. Develop programs that specifically target commercial and industrial structures for energy conservation and weatherization measures in order to reduce annual kWh per job.

These guidelines could be developed directly from the LEED (Leadership in Energy and Environmental Design) system developed by the U.S. Green Building Council, the California-based Build It Green GreenPoint rating system, or an equivalent green building program.

TRANSPORTATION ELEMENT

T-P1 Ensure consistency between the timing of new development and the provision of transportation infrastructure needed to serve that development. Regularly monitor traffic volumes on city streets and, prior to issuance of building permits, ensure that there is a funded plan for the developer to provide all necessary transportation improvements at the appropriate phase of development so as to minimize transportation impacts.

T-P2 Review new development proposals for consistency with the Transportation Element and the Capital Improvements Program. Ensure that new projects provide needed facilities to serve developments, and provide all needed facilities and/or contribute a fair share to the City's transportation impact fee.

T-P21 Work cooperatively with the Lodi Unified School District on a "safe routes to schools" program that aims to provide a network of safe, convenient, and comfortable pedestrian routes from residential areas to schools. Improvements may include expanded sidewalks, shade trees, bus stops, and connections to the extended street, bike, and transit network.

T-P35 Require community care facilities and senior housing projects with more than 25 units to provide accessible transportation services for the convenience of residents.

PARKS, RECREATION, AND OPEN SPACE ELEMENT

P-P2 Provide open space to meet recreation and storm drainage needs, at a ratio of eight acres of open space per 1,000 new residents. At least five acres must be constructed for park and recreation uses only. Drainage basins should be constructed as distinct facilities, as opposed to dual-functioning park and drainage basin facilities.

P-P3 Pursue the development of park and recreation facilities within a quarter-mile walking distance of all residences.

P-P5 Update the City's Open Space and Recreation Master Plan, as necessary to:

- Arrange a distribution of open spaces across all neighborhoods in the city;
- Ensure that parks are visible and accessible from the street, to the surrounding neighborhood, and citywide users; and
- Provide a variety of open spaces and facilities to serve the needs of the community, ensuring a balance between indoor and outdoor organized sports and other recreation needs, including passive and leisure activities.

P-P7 Work with developers of proposed development projects to provide parks and trails as well as linkages to existing parks and trails.

P-P19 Require master planned residential communities to dedicate parkland consistent with General Plan standards. In-lieu fees will only be acceptable where an exemption from providing a neighborhood park facility would not adversely affect local residents because an existing park is nearby.

P-P20 Address park dedication and new development impact fees as part of the Zoning Ordinance and Subdivision Regulations Update, to ensure compliance with the General Plan park and open space standard.

CONSERVATION ELEMENT

C-P3 Support the continuation of agricultural uses on lands designated for urban uses until urban development is imminent.

C-P5 Ensure that urban development does not constrain agricultural practices or adversely affect the economic viability of adjacent agricultural practices. Use appropriate buffers consistent with the recommendations of the San Joaquin County Department of Agriculture (typically no less than 150 feet) and limit incompatible uses (such as schools and hospitals) near agriculture.

C-P17 For future development projects on previously un-surveyed lands, require a project applicant to have a qualified archeologist conduct the following activities: (1) conduct a record search at the Central California Information Center at the California State University, Stanislaus, and other appropriate historical repositories, (2) conduct field surveys where appropriate and required by law, and (3) prepare technical reports, where appropriate, meeting California Office of Historic Preservation Standards (Archeological Resource Management Reports).

C-P37 Promote incorporation of energy conservation and weatherization features into existing structures. Update the Zoning Ordinance and make local amendments to the California Building Code, as needed, to allow for the implementation of green building, green construction, and energy efficiency measures.

C-P38 Encourage the development of energy efficient buildings and communities. All new development, including major rehabilitation, renovation, and redevelopment projects, shall incorporate energy conservation and green building practices to the maximum extent feasible and as appropriate to the project proposed. Such practices include, but are not limited to: building orientation and shading, landscaping, and the use of active and passive solar heating and water systems. The City may implement this policy by adopting and enforcing a Green Building Ordinance.

C-P41 Encourage the use of passive and active solar devices such as solar collectors, solar cells, and solar heating systems into the design of local buildings. Promote voluntary participation in incentive programs to increase the use of solar photovoltaic systems in new and existing residential, commercial, institutional, and public buildings.

C-P42 Continue to offer rebates to residential, commercial, industrial and municipal customers of Lodi Electric Utility who install photovoltaic (PV) systems or that participate in the Lodi Energy Efficient Home Improvement Rebate Program. Ensure that rebate programs are well advertised to the community and offer rebates that are sufficient to gain community interest and participation.

C-P43 Work with the California Energy Commission and other public and non-profit agencies to promote the use of programs that encourage developers to surpass Title 24 Energy Efficiency standards by utilizing renewable energy systems and more efficient practices that conserve energy, including, but not limited to natural gas, hydrogen or electrical vehicles. Offer incentives such as density bonus, expedited process, fee reduction/waiver to property owners and developers who exceed California Title 24 energy efficiency standards.

SAFETY ELEMENT

S-P6 Prohibit new development, except for public uses incidental to open space development, within Zone A (100-year flood zone) of the most current

FEMA floodplain map (see **Figure 8-1** [in the General Plan] for the most current map).

S-P10 Require that all fuel and chemical storage tanks are appropriately constructed; include spill containment areas to prevent seismic damage, leakage, fire and explosion; and are structurally or spatially separated from sensitive land uses, such as residential neighborhoods, schools, hospitals and places of public assembly.

S-P11 Ensure compatibility between hazardous material users and surrounding land use through the development review process. Separate hazardous waste facilities from incompatible uses including, but not limited to, schools, daycares, hospitals, public gathering areas, and high-density residential housing through development standards and the review process.

S-P22 Require new development to include grading and erosion control plans prepared by a qualified engineer or land surveyor.

NOISE ELEMENT

N-G2 Protect sensitive uses, including schools, hospitals, and senior care facilities, from excessive noise.

N-P4 Discourage noise sensitive uses such as residences, hospitals, schools, libraries, and rest homes from locating in areas with noise levels above 65db. Conversely, do not permit new uses likely to produce high levels of noise (above 65db) from locating in or adjacent to areas with existing or planned noise-sensitive uses.

N-P5 Noise sensitive uses, such as residences, hospitals, schools, libraries, and rest homes, proposed in areas that have noise exposure levels of "conditionally acceptable" and higher must complete an acoustical study, prepared by a professional acoustic engineer. This study should specify the appropriate noise mitigation features to be included in the design and construction of these uses, to achieve interior noise levels consistent with Table 9-3 [of the General Plan].

N-P6 Where substantial traffic noise increases (to above 70db) are expected, such as on Lower Sacramento Road or Harney Lane, as shown on the accompanying graphic [see General Plan], require a minimum 12-foot setback for noise-sensitive land uses, such as residences, hospitals, schools, libraries, and rest homes.

N-P14 Reduce vibration impacts on noise-sensitive land uses (such as residences, hospitals, schools, libraries, and rest homes) adjacent to the railroad, SR-99, expressways, and near noise-generating industrial uses. This may be achieved through site planning, setbacks, and vibration-reduction construction methods such as insulation, soundproofing, staggered studs, double drywall layers, and double walls.

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2. Housing Needs Assessment

This assessment aims to evaluate the effectiveness of existing housing policies and programs and provide a general direction and focus for future housing initiatives.

2.1 POPULATION AND HOUSING CHARACTERISTICS

POPULATION

According to the California Department of Finance (DOF), Lodi's 2015 population is estimated to be 63,719, as shown in Table 2-1. Lodi has been the slowest growing city in San Joaquin County in recent years; between 2010 and 2015, the city's population increased by 3%. In contrast, the comparable-sized cities of Tracy and Manteca grew 3% and 10%, respectively, during this period.

Table 2-1: Comparison of Population Growth in Selected Areas

Jurisdiction	*2010*	*2015*	*Numerical Increase*	*Percentage Change*
San Joaquin County	685,306	719,511	34,205	5
Lodi	62,134	63,719	1,585	3
Escalon	7,132	7,413	281	4
Lathrop	18,023	20,353	2,330	13
Manteca	67,096	73,787	6,691	10
Ripon	14,297	14,922	625	4
Stockton	291,707	306,999	15,292	5
Tracy	82,922	85,296	2,374	3

Source: US Census, 2010; DOF 2015

As shown in Table 2-2, Lodi's population has grown at an average annual rate of less than 1% since 2000. While projections from the San Joaquin Council of Governments (SJCOG) indicate that growth is expected to occur at approximately a 1.5% annual growth rate, the City predicts a more modest pace at 1% through the next several decades. It should be noted that the City's residential permit activity from 2010 through 2013 remained at approximately 11 single-family residences. From January 2014 through April 2015, Lodi's permit activity increased to 38 single-family residences.

Table 2-2: Population Growth Trends

	Year	Population, Based on 1.5% Growth Rate	Population, Based on 1% Historic Growth Rate
Actual	2000	—	57,011
	2005	—	61,431
	2010	—	62,134
	20151	63,719	63,719
Projected	2020	68,643	66,969
	2025	73,949	70,385
	2030	89,664	73,976
	2035	85,820	77,749

Source: US Census, 2000, 2010; DOF 2005, 2015, 2020, 2025, 2030, 2035.; City of Lodi, Municipal Services Review Draft

1. Estimate and not actual for 2015.

AGE

Table 2-3 reports a breakdown of the city's population by age cohort in 2000 and 2010, according to the US Census. Middle-aged adults, ages 25 to 44, represent the greatest proportion of Lodi's population. A comparison between these years shows the greatest increases in the number of adults 45 to 64 in age, as well as children 5 to 19 in age. Overall, this data suggests that Lodi has a fairly balanced population across all the age categories, 31% youth (0 to 19), 7% young adults (20 to 24), 48% adults (25 to 64), and 13% seniors (65 and up).

Table 2-3: Age Characteristics and Trends

	2000[1]		2010	
Age	Number	Percentage	Number	Percentage
0 to 4	4,495	8	4,909	8
5 to 19	11,596	20	14,056	23
20 to 24	5,472	10	4,180	7
25 to 44	16,032	28	15,931	26
45 to 64	11,263	20	14,681	24
65+	8,141	14	8,377	13
Total	**56,999**	**100**	**62,134**	**100**

Source: US Census, 2000, 2010.

1. Age categories across 2000 and 2010 are not consistent. The 2000 US Census divided age categories into 5 to 17 and 18 to 24, instead of 5 to 19 and 20 to 24 as in the 2010 US Census.

2.2 HOUSEHOLD TRENDS

HOUSEHOLD GROWTH

The number of households in Lodi increased at a slower rate than the city's population during the last two decades. Therefore, the average household size increased over this period. The California Department of Finance (DOF) reports 22,123 households for 2015 estimates, as shown in Table 2-4. As shown in Table 2-5, Lodi's household growth is projected to grow at an annual rate of 0.5% between 2018 and 2025.

Table 2-4: Household Growth Trends

Year	*Households*[1]	*Numerical Change*	*Annual % Change*
2000	20,695	—	—
2010	22,097	1,402	1
2015	22,123	26	0

Source: DOF, E8 2000–2010; DOF E5 2015

1. Households represent the total number of housing units minus vacancies, as determined by the vacancy rate. It excludes group living quarters as well.

Table 2-5: Household Growth Projections[1]

Year	*Households*	*Numerical Change*	*Annual Percentage Change*
2008	23,529	—	—
2020	25,010	1,402	0.5
2035	27,200	26	0.5

Source: SJCOG 2008

[1] Table includes data from 2008 to show the base year which all projections used as a base year for calculations.

HOUSEHOLD COMPOSITION AND SIZE

Table 2-6 describes Lodi households, by size and then by tenure. According to the ACS in the 2008–2012 period, the majority of households in Lodi were family households—those with at least two people who are related to each other by blood or marriage. That is, more owner households live in households with 2–4 persons than other household sizes, which is the same for renter households. Householders living alone are nearly the same in number for owners and renters; however, only 22% of those homeowners live alone whereas 34% of renters live alone. Thus, living alone occurs at a higher rate for renters. Generally, Lodi has more owners (58%) than renters (42%).

Table 2-6: Household Size by Tenure

	2012			
	Owner	*Percentage of Total*	*Renter*	*Percentage of Total*
Householder living alone	2,669	47	2,987	53
Households 2–4 persons	7,650	66	3,968	34
Large households 5+ persons	1,517	46	1,629	52
Total Households	**11, 836**	**58**	**8,584**	**42**

Source: ACS Five-Year Estimate, 2008–2012

Three-quarters of all households in Lodi are composed of two-member households, as shown in Table 2-6.. According to the ACS Five-Year Estimate, 2008–2012, the average number of persons per household for Lodi is 2.82, which is comparably lower than the county at an average of 3.14 persons.

2.3 INCOME AND HOUSING COSTS

INCOME

Table 2-7 describes income by tenure. According to the ACS 2008–2012 estimate, Lodi has slightly more owners than renters. The median income for all households in Lodi was $49,034, compared with $53,895 for San Joaquin County as a whole..Residents who earn $100,000 to $149,000 and those earning $50,000 to $74,999 make up the two largest owner-occupied household income groups in Lodi. Only a very small percentage of owner-occupied households make less than $35,000. The monetary resources needed to own a home are much greater than those needed to rent, which may account for this discrepancy. The largest renter-occupied household group falls into the $25,000 to $85,000 range, and very few make over $100,000, demonstrating that higher-income individuals are more likely to own a home.

Table 2-7: Household Income by Tenure

Household Income	*Number of Households*	*Percentage*
Owner-Occupied Households	**11,836**	**100**
Less than $5,000	169	1
$5,000 to $9,999	136	1
$10,000 to $14,999	372	3
$15,000 to $19,999	538	5
$20,000 to $24,999	428	4
$25,000 to $34,999	927	8
$35,000 to $49,999	1,513	13
$50,000 to $74,999	2,142	18
$75,000 to $99,999	1,615	14
$100,000 to $149,999	2,339	20
$150,000 or more	1,657	14

Household Income	*Number of Households*	*Percentage*
Renter–Occupied Households	**10,058**	**100**
Less than $5,000	415	4
$5,000 to $9,999	356	4
$10,000 to $14,999	969	10
$15,000 to $19,999	999	10
$20,000 to $24,999	865	9
$25,000 to $34,999	1,645	16
$35,000 to $49,999	1,797	18
$50,000 to $74,999	1,608	16
$75,000 to $99,999	785	8
$100,000 to $149,999	475	5
$150,000 or more	144	1
Total Households	**21,894**	
Median Income (All Households)	$49,034	

Source: ACS Five-Year Estimate, 2008–2012

HOUSING COSTS

The median price for a home in Lodi (including single-family and multifamily ownership homes, new and existing) in 2014 was $235,000, as shown in Table 2-8. This represents a substantial increase of 39% compared with the median sale price from two years previous in 2012. This reflects a significant reversal of trends compared to housing prices in 2008 and 2009, which fell 31%.

Table 2-8: Median Housing Price

Jurisdiction	*2012*	*2013*	*2014*	*Percentage Change*
Lodi	**$169,000**	**$201,500**	**$235,000**	**39**

Source: Realtytrack.com 2014; www.dqnews.com 2012 and 2013

As shown in Table 2-9, median contract rents in Lodi have increased over the last decade from $527 to $834, an average increase of 6% per year from 2000 to 2012. However, because the rental markets have fluctuated in recent years due to the recession, a comparison to more recent median contract rents may be useful. To illustrate, from 2000 to 2007, median contract rents increased an average of 7% per year, whereas from 2009 to 2012, median contract rents increased an average of less than 1% per year. This shows that most of the first decade grew at a quicker pace than in recent years.

In 2000, Lodi's median rent was higher than the median rent for the county as a whole, whereas in 2012 the county's median rent climbed higher than Lodi's, a difference of $28. This suggests that the cost of rental housing in the county increased at a quicker pace and even exceeded Lodi rental housing costs.

Some of Lodi's increase in median rent over the last decade may be attributed to inflation, but the demand for rental housing combined with a lack of rental housing construction has also likely contributed to the rise in rents.

Table 2-9: Median Contract Rents

Jurisdiction	*2000*	*2009*	*2008–2012*	*Percentage Change*
San Joaquin County	$521	$810	$862	66
Lodi	$527	$819	$834	58

Source: US Census, 2000; ACS Five-Year Estimate, 2008–2012

Rental Housing Market

Table 2-10 shows the results of a Michael Baker International rental survey of locally available rental units in the city. The monthly median rent was $1,514 for single-family homes and $1,201 for units in multifamily structures. Of the rental listings for single-family homes surveyed, three-bedroom single-family homes and two-bedroom multifamily homes had the greatest number of listings. There were no listings for multifamily units with four or more bedrooms, nor were any one-bedroom single-family homes available.

Table 2-10: Rental Prices

Number of Bedrooms	*Single-Family*		*Multifamily*	
	Median Rent	*Number of Units Surveyed*	*Median Rent*	*Number of Units Surveyed*
1 bedroom	—	0	$778	3
2 bedrooms	$750	3	$995	12
3 bedrooms	$1,397	8	$1,150	1
4 bedrooms	$2,100	3	—	0
5+ bedrooms	$1,895	1	—	0
Average/Total	***$1,514***	***15***	***$1,201***	***16***

Source: Michael Baker International rental survey, June 2015

Housing Affordability

Table 2-11 displays the maximum rents and sales prices as of June 2015, which are affordable to extremely low-, very low-, low-, and moderate-income households. Affordability is based on the following assumptions: a household spending 30% or less of their total household income for shelter; the maximum household income levels established by the US Department of Housing and Urban Development (HUD) and the California Department of Housing and Community Development (HCD); and maximum affordable sales prices based on 10% down and a 30-year fixed-rate mortgage with an interest rate of 5.25%.

In Table 2-11, the extremely low- and very low-income groups fall below the median rental costs that were surveyed and shown in Table 2-10. The maximum monthly rent that a four-person extremely low-income (ELI) household can afford is $710 per month. The median price for a two-bedroom apartment in the city is $750, which is greater than the affordable rent an extremely low-income household of any size (one- to four-person households) can afford. Additionally, very low-income households of one, two, or three persons could not afford a two-bedroom apartment. Households considered to be low income earn enough to avoid overpayment of apartment rentals and slightly less than enough to avoid overpayment of a single-family home rental. Moderate- and above moderate-income households generally earn enough income to avoid overpayment in both single-family and apartment homes.

Table 2-11: City of Lodi – Affordable Housing Costs

Income Category	*Household Size*			
	1-Person	*2 -Person*	*3 -Person*	*4 -Person*
Extremely Low				
Annual Income Limit	$13,950	$15,950	$20,090	$28,410
Monthly Income	$1,163	$1,329	$1,674	$2,368
Max. monthly rent	$349	$399	$502	$710
Max. sales price	$53,261	$62,341	$81,164	$118,903
Very Low				
Annual Income Limit	$23,250	$26,550	$29,850	$33,150
Monthly Income	$1,938	$2,213	$2,488	$2,763
Max. monthly rent	$581	$664	$746	$829
Max. sales price	$95,494	$110,487	$125,480	$140,474
Low				
Annual Income Limit	$37,150	$42,450	$47,750	$53,050
Monthly Income	$3,096	$3,538	$3,979	$4,421
Max. monthly rent	$929	$1,061	$1,194	$1,326
Max. sales price	$158,634	$182,707	$206,780	$230,853
Moderate				
Annual Income Limit	$55,700	$63,650	$71,600	$79,550
Monthly Income	$4,642	$5,304	$5,967	$6,629
Max. monthly rent	$1,393	$1,591	$1,790	$1,989
Max. sales price	$242,967	$279,077	$315,187	$351,297

Source: http://www.zillow.com/mortgage-calculator/house-affordability/; June 2015

Overpayment

There has been a substantial increase in the number of renter households paying more than 30% of their incomes for housing. Overpayment is defined as housing costs that exceed 30% of a household's income. Housing costs include payments for the housing unit (rent or mortgage payment), utilities, property taxes, and homeowner's or renter's insurance.

In 2000, 44% of renter households overpaid for housing; by comparison, 58% of renter households overpaid in 2005–2007. As shown in Table 2-12, in 2008–2012, 63% of renter households overpaid for housing.

On the other hand, the number of homeowners overpaying has decreased. In 2000, 24% of homeowners overpaid for housing costs; that number increased to 38% in 2005–2007 but declined in 2008–2012 to 34%.

Overpayment is most severe among lower-income households. This is especially true for renters; 98% of extremely low- and 84% of very low-income households overpay. Owner-occupied households experience a similar trend, except for moderate-income households: 55% of moderate-income households overpay for housing compared to 46% and 41% of very low- and low-income households. This data suggests a need for more affordable housing, particularly rental housing for lower-income residents

Table 2-12: Households Paying More Than 30% for Housing

	Owner-Occupied		*Renter-Occupied*	
Income	*Number*	*Percentage Overpaying by Income Category*	*Number*	*Percentage Overpaying by Income Category*
Extremely Low	857	74	2,440	98
Very Low	550	46	1,788	84
Low	790	41	1,278	57
Moderate	1,059	55	521	37
Above Moderate	756	14	53	4
		Percentage Overpaying for All Owner-Occupied		*Percentage Overpaying for All Renter-Occupied*
Total	**4,012**	**34**	**6,079**	**63**

Source: ACS Five-Year Estimate, 2008–2012

2.4 HOUSING CHARACTERISTICS

HOUSING UNITS AND VACANCY

Lodi's housing stock comprises primarily single-family homes. Construction of new housing units, single-family or multifamily, has slowed down significantly in recent years. To illustrate, the total number of housing units increased from 23,793 in 2011 to just 23,809 in 2014—a less than 1% change. Previously and by comparison, the number of housing units in Lodi increased by 9% from 2000 to 2008. As shown in Table 2-13, the majority of new units are single-family detached homes, comprising nine of the ten new homes added since 2011. The one additional new unit is a mobile home. There has been no increase in the stock of townhomes, duplexes, or multifamily units, which often represent more affordable rental housing than single-family homes.

The DOF estimated a combined vacancy rate for rental (8.2%) and ownership units (2.3%) of 7.1% in 2010; this value has increased significantly since 2000, when the overall rate was 3.2%.[1] By comparison, recent ACS five-year estimates for 2008–2012 and 2009–2013 reported vacancy rates of 6.6% and 7.3%, respectively. Vacancy rates less than 5% typically indicate a tight market in which households may not be able to find vacant units that fit their needs.

Table 2-13: Housing Units, by Type

	2011		*2014*		*Percentage Change (2011–2014)*
	Number	*Percentage*	*Number*	*Percentage*	
Single-Family Detached	15,003	63	15,018	63	<1
Single-Family Attached	1,444	6	1,444	6	<1
2 to 4 Units	1,846	8	1,846	8	<1
5 or More Units	5,062	21	5,062	21	<1
Mobile Homes	438	2	439	2	<1
Total	**23,793**	**100**	**23,809**	**100**	**0.3**

Source: DOF E-5 2011–2014

TENURE

Of the 21,894 occupied housing units in Lodi, 11,836 units (54%) are owner-occupied and 10,058 (46%) are renter-occupied, as shown in Table 2-14. This is a 1% increase in renter-occupied and a decrease for owner-occupied; however, this change remains small as the rates of owner to renter have remained relatively stable since 2000. . Table 2-14 also describes tenure, by age group. Householders aged 45 to 54 make up the largest group of homeowners, while 35

[1] Homeowner and rental vacancy rate definitions are different between Census 2000 and Census 2010. Census 2010 includes sold- or rented-not occupied as part of the vacant housing stock, while Census 2000 treated them as occupied. For further information, see 2010 Census Demographic Profile Summary File Technical Documentation, pp.6-2 and 6-5. For most cases, the difference will be less than 0.02%.

to 44 year olds make up the largest group of renters. The number of renters decline with age. This may be because older individuals have more income to available to afford homeownership. .

Table 2-14: Tenure by Age of Householder

Householder, by Age	*2012*	
	Number	*Percentage of Age Group*
Owner-occupied housing units		
Householder 15 to 24 years	199	2
Householder 25 to 34 years	918	8
Householder 35 to 44 years	1,810	15
Householder 45 to 54 years	2,785	24
Householder 55 to 59 years	1,071	9
Householder 60 to 64 years	1,206	10
Householder 65 to 74 years	2,015	17
Householder 75 years to 84 years	1,225	10
Householder 85 years+	607	5
Total	**11,836**	**100**
Renter-occupied housing units		
Householder 15 to 24 years	1,088	11
Householder 25 to 34 years	2,081	21
Householder 35 to 44 years	2,347	23
Householder 45 to 54 years	2,077	21
Householder 55 to 59 years	742	7
Householder 60 to 64 years	501	5
Householder 65 to 74 years	424	4
Householder 75 years to 84 years	396	4
Householder 85 years+	402	4
Total	**10,058**	**100**

Source: ACS Three-Year Estimate, 2008–2012

HOUSING PROBLEMS

The Comprehensive Housing Affordability Strategy (CHAS) was developed by HUD to assist jurisdictions in writing their consolidated plans. According to Table 2-15**,** 10,780 households in Lodi have one housing problem. Renters (6,430) with a housing problem outnumber owners with a housing problem (4,350). The first and second most common housing problems are the same for renters and owners: (1) housing cost burden and (2) severe housing cost burden. Approximately 300 renters and 40 owners have substandard housing.

Table 2-15: Total Households with a Housing Problem[1]

Housing Problem	*Total Renters*	*Total Owners*	*Total Households*
Substandard Housing – lacks complete kitchen or plumbing	300	40	340
Overcrowded (1.01–1.5 people per room)	895	315	1,210
Severely overcrowded (>1.51 people per room)	390	110	500
Housing cost burdened (housing cost >30% of income)	2,445	2,440	4,885
Severe housing cost burden (housing costs >50% of income)	2,310	1,400	3,710
zero/negative income	90	45	135
All Households with One Housing Problem	**6,430**	**4,350**	**10,780**

Source: 2007–2011 CHAS

Note: 1. CHAS defines a "housing problem" as a household with only one of the following: lacks complete kitchen or plumbing, overcrowded (1.01–1.5 people per room), severe overcrowding (>1.51 people per room), and cost burdened (housing cost >30% of income), severe cost burden (housing costs >50% of income), or zero/negative income.

Per the information in Table 2-16, there were 1,380 owner households and 3,80 renter households with one or more housing problems (which include incomplete kitchen facilities, incomplete plumbing facilities, more than 1.5 person per room, or a cost burden greater than 50%). Of those, 630 owners and 2,065 renters with one or more housing problems earn less than 50% of the area median income (AMI).

Table 2-16: Total Households with One or More Severe Housing Problem[1]

Household Income	*Total Renters*	*Total Owners*	*Total Households*
Household Income ≤30% AMI with One or More Severe Housing Problems	1,315	250	1,565
Household Income 30%–50% AMI with One or More Severe Housing Problems	1,290	380	1,670
Household Income 50%–80% AMI with One or More Severe Housing Problems	920	570	1,490
Household Income 80%–100% AMI with One or More Severe Housing Problems	155	180	335
All Households With One or More Severe Housing Problems	**3,680**	**1,380**	**5,060**

Source: 2007–2011 CHAS

Note: 1. CHAS defines "severe housing problem" as one or more of the following: lacks kitchen or complete plumbing, severe overcrowding (>1.51 people per room), and severe cost burden (housing costs >50% of income).

HOUSING CONDITIONS

Age of Structure

Approximately 60% of Lodi's housing stock was built before 1980, as shown in Table 2-17. When units are 30 years or older, they typically begin to require some major improvements and repairs in order to retain their quality, suggesting a large portion of homes may need substantial upgrades if they have not been maintained over the years.

Table 2-17: Year Structure Built

Year	*Number*	*Percentage*
Built 2010 or later	53	less than 1
Built 2000 to 2009	1,905	8
Built 1990 to 1999	2,893	12
Built 1980 to 1989	4,658	20
Built 1970 to 1979	3,895	17
Built 1960 to 1969	3,514	15
Built 1950 to 1959	3,286	14
Built 1940 to 1949	1,419	6
Built 1939 or earlier	1,886	8
Total	**23,509**	**100**

Source: ACS Five-Year Estimate, 2008-2012.

Substandard/in Need of Rehabilitation

In 1984, the City prepared a Housing Assistance Plan (HAP) as part of an application for federal funding. This plan revealed that 1,778 housing units were in substandard condition, of which 156 needed replacement. The number of substandard housing units in 1984 represented about 12% of the housing stock and about 70% of the number of housing units over 40 years old at the time. The HAP used 40 years as a criterion for estimating potential rehabilitation need.

Over that past 30 years, the number of housing units over 40 years old has increased to approximately 12,000. This represents about 51% of the city's housing stock, compared to about 17% in 1984. If the relationship between age and condition in 2015 is the same as in 1984, as much as 70% of the housing over 40 years old may need rehabilitation, or up to 8,400 dwelling units. This number represents half of the city's housing stock.

Construction of new single-family housing units in Lodi has slowed down in the last 30 years, thus contributing to a high percentage of aged housing units that need rehabilitation. Of greater concern expressed at the community workshop on June 25, 2015, is the lack of development of multifamily housing units over the last 30 years; however, this may be due in part to the abundance of multifamily units built in years prior, especially in the early 1980s. According to residents, multifamily units in Lodi are aged and in great need of updating and repair.

The City's Community Improvement Unit within the Lodi Police Department administers the code enforcement program that works to bring substandard homes into compliance with all applicable building and health and safety codes. Over the past 10 years, the Code Enforcement Unit has completed activities that have resulted in improvements to approximately 1,800 housing units, mostly rental units. Using this rate of improvements as an average, the Code Enforcement Unit will be able to rehabilitate approximately 1,440 housing units during the eight-year planning period, which represents 17% of the units needing repair. City resources are limited; however, another obstacle faces residents. At the community workshop, it was stated that residents lack information about code enforcement assistance. Residents also they fear retaliation by their landlords, which prevents them from requesting assistance regarding substandard conditions. Housing improvements have also been driven by the Lodi Improvement Committee (formerly the Eastside Improvement Committee), which assists and advises on property maintenance, neighborhood improvement, and historical preservation issues; designs and implements programs to reduce blight and foster community pride; and works to reduce crime, drugs, and blight in coordinating civil actions against nuisance property owners.

OVERCROWDING

Overcrowding (defined as more than one occupant per room) rates are generally low in Lodi, suggesting that most households are able to find housing to accommodate their household size. However, in 2012 there were 2,477 households that are overcrowded, requiring large housing units with more rooms. As show in Table 2-18, 8% all housing units (owned or rented) were overcrowded and 3% of housing units were severely overcrowded in 2008–2012. Renter-occupied units had a higher rate of overcrowding (14%) and severe overcrowding (5%) than owner-occupied units.

Table 2-18: Overcrowding (Occupants per Room)

Housing Units, by Tenure	*2008–2012*	
	Number	*Percentage of Total Owner-Occupied/Renter-Occupied*
Owner-Occupied Total	*11,836*	*100*
Overcrowded (more than one occupant per room	461	4
Severely overcrowded (1.5 or more occupants per room)	120	1
Renter-Occupied Total	*10,058*	*100*
One or fewer occupants per room	1,381	14
More than one occupant per room	515	5
Total Overcrowded Housing Units	**2,477**	**11**
Total Housing Units	**21,894**	**100**

Source: ACS Five-Year Estimate, 2008–2012

2.5 EMPLOYMENT

As shown in Table 2-19, the three largest employment sectors in 2012 in San Joaquin County are (1) educational services, health care, and social assistance at 21%, (2) retail at 12%, and (3) manufacturing at 10%.

Table 2-19: Employment in San Joaquin County

Employment, by Industry	*2012*	*Percentage of Total*
Agriculture, forestry, fishing and hunting, and mining	13,365	5
Construction	19,049	7
Manufacturing	27,471	10
Wholesale trade	11,379	4
Retail trade	32,385	12
Transportation and warehousing, and utilities	16,861	6
Information	5,072	2
Finance and insurance, and real estate and rental and leasing	142,277	5
Professional, scientific, and management, and administrative and waste management services	24,841	9
Educational services, and health care and social assistance	56,982	21
Arts, entertainment, and recreation, and accommodation and food services	20,892	8
Other services, except public administration	12,739	5
Public administration	14,623	5
Total	**269,936**	**100**

Based on the Employment Development Department's labor market information, the county's largest employers in the healthcare industry include Dameron Hospital Association, Lodi Memorial Hospital, and San Joaquin General Hospital. The county's largest manufacturers are Pacific Coast Producers (canning) and Leprino Foods Company (cheese processors). The county's largest single retail employer is the Walmart Supercenter. Retail is the second largest industry and is made up of mostly smaller businesses rather than a few large employers. Some of the county's other largest employers include fruit/vegetable growers and shippers called Morada Produce Company and O-G Packing and Cold Storage. Educational employers include the University of the Pacific. Three large social service providers include two correctional facilities and Stockton's foster care services. Lodi has four of the top 25 employers in the county: Blue Shield of California, Lodi Memorial Hospitals, Pacific Coast Producers, and Waste Management.

EMPLOYMENT TRENDS

SJCOG projects a modest increase in jobs from 2008 to 2035 in Lodi (0.8% annually) , as shown in Table 2-20. This is lower than the county rate of 1%. Cities in the county are projected to add jobs at a rate between 0.6% and 1.1% each year. The highest percentage of job growth is projected in the unincorporated areas of the county (1.1% per year of growth). Because

substantial agricultural activity occurs in unincorporated areas of the county, this may be attributable to increased jobs in the agricultural industry.

Table 2-20: Employment Projections in Selected Areas

Jurisdiction	*2008*	*2020*	*2035*	*Average Annual Growth Rate*
San Joaquin County[1]	220,668	234,236	282,608	1%
Lodi	23,693	24,101	29,094	>1%
Manteca	15,846	16,371	20,220	1%
Lathrop	5,535	5,909	7,090	1%
Ripon	3,845	3,937	4,615	>1%
Escalon	1,858	1,844	2,180	>1%
Stockton	122,198	131,309	157,823	1%
Tracy	22,058	23,528	28,299	1%
Remainder of County	**25,636**	**27,237**	**33,288**	**1%**

1. Totals may be one or two digits off due to rounding errors in the data.

Source: SJCOG 2008.. Lodi's estimate includes the community of Woodbridge

JOBS/HOUSING RATIO

Commute distance is an important factor in housing availability and affordability and is also an indicator of jobs/housing balance. Communities with extended commute distances generally have a poor jobs/housing balance, while those with short average commutes tend to have a strong jobs/housing balance. The burden of the additional costs associated with extended commuting disproportionately affects lower-income households who must spend a larger portion of their overall income on fuel. This in turn affects a household's ability to occupy decent housing without being overburdened by cost. As shown in Table 2-21, 43% of Lodi residents commute less than 15 minutes to work each way, indicating that almost half of the city's residents depend on employment opportunities within Lodi or nearby rural areas. Approximately 50% depend heavily on the surrounding jurisdictions in San Joaquin County for employment opportunities. The remaining 7 percent likely travel outside the county.

Jobs and housing are considered to be balanced when there are an equal number of employed residents and jobs in a given area, with a ratio of approximately 1.0. Table 2-22 shows the jobs/housing ratio in Lodi for 2015, which is 1.1. This means that for every ten jobs, there are nine housing units.

Table 2-21: Travel Time to Work

Travel Time to Work	*Percentage*
14 minutes or less	43
15 to 19 minutes	11
20 to 29 minutes	18
30 to 59 minutes	21
60 or more minutes	7
Total	**100**

Table 2-22: Lodi Jobs and Housing Projections

Jobs/Housing	*2015*
Jobs	26,400
Total Housing Units1	23,830
Jobs/Households Ratio	1.1

Source: DOF 3-5 2015.

1. Total Housing Units represents the total number of housing units without accounting for vacancy rates, and excludes group quarters.

2.6 SPECIAL NEEDS POPULATIONS

Certain groups in the Lodi encounter greater difficulty finding decent, affordable housing due to their special needs or circumstances. Special circumstances may be related to a household's employment and income, family characteristics, medical condition or disability, and/or household characteristics. A focus of the Housing Element is to ensure that persons from all walks of life have the opportunity to find suitable housing in Lodi.

State Housing Element law identifies the following special needs groups: senior households, persons with disabilities, persons with developmental disabilities, single-parent (particularly female-headed) households, large households, farmworkers, extremely- and very low-income persons, and families in need of emergency shelter. This section provides a discussion of housing needs for each particular group and identifies the programs and services available to address their housing and supportive services needs.

SENIORS

The housing needs of seniors may be more problematic to meet than the needs of other residents since seniors are often living on a fixed income and many have special housing and care needs. According to the ACS for the 2008–2012 period, approximately 23% of households in Lodi were headed by persons age 65 years and older. This is a 2% increase in the number of senior households since 2007. Of these elderly households, 3,847 were homeowners and 1,225 were renters.

According to the California Department of Social Services, there are currently 11 licensed care facilities for seniors located in Lodi. The facilities provide 500 beds for persons age 60 and above. There are also eight adult residential facilities with a capacity of 131 persons that may be available for seniors. The City itself also administers various day programs designed for its senior residents. In a public-private partnership, the City maintains and operates Hutchins Street Square, a multipurpose community center located in an old high school. Hutchins Street Square is home to a senior center that provides classes, programs, and services for the elderly. The Lodi Senior Citizens Commission, an active community organization, identifies the needs of seniors and initiates action to address those needs. The LOEL Senior Center (LOEL) is a private senior community center, which includes 14 units restricted to low-income senior households. LOEL provides daily hot meals, health services and education, and social activities. LOEL delivers meals to seniors who are not able to make it to the center.

Table 2-23: Senior Householders by Tenure and Age

Jurisdiction	*Owner-Occupied Household*	*Renter-Occupied Households*	*Total*
Householder 65 to 74 years	2,015	424	2,439
Householder 75 to 84 years	1,225	396	1,621
Householder 85 years and over	607	402	1,009
Total	**3,847**	**1,222**	**5,069**

Source: ACS Five-Year Estimate 2008–2012

PERSONS WITH DISABILITIES

Persons with disabilities may have special housing needs because of health costs, fixed or limited incomes, and/or a lack of accessible and affordable housing. A disability is defined broadly by state and federal agencies as any physical, mental, or emotional condition that lasts over a long period of time, makes it difficult to live independently, and affects one or more major life activities.

Approximately 32% of Lodi's population has some type of disability. Of those disabled in the community, 33% are seniors above the age of 65. According to the 2000 US Census, 16% (733 persons) of Lodi's disabled population (ages 5–64) are employed. The remaining are either unemployed (30%) or above the age of 65 (52%).

Individuals with disabilities do not necessarily require special housing features or supportive services. However, to maintain independent living, persons with disabilities may need special housing design features, income support, and/or in-home supportive services. More severely disabled individuals may require a group living environment supported by trained personnel.

According to the California Department of Social Services, Lodi is home to eight licensed adult day care facilities with a capacity to serve 131 clients. Lodi also has 11 licensed elderly care facilities with a capacity to serve 500 clients. Lodi enforces state building code standards and model code requirements for accessibility in residential construction (Title 24 of the California Administrative Code).

Table 2-24: Disability Type by Age, 2000

Total Disability	*Number*	*Percentage*
Total Disabilities for Ages 5–64	13,589	67%
Sensory Disability	983	5%
Physical Disability	2,254	11%
Mental Disability	1,722	8%
Self-Care Disability	672	3%
Go-Outside-Home Disability	2,567	13%
Employment Disability	5,391	26%
	6,803	33%
Total Disabilities for Ages 65+		
Sensory Disability	1,103	5%
Physical Disability	2,413	12%
Mental Disability	879	4%
Self-Care Disability	743	4%
Go-Outside-Home Disability	1,665	8%
Total	**20,392**	**100%**

Source: US Census 2000

Table 2-25: Persons with Disability by Employment Status

	Number	*Percentage*
Age 5–64, Employed Persons with a Disability	733	16
Age 5–64, Not Employed Persons with a Disability	1,392	30
Persons Age 65+ with a Disability	2,413	52
Age 5–64, Total Persons with a Disability	4,667	100
Age 5–64, Total Population (Civilian Non-Institutional)	—	9

Source: US Census 2000

PERSONS WITH DEVELOPMENTAL DISABILITIES

Senate Bill (SB) 812 requires the City to include the needs of individuals with a developmental disability within the community in the special housing needs analysis. According to Section 4512 of the Welfare and Institutions Code, a "developmental disability" means a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual which includes mental retardation, cerebral palsy, epilepsy, and autism.

Many developmentally disabled persons can live and work independently in a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person's living situation as a child to an appropriate level of independence as an adult.

The California Department of Developmental Services currently provides community-based services to approximately 243,000 persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based points of entry to services for people with developmental disabilities. The center is a private, nonprofit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families. **Table 2-26** provides information about Lodi's population of developmentally disabled persons by age and zip code. It should be noted that the zip code is inclusive of areas outside of the city boundaries.

Table 2-26: Persons with Developmental Disabilities by Age and Zip Code

Zip Code	*17 Years or Younger*	*18+ Years*	*Total*
95240	223	227	450
95241	<10	0	>0
95242	92	88	180

Source: California Department of Developmental Services 2014

A number of housing types are appropriate for people living with a development disability: rent-subsidized homes, licensed and unlicensed single-family homes, inclusionary housing, Section 8 housing, special programs for home purchase, HUD housing, and SB 962 homes. The design of housing-accessibility modifications, the proximity to services and transit, and the availability of group living opportunities represent some of the types of considerations that are important in serving this special needs group. Incorporating "barrier-free" design in all new multi-family housing (as required by California and federal fair housing laws) is especially important to provide the widest range of choices for disabled residents. Special consideration should also be given to the affordability of housing, as people with disabilities may be living on a fixed income. The approved Eden Housing development project is an 80-unit affordable senior development which will include 8 units for persons with developmental disabilities. Construction is expected to begin prior to May 2016. Program 1.5 is proposed to specifically address the needs of persons with developmental disabilities.

FEMALE-HEADED HOUSEHOLDER

Single-parent households may have special housing needs due to limited income and child day care requirements. These special needs particularly affect female householders with children because their incomes tend to be lower than male householders. Women with children make up 14% (3,047 households) of the total number of households in Lodi. According to the ACS for the 2008–2012 period, 9% of the city's population lives in poverty, and almost half of those are female-headed households. Of female-headed households, 24% live in poverty. Compared

to the city's overall rate of poverty at 9% for the entire population, this is a significantly higher rate. Battered women with children comprise a subgroup of female-headed households that are especially in need. In the Lodi area, several social service providers and emergency housing facilities serve women in need, including the Women's Center of San Joaquin County, Evangel Home, and the Lodi House.

Table 2-27: Female-Headed Households

Household Type	*Number*	*Percentage of Total Households in Lod*
Total Households	**21,894**	**100**
Female Heads with Own Children	3.047	14
Female Heads without Children	1,046	5
Total Female-Headed Households	**4,093**	**19**
Female Headed Households Living Under Poverty Level, Out of Total Female-Headed Households	995	24

Source: ACS Five-Year Estimate 2008–2012

Table 2-28: Female-Headed Households in Poverty

Household Type	*Number*	*Percentage of Total Households in Lodi*
Total Households	**21,894**	**100**
Total Families under Poverty Level	**2,046**	**9**
Female-Headed Households under Poverty Level	995	5

Source: ACS Five-Year Estimate 2008–2012

LARGE HOUSEHOLDS

Large households, defined as having five or more members, often require special housing needs due to a limited supply of adequately sized, affordable housing units

The ACS reported 3,146 large households in Lodi, of which more than half were renter households. Large households represent 32% of the city's total households. Although rates of overcrowding have declined in recent years, there are still over 2,400 overcrowded households. Although these numbers do not necessarily represent the same set of households, they do indicate there is currently an unmet need for affordable housing with more bedrooms in Lodi

Table 2-29: Large Households

	2008–2012			
	Owner	*Percentage of Total Number of 5+ Households*	*Renter*	*Percentage of Total Number of 5+ Households*
Large Households with 5+ Persons	1,517	48	1,629	52
Total Households	**11,836**	**13**	**8,584**	**195**

Source: ACS Five-Year Estimate, 2008–2012

FARMWORKERS

Farmworkers traditionally are defined as persons whose primary incomes are earned through permanent or seasonal agricultural labor. Permanent farmworkers work in the fields, processing plants, or support activities on a year-round basis. When workloads increase during harvest periods, the labor force is supplemented by seasonal or migrant labor. Farmworkers' special housing needs typically arise from their limited income and the unstable, seasonal nature of their employment, according to the California Institute for Rural Studies. Because of these factors, farmworker households have limited housing choices and are often forced to double up to afford rents.

According to the 2010–2012 ACS three-year estimates, 1,254 Lodi residents (representing 5% of the workforce) were employed in farming, forestry, fishing, and mining occupations. This percentage is unchanged from previous measurements in 2007. Although there does not appear to be a large resident farmworker population, Lodi is located within the larger agricultural region of San Joaquin County that employs 13,365 workers and farmworkers may live near Lodi or use services in the city. The Migrant Health Program of the US Department of Health and Human Services released a study in 2000 estimating the number of migrant and seasonal farmworkers and their non-farmworker household members in California: the Migrant and Seasonal Farmworker Enumeration Profiles Study. The study was based on secondary source material, including existing database information and interviews with knowledgeable individuals. The study indicated that San Joaquin County has an estimated 46,913 farmworkers, including 21,721 migrant and 25,192 seasonal farmworkers—much higher numbers than the ACS reports, likely because of the different methodology used. A recent US Department of Agriculture 2012 report stated that San Joaquin County has 24,872 hired farm laborers.

Some of the migrant farmers who formerly moved from state to state or from other countries to California to pursue agricultural employment may have now become permanent residents of Lodi. As such, the housing needs of farmworkers are primarily addressed through the provision of permanent housing, rather than migrant farm labor camps. Their housing need may be the same as other households and large families who are in need of affordable housing with three or more bedrooms.

Table 2-30: Farmworkers – San Joaquin County

Income Category	*Number*
Farms	1,748
Hired Farm Labor	24,872

Source: US Department of Agriculture 2012 Ag Census of Farmworkers by County

EXTREMELY- AND VERY LOW-INCOME HOUSEHOLDS

Lodi must provide an estimate of the projected extremely low-income housing needs. The SJCOG 2014–2023 Regional Housing Needs Plan projected that 244 extremely low-income households will be in need of housing. Most, if not all, extremely low-income households will require rental housing. The estimated yearly income is less than $16,129. The extremely low-income households will likely face housing problems such as overpaying, overcrowding, and/or accessibility issues as a result of their limited incomes. Also, many of the extremely low-income

households will fall within a special needs category (disabled, seniors, large families, or female-headed households) and require supportive housing services.

Housing Provided for Very Low- and Extremely Low-Income Households

Public and Assisted Housing

The City does not own or operate any public or assisted housing. The Housing Authority of the County of San Joaquin has four public housing sites, none of which are in Lodi. There are currently five assisted projects in Lodi. (See Section 2.7: Analysis of Assisted Housing Projects At Risk for a discussion of at-risk status.)

Tenant-Based Housing Assistance

The Housing Choice Voucher Program (formerly known as Section 8) provides vouchers that assist low-income households with housing costs. The program is administered countywide by the Housing Authority of the County of San Joaquin. Housing Choice Vouchers provide a monthly subsidy paid to the owner/landlord on behalf of low- to moderate-income families renting market-rate units.

The Housing Authority administers 4,469 vouchers throughout the county as of July 2015. Of those vouchers, 200 families utilize their vouchers in Lodi. As of July 2015, the Housing Choice Voucher Program had 14,034 families on the waiting list. Of these families, 78% are extremely low-income families.

HOMELESS

Individuals or families that are homeless have a variety of special needs, including emergency shelter, counseling, job training, transitional housing, and permanent supportive housing, among others. Lodi has approximately 215 sheltered and unsheltered homeless persons in 2015. Of these homeless, 125 were sheltered in an emergency or transitional facility and 90 were unsheltered (those living on the streets, in a car, tent, or other outside location).

Two facilities in Lodi provide shelter to the homeless. The Salvation Army's Hope Harbor has 56 shelter beds for men and 28 beds for women and children. It has an additional three small units with 3 beds per unit for women or men with children over the age of 10. Most evenings, the Salvation Army's shelter is able to accommodate all homeless that come to its doors and they keep no waitlist. If needed, they can expand into an additional room to accommodate more guests. Lodi House has 26 beds for women and children. In total, these facilities accommodate about half of the homeless in Lodi (55%).

Additionally, a total of approximately 50 transitional housing beds are provided by the Salvation Army (16 persons), Lodi House (three units at approximately 4 persons each), and Central Valley Low-Income Housing Corporation (21 persons). At the community stakeholders meeting on June 25, business and community leaders voiced that transitional housing is essential to addressing homelessness in the city. When such a key element is missing from services, homelessness tends to continue and grow. Some stakeholders said providing more transitional housing opportunities to homeless individuals in Lodi would be beneficial to addressing homelessness.

The Salvation Army, Lodi House, and other service organizations provide the following services to homeless individuals and families:

- REACH utility assistance
- Care utility assistance
- Rental assistance
- Emergency food pantry
- Transportation assistance
- Lodi Memorial Medical Clinic
- Clothing assistance
- Community dining hall
- Drug and alcohol rehabilitation program placement
- Mental health support group
- Leadership training
- Culinary arts training

Chronically Homeless

A Homeless Coalition has developed a draft for the Ten-Year Plan to End Homelessness for San Joaquin County and is continuing to define the scope of the issues to be addressed during 2014–15 and beyond.

The County has identified chronic homelessness as a priority issue. The long-term strategy is to develop and implement a 10-year plan to end homelessness; continue to seek Shelter Plus Care and Supportive Housing Program (SHP) for Permanent Housing for Persons with Disabilities funds available under the Continuum of Care (CoC) strategy without negatively affecting the ability to renew existing programs; and modify existing permanent supportive housing programs within the CoC that do not target the chronically homeless to provide chronically homeless persons with a priority in filling vacancies.

The short-term strategy identified in the County's Continuum of Care Application is to create new permanent housing beds for chronically homeless throughout the county.

Families with Children

During the 2015 point-in-time count, approximately two unsheltered homeless households with children were counted (no data is available as to whether those were two-parent or single-parent households). While there is no count available on the number of sheltered homeless households with children on a given night, Lodi House and Hope Harbor combined offer approximately 74 beds for homeless women and children. It is common for these facilities to have a waitlists. Unfortunately, single fathers with children have limited opportunities for shelter, as only the Salvation Army's emergency shelter has three small apartments available.

There is a need for transitional housing for homeless families with children in Lodi. Women leaving abusive situations need resources for rental deposits, utilities deposits, and the like. Families leaving shelters have this same need; it is one of the most significant problems with which case managers deal.

Veterans

During the 2015 point-in-time count, approximately 10 unsheltered and 10 sheltered homeless identified as veterans. This is 10% of the homeless. Lodi and San Joaquin County as a whole do not appear to have a very large number of homeless veterans, which is generally the case in larger metropolitan areas.

Unaccompanied Youth

During the 2015 point-in-time count, four unsheltered unaccompanied youth were counted in Lodi. Many youth run away, and in turn become homeless, due to problems in the home, including physical and sexual abuse, mental health disorders of a family member, substance abuse and addiction of a family member, and parental neglect. In some cases, youth are asked to leave the home because the family is unable to provide for their specific mental health or disability needs. Others are pushed out of their homes because their parents cannot afford to care for them.

Youth who have been involved in the foster care system are more likely to become homeless at an earlier age and remain homeless for a longer period of time. Youth aging out of the foster care system often have little or no income support and limited housing options and are at higher risk of ending up on the streets. Youth who live in residential or institutional facilities often become homeless upon discharge. In addition, very few homeless youth are able to seek housing in emergency shelters due to the lack of shelter beds for young people and because of shelter admission policies.

Some youth become homeless when their families fall into difficult financial situations resulting from lack of affordable housing, difficulty obtaining or maintaining a job, or lack of medical insurance or other benefits. These youth become homeless with their families, but later can find themselves separated from them and/or living on the streets alone, often due to shelter or child welfare policies.

Youth transitioning from expiring foster care and other programs need help learning independent living skills such as how to live on their own within a budget and training for jobs and in life skills, as well as affordable housing with supportive services.

2.7 ANALYSIS OF ASSISTED HOUSING PROJECTS AT RISK

ASSISTED RENTAL HOUSING PROJECTS AT RISK OF CONVERSION

Existing rental housing that receives governmental assistance is a key source of affordable housing in Lodi that should be preserved. The loss of such rental units reduces the availability of housing affordable to extremely low-, very low-, and low-income households. It is far more cost-effective to preserve existing affordable housing than to replace it with newly constructed units, unless housing has reached a substantial level of deterioration.

This section identifies publicly assisted rental housing in Lodi, evaluates the potential of such housing to convert to market-rate units during a ten-year period (January 2015 to July 2025), and analyzes the cost to preserve or replace at-risk units. Resources for preservation/replacement of units and housing programs to address their preservation are described in Chapter 3: Resources and Constraints.

Table 2-31 lists the publicly assisted multifamily rental housing projects in Lodi.

Table 2-31: Inventory of Publicly Assisted Rental Housing

Project Name/Address	*Total Units*	*Affordable Units*	*Type*	*Funding Source*	*Earliest Expiration*
Creekside South Apartments 601 Wimbledon Drive	40	39	Family	Section 8	February 2017 (Section 8)
Lodi Hotel 7 South School Street	75	74	Senior	CDBG/ HOME, Tax Credits	2026
Bethel Gardens 701 S. Ham Lane		24	Senior	HUD 236	December 2011
LOEL Gardens			Senior	CDBG/ HOME	March 2021
104 South Washington Street		5			
301 East Oak Street		5			
303 East Oak Street		4			
Harney Lane Migrant Center 14320 East Harney Lane	94	94	Migrant Farmworkers	HCD – Office of Migrant Services (OMS)	Funding renewed Annually in July
Total		154			

Source: California Housing Partnership Corporation 2015; HCD-OMS 2015; City of Lodi 2015.

The Bethel Gardens Senior Apartments is a nonprofit- and church-owned property that has a subsidized mortgage that has kept the units affordable. The property was constructed in 1971 and is currently in good condition. The mortgage matured in December 2011, but the property owner has indicated that they intend to continue to maintain the affordability for the next 10 years and it is not the mission of the church to operate a for-profit business. The property is not considered at risk, but the City will continue to encourage the owner to maintain affordability and prepay the HUD 236 mortgage (if feasible) to ensure that tenants are able to receive enhanced vouchers.

The LOEL Gardens Senior Center, in addition to providing supportive services and activities to seniors at the facility at 105 S. Washington, provides affordable housing to seniors. With funding provided through the City's CDBG and HOME programs, LOEL has acquired several residential properties around their Senior Center and has a total of 14 units designated for very low- and low-income seniors. According to Tracy Williams, LOEL Executive Director, the center plans on continuing to offer affordable housing to seniors for the next 10 years and beyond.

The Creekside South Apartments is a Section 8 Preservation Project with a Section 8 contract that expires in February 2017. This suggests that the property is at risk of conversion to market-rate housing within the next 10 years. As of July 2015, the property owner is still operating the project under the Section 8 Program contract restrictions, but could opt to convert the project to market-rate housing during the period covered by this Housing Element (2015 to 2023). However, according to the owner's representative at Eugene Burger Management Corporation, the ownership does not intend on converting the project to market rate in the next 10 years.

The Harney Lane Migrant Center houses migrant (seasonal) workers across various industries (winery, cannery, trucks, etc.) from May to October, or longer if needed. According to a phone conversation with the center, the state's Office of Migrant Services (OMS) owns the property and hires a property management company. Recently, OMS hired Roberts Family Development Center, a nonprofit, to manage the property. The Housing Authority of San Joaquin previously managed the property for approximately 30 years. The State allocates new funds each year in July for the following year. In addition, the Eden Housing senior housing project, which will include 80 affordable senior units will be starting construction by May 2016.

PRESERVATION AND REPLACEMENT OPTIONS

To maintain the existing affordable housing stock, the City can either preserve the existing assisted units or facilitate the development of new units. Depending on the circumstances of at-risk projects, different options may be used to preserve or replace the units. Preservation options typically include (1) transfer of project to nonprofit ownership; (2) provision of rental assistance to tenants using non-federal funding sources; and (3) purchase of affordability covenants. In terms of replacement, the most direct option is the development of new assisted multifamily housing units. These options are described below.

Transfer of Ownership

Transferring ownership of an at-risk project to a nonprofit housing provider is generally one of the least costly ways to ensure that at-risk units remain affordable for the long term. By transferring property ownership to a nonprofit organization, low-income restrictions can be secured indefinitely and the project would become potentially eligible for a greater range of governmental assistance. This preservation option is a possibility for the Creekside South Apartments and would be based on the estimated market value of the units.

Rental Assistance

Project-based Section 8 rent subsidies can be used in combination with Low-Income Housing Tax Credits (LIHTC) to leverage private capital in areas where the market rent exceeds the maximum rents under the LIHTC program. Under Section 8, the US Department of Housing and Urban Development (HUD) pays the difference between what tenants can pay (defined as 30% of household income) and what HUD estimates as the fair market rent on the unit. This difference between the market rent paid by the Section 8 program and the underlying rent used by the affordable housing industry to estimate the capacity of property to pay debt service is called the Section 8 increment. This additional debt may be used for renovation of existing affordable housing and production of new rental housing affordable to very low-income households.

Purchase of Affordability Covenants

Another option to preserve the affordability of an at-risk project is to provide an incentive package to the owner to maintain the project as affordable housing. Incentives could include writing down the interest rate on the remaining loan balance and/or supplementing the Section 8 subsidy received to market levels. The feasibility of this option depends on whether the complex is too highly leveraged. By providing lump sum financial incentives or ongoing subsidies in rents or reduced mortgage interest rates to the owner, the City can ensure that some or all of the units remain affordable.

Construction and Conversion of Replacement Units

The construction of new affordable housing units is another means of replacing the at-risk units should they be converted to market-rate units. The cost of developing housing depends on a variety of factors, including density, size of the units (i.e., square footage and number of bedrooms), location, land costs, and type of construction. Assuming an average development cost per housing unit of $125,000, it would cost approximately $5 million to construct 40 new assisted units.[2]

With the high cost of new construction, the City is working with sweat-equity affordable housing developers. Under this model, homeowners and neighbors help build the housing, along with volunteers, to help reduce the cost of construction.

As an Entitlement Community, Lodi now will look to HCD for HOME Program funds. Through the Neighborhood Services Division of the City's Community Development Department, which administers the Community Development Block Grant (CDBG) Program, the City of Lodi intends to pursue funding opportunities for new rental construction projects and rental rehabilitation projects with both nonprofit and for-profit developers.

These activities will provide the opportunity to put restrictions in place to ensure long-term affordability. (See Section 3.2: Administrative and Financial Resources for a detailed description of funding resources.)

ORGANIZATIONS INTERESTED IN PRESERVING ASSISTED RENTAL HOUSING

The preservation of affordable rental housing at risk of conversion to market-rate housing can be assisted by nonprofit organizations with the capacity and interest to acquire, manage, and permanently preserve such housing. The California Department of Housing and Community Development maintains a list of interested nonprofit organizations. A number of organizations have expressed an interest in preserving affordable rental housing in San Joaquin County, including:

- Visionary Home Builders, 315 N. San Joaquin Street, Stockton, CA 95202; (209) 466-6811 *(formerly ACLC)*

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[2] See Section 3.3: Constraints for details on how construction costs were estimated.

- California Coalition for Rural Housing, 717 K Street, Suite 400, Sacramento, CA 95817; (916) 443-4448
- Christian Church Homes of Northern California, Inc, 303 Hegenberger Road, Suite 201, Oakland, CA 94621; (510) 632-6712
- Domus Development, 594 Howard Street, Suite 204, San Francisco, CA 94105; (415) 856-0010
- Eden Housing, Inc, 22645 Grand Street, Hayward, CA 94541; (510) 582-1460
- Eskaton Properties, Inc, 5105 Manzanita Avenue, Carmichael, CA 95608, (916) 334-0810
- Foundation for Affordable Housing, Inc, 30950 Rancho Viejo Road, Suite 100, San Juan Capistrano, CA 92675; (949) 443-9101
- Housing Corporation of America, 6265 Variel Avenue, Woodland Hills, CA 91367
- Mercy Housing California, 2512 River Plaza Drive, Suite 200, Sacramento, CA 95833; (916) 414-4400
- Rural Community Assistance Corporation, 3120 Freeboard Drive, Suite 201, West Sacramento, CA 95691; (916) 447-2854
- Satellite Affordable Housing Associates, 1521 University Avenue, Berkeley, CA 94703-1422; (540) 647-0700
- Stockton Shelter for the Homeless, 411 South Harrison Street, Stockton, CA 95203;, (209) 465-3612

2.8 OPPORTUNITIES TO PROMOTE SUSTAINABLE DEVELOPMENT

Energy costs directly affect housing affordability through their impacts on the construction, operation, and maintenance of housing. There are many ways in which the planning, design, and construction of residential neighborhoods and structures can foster energy conservation to reduce this cost impact and at the same time produce an environmental benefit. Techniques for reducing energy costs include construction standards for energy efficiency, energy-saving community design alternatives, the layout and configuration of residential lots, and the use of natural landscape features to reduce energy needs. Sustainable development also encompasses the preservation of habitat and species, improvement of air quality (particularly important in this region), and conservation of natural resources, including water and open space.

RESIDENTIAL CONSTRUCTION STANDARDS

The State of California has adopted building standards for energy efficiency that apply to newly constructed dwellings and residential additions. Title 24 of the California Code of Regulations sets forth mandatory energy efficiency standards that can be achieved through prescriptive means or through compliance with a maximum "energy budget." Prescriptive means include the use of appliances, building components, insulation, and mechanical systems that meet minimum energy efficiency ratings. Local governments implement state energy standards as part of their building code enforcement responsibilities.

RESOURCES FOR ENERGY CONSERVATION

The City of Lodi operates its own electric utility, Lodi Electric Utility, which provides residential, commercial, and industrial electric service, and allows flexibility and control over energy sources. In 2013, the city's average power mix included more renewable energy (20%) compared with the statewide average (19%) and less coal (0%) than the statewide average (8%). Lodi's use of renewable energy (20%) in 2013 was less than in 2008 at 27%. In addition to sustainability efforts in energy sources, the Lodi Electric Utility offers several programs to reduce residential energy use, including:

- Residential Energy Survey Program, which helps residents identify major energy uses and how these can be reduced.
- Residential Products Rebate Program, which provides rebates on the purchase of new, energy-efficient appliances.
- Energy Efficient Home Improvement Program, which offers rebates on other types of energy efficient residential systems (fans, space conditioning, insulation, thermostats, windows, etc.).
- California First-PACE (Property Assessed Clean Energy) Program, which allows property owners to finance the installation of energy and water improvements in homes or businesses, which can then be paid back as a line item on a property tax bill.
- Home Energy Renovation Opportunity (HERO) Financing Program, which is a type of PACE program that allows property owners to fund energy efficiency, water efficiency, and renewable energy projects with little or no upfront costs. With PACE, residential and commercial property owners living within a participating district can finance up to 100% of their project and pay it back over time as a voluntary property tax assessment through their existing property tax bill. A local provider can be found at energycenter.org.

Pacific Gas & Electric Company (PG&E), which provides gas to the city, offers a variety of energy conservation services for residents and also participates in several other energy assistance programs for lower-income households, which help qualified homeowners and renters conserve energy and control electricity costs. The California Alternate Rates for Energy Program provides a 15% monthly discount on gas and electric rates to income-qualified households, certain nonprofit-operated facilities housing agricultural employees, homeless shelters, hospices, and other qualified nonprofit group living facilities. The Relief for Energy Assistance through Community Help (REACH) Program provides one-time energy assistance to customers who have no other way to pay their energy bills. The intent of REACH is to assist low-income customers, particularly the elderly, disabled, sick, working poor, and the unemployed, who experience severe hardships and are unable to pay for their necessary energy needs. Additionally, the California Alternative Rates for Energy (CARE) program provide energy bill discounts for income-qualified households, and the Family Electric Rate Assistance provides a discount for income-qualified families with three or more persons.

GENERAL PLAN GOALS AND POLICIES

Other elements in the General Plan discuss policy measures to reduce energy consumption through land use, transportation, and conservation efforts.

- The Land Use Element prioritizes new mixed-use centers, which will consolidate residential, retail, and small office uses, and which will be co-located with parks and schools. It encourages a diversity of housing types, in particularly promoting townhouse and multifamily units, which are more energy efficient compared with single-family homes. It also promotes infill development in the city's downtown and major corridors to capitalize on transit facilities and existing commercial and public services.
- The Growth Management Element and Infrastructure Element seeks to maintain the city's compact form and ensure the preparation of infrastructure plans and improvements in tandem with new development. Policies also require water conservation measures, which in turn reduce consumption of energy embodied in the distribution of water.
- The Community Design and Livability Element promotes site planning and green building measures to reduce energy consumption and improve quality of life. This includes lot orientation to maximize solar gain and ventilating breezes, and implementation of building standards consistent with LEED or equivalent green building programs. The element also regulates lighting to reduce light pollution as well as energy consumption and requires street trees and shade in certain locations to reduce the urban heat island effect.
- The Transportation Element seeks to reduce the reliance on cars and increase the convenience of alternate modes through new connections and improved circulation for transit, bikes, and pedestrians. The City operates its own local "GrapeLine" transit service, which allows it to closely coordinate land use and transit planning decisions. As a result, the City can both reduce greenhouse gas emissions and improve air quality.
- The Parks, Recreation, and Open Space Element proposes to increase the acreage of carbon-sequestering open space, retain mature trees, and encourage the use of native and trees and drought-tolerant plantings.
- The Conservation Element seeks to preserve agricultural land and food and wine production until urban development is imminent. It seeks to protect and restore habitat and species, particularly along the Mokelumne River. The element also encourages energy conservation through the promotion of solar panels and heating systems, the preparation of a climate action plan, and a heat island mitigation plan.

Together these policies and programs seek to reduce the consumption of natural resources and limit greenhouse gas emissions, while at the same time promoting public health and overall quality of life for residents.

2.9 FUTURE HOUSING NEEDS

HCD defines the annual income limits for various housing affordability categories for each county in the state. In 2015, the median income for a family of four under these guidelines was $66,300. The income categories and their corresponding income ranges are shown in Table 2-32. These income categories are referenced throughout the Housing Element.

Table 2-32: Income Limits for San Joaquin County

Income Category	*Percentage of County Median Income*	*Income Limits (family of four)*
Extremely Low	Less than 30%	Less than $24,250
Very Low	30%–50%	$24,250–$33,150
Low	50%–80%	$33,251–$53,050
Moderate	80%–120%	$53,051–$79,550
Above Moderate	120% and above	Over $79,550

Source: HCD 2015

SJCOG determines the amount of affordable housing the county will need for the time period and then divides that need among its participating jurisdictions. According to SJCOG, Lodi is responsible for accommodating 1,931 additional housing units between 2014 and 2023, of which 828 units should be affordable to extremely low-, very low-, and low-income households, approximately 43% of Lodi's total share of regional housing needs.

The City of Lodi is not responsible for actual construction of these units. However, the City is responsible for creating a regulatory framework in which these housing units can be built. This includes the creation, adoption, and implementation of general plan policies, Development Code regulations, and/or economic incentives to encourage the construction of the needed range of housing units.

Table 2-33 shows the number and percentage of housing units identified in the Regional Housing Needs Allocation Plan for Lodi for the 2014 through 2023 planning period, by income category.

Table 2-33: Regional Housing Needs Allocation for the City of Lodi (2014–2023)

	Income Category					
	Extremely Low	*Very Low*	*Low*	*Moderate*	*Above Moderate*	*Total*
Regional Housing Need	244	253	331	333	770	1,931
Percentage of Total	13	13	17	17	40	100

Source: SJCOG 2014

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3. Resources and Constraints

This chapter describes housing site opportunities, resources for residential development and programs, constraints to developing housing in Lodi, and recommendations for how to remove such constraints.

3.1 SITES INVENTORY AND ANALYSIS

Land on which to construct housing is one of the most critical resources necessary to meet future housing demand. Without adequate vacant or underutilized land, the City of Lodi cannot demonstrate how it will accommodate its share of the Regional Housing Needs Allocation (RHNA). The amount of land required to accommodate future housing needs depends on the city's physical characteristics, zoning, availability of public facilities and services, and environmental conditions.

ADEQUATE SITES

To determine whether the city has sufficient land to accommodate its share of regional housing needs for all income groups, Lodi must identify "adequate sites." Under state law, adequate sites are those with appropriate zoning, development standards, and infrastructure capacity to accommodate new construction needs. A locality's sites are adequate if the land inventory demonstrates sufficient realistic capacity at appropriate densities and development standards to permit development of a range of housing types and prices to accommodate the community's share of the RHNA by income level.

The extent to which the city has "adequate sites" for housing affordable to extremely low-, very low-, or low-income households will depend, in part, on zoning standards, particularly the maximum allowed density, parking, building coverage, height, and setback standards. The amount of vacant and underutilized land at varying densities suggests that Lodi can accommodate its share of the RHNA on sites available within the existing city limits.

The types of sites that are appropriate for residential development in Lodi are divided into three categories, described in detail in the section below and in **Figure 3-1.**

1. **Development Projects** – This category includes land with housing development approved by the City.
2. **Vacant or Underutilized Infill** – This category includes vacant land or land currently occupied that is capable of being developed at higher densities or with greater intensity than the existing use. All sites contain General Plan designations that permit residential use. The majority of this type of land is located adjacent to existing residential areas or in areas designated for mixed-use development according to the General Plan.
3. **Annexation Areas** – This category includes land that has been designated in the General Plan, but has not yet been annexed by the City of Lodi. The figure shows sites are included in Phase 1 of the General Plan—outside the current city limits, but inside the Sphere of Influence.

DEMONSTRATING APPROPRIATENESS OF SITES

Appropriate Densities and Housing Types

Although subsidized housing is limited in Lodi, what does exist has been created through a variety of means and densities, including new construction, rehabilitation, and low and moderate densities. LOEL Gardens maintains three separate senior homes, with 14 units total, representing some of the smaller housing types on smaller lots (less than a quarter acre), that blend in with adjacent single-family homes.

The Creekside South Apartments provides 40 (39 subsidized) family units on a 2.2-acre parcel, representing a density of 18 units per acre. On the larger end, the approved Eden Housing development will provide 80 senior units on a 4.4-acre site at the same density. These examples suggest that the "default" density of 20 units per acre, permitted by state law, is an appropriate density for recent development types. Finally, Hotel Lodi, with 75 units, is a rehabilitated mixed-use development (formerly a hotel), located above several downtown shops.

Appropriate Land Use Designations

The City's General Plan and Development Code, including zoning districts and the zoning map, provide densities from 2 to 35 dwelling units per acre. The Low Density Residential and Medium Density Residential zoning districts allow residential development for moderate- and above moderate-income households. The High Density Residential and Mixed-Use districts provide the appropriate densities to accommodate housing for extremely low-, very low-, and low-income households. For information purposes, the General Plan Land Use Diagram is shown in **Figure 3-2.**

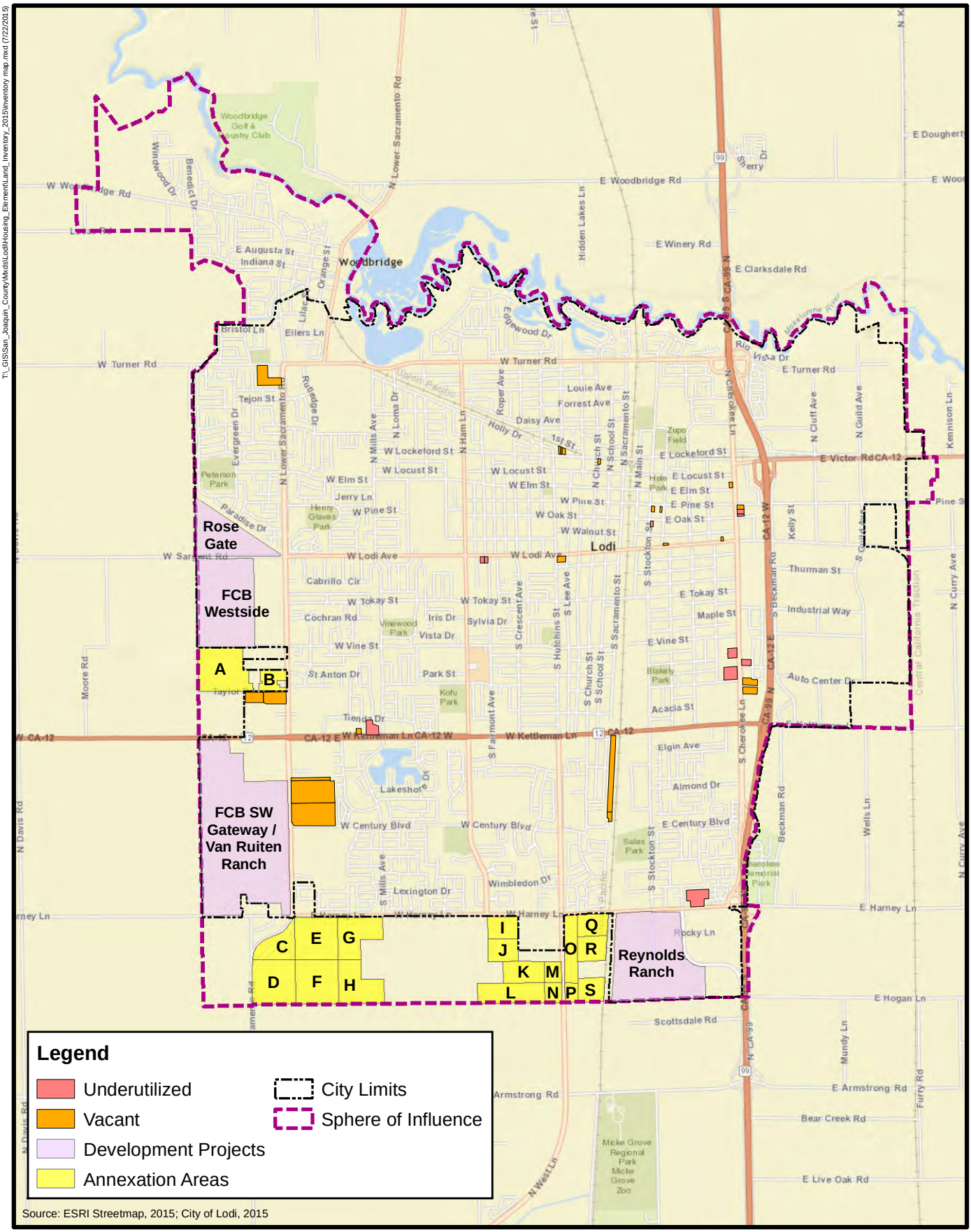
Demand and Market Trends

Chapter 2 described the continued demand for affordable housing, given low income levels and overpayment, as well as a constrained supply, with new housing construction remaining static for several years. A market study prepared for the Eden Housing senior affordable development project corroborated the pent-up demand for affordable senior housing in particular. The study projected demand from 928 households (in and around Lodi) for 79 spots, concluding that the development would likely be fully occupied in just three months. Although no new housing has been constructed in several years, developments that have been approved are part of mixed-use communities, with commercial and public uses complementing residential uses. This concept is upheld by the recently adopted General Plan which calls for "mixed-use centers" in new residential development areas.

Financial Feasibility

Both developer and homeowners' loans and feasibility are critical aspects of the potential for development and purchasing of new housing. The current housing makes developers wary and less likely to move forward with new projects. The City is committed to pursuing state and regional funding opportunities (see Program 1.5 and resources section below) to provide incentives for development and bridge financing gaps. Given the City's commitment to transit-oriented development (TOD) and mixed-use development as identified in the General Plan, the City may be able to access state bond funds and other regional grants to create model projects in the Central Valley.

In addition, very low interest rates, combined with an overall loan approval rating of 85%, suggest that financing is still feasible for a range of income levels if applicants have good credit ratings.



N

0 2,500 5,000
FEET

Figure 3-1
Housing Sites Inventory

Michael Baker
INTERNATIONAL

T:_GIS\San_Joaquin_County\Mxds\Lodi\Housing_Element\Land_Inventory_2015\inventory map.mxd (7/22/2015)

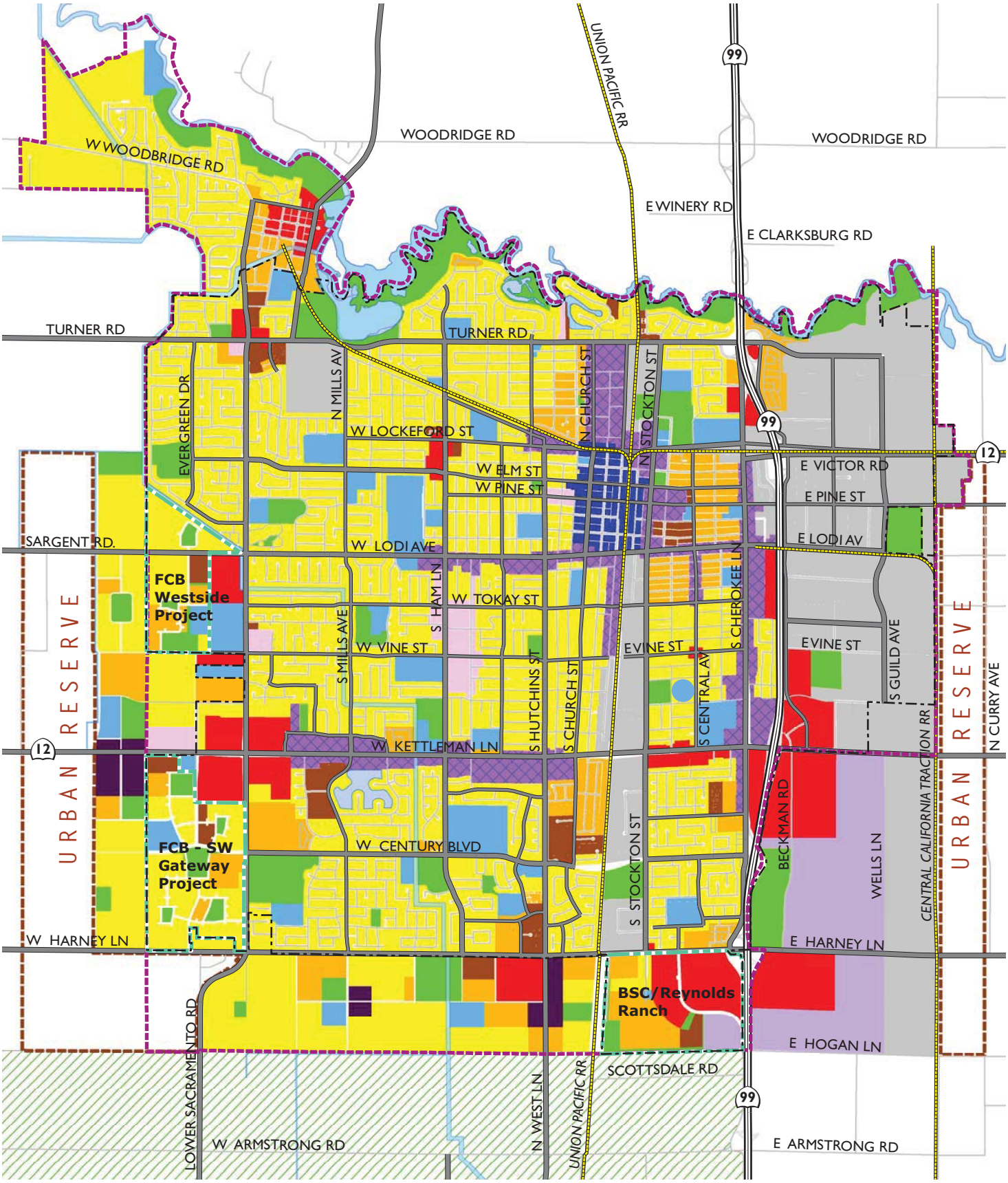


Figure 3-2

General Plan Land Use Diagram

1. Development Projects

Within Lodi, there are several development projects that have been approved or which have been completed that will count toward meeting the RHNA. Table 3-1 reports units constructed since January 1, 2014, by income level. In total, 38 housing units have been constructed since the start of the planning period.

A. Affordable Targeted Sales Prices. Given the current housing market downturn, many market-rate homes in Lodi have become affordable, even to low-income households, though not subsidized. Certain development project units can be considered affordable for low- and moderate-income households due to their Medium or High Density Residential General Plan designation, designation for high-density senior housing, lot and unit size (e.g., 1,850 to 2,350 square feet on moderately sized lots), and the corresponding likely sales price: in the high $200,000s to low $300,000s.[3] To illustrate, as reported in Table 2-32, income limits for the county are up to $79,550 for a family of four to qualify for moderate-income housing (120% of median). Assuming that a family spends no more than 30% of its income on housing, it has the ability to spend up to $23,865 per year (or $1,989 per month). Assuming a 30-year fixed interest rate at 5% and 20% down payment, a home up to $351,297 could be attainable.[4]

B. Approved Medium- and High-Density Housing. Five major development projects were approved by the City in advance of the most recent General Plan update, but have not yet been constructed: FCB Southwest Gateway, Blue Shield/Reynolds Ranch, Van Ruiten Ranch, Rose Gate, and FCB Westside. In addition to City Council approvals and certified environmental impact reports, each project has been awarded growth management allocations and does not require subsequent City Council action to build at the density levels described herein. Moreover, the General Plan references these projects as key projects in the plan's Phase 1 development, which seeks to avoid leapfrog development by prioritizing contiguous development within just a few miles of the downtown. The General Plan codified approved densities for these three projects by designating land uses and densities consistent with these approvals, as shown in Table 3-2. Therefore, where residential densities have been approved at 20 dwelling units per acre or higher, sites are appropriate for very low- and low-income households. Zoning for all five sites is Planned Development (PD).

- Blue Shield/Reynolds Ranch: This approved master planned project will include a mix of residential, office, and commercial development. The business park component of this project was completed and occupied by Blue Shield in 2008 and commercial retail completed in 2011. The residential component has not yet been constructed, but has approvals and growth management allocations for 882 units including 14.3 acres of high-density residential and 57.5 acres of medium-density residential. The former units are appropriate for very low- and low-income households. The latter units may be appropriate for moderate-income households as described in A, Affordable Target Sales Prices, above.

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[3] Phone conversation with Craig Hoffman, City of Lodi, July 7, 2015.

[4] Zillow online mortgage calculator. Source: http://www.zillow.com/mortgage-calculator/house-affordability/.

- FCB Southwest Gateway: This approved master planned project will be a residential community with a school and open space. The site is currently vacant and construction has been delayed given the economic downturn. The project has approvals and growth management allocations for 981 units, including 14.5 acres of high-density residential and 25.7 acres of medium-density residential. While the high-density units are appropriate for very low- and low-income households, the medium-density units may be appropriate for moderate-income households as described in bullet A, Affordable Target Sales Prices, above.
- Van Ruiten Ranch: This development project, which is a portion of the FCB Southwest Gateway project, is approved for 288 units on 47.7 acres. The project includes a mix of low-, medium-, and high-density units.
- FCB Westside: This approved master planned project will be a residential community with a school and open space. The site is currently vacant and construction has been delayed given the economic downturn. The project has approvals for 492 units, including 10 acres of high-density residential and 23 acres of medium-density residential. While the high-density units are appropriate for very low- and low-income households, the medium-density units may be appropriate for moderate-income households as described in bullet A, Affordable Target Sales Prices, above. In addition, the development agreement requires the landowner to either rehabilitate or pay the costs of rehabilitating up to 25 residential units (or up to $1.25 million) within the Eastside neighborhood, which has a concentration of homes in need of repairs.
- Rose Gate: The Rose Gate development is approved for 232 low-density housing units.

C. Adequate Infrastructure. Services will be constructed in tandem with residential development through a combination of special assessments, impact fees, and on/off-site improvements requirements. None of the development projects have environmental or other impediments that would restrict their development at full potential. Infrastructure needs have been identified where necessary. For example, in 2002, the City adopted the Westside Facilities Master Plan, a master plan for the FCB Westside development project, which identifies a mix of land use and City services necessary to support the proposed land uses for the area. See Section 3.3: Constraints for a detailed description of public facilities and infrastructure needs.

Table 3-1: Units Constructed Since January 1, 2014

Year	*Housing Units, by Income*					*Affordability Funding*
	Extremely/ Very Low	*Low*	*Moderate*	*Above Moderate*	*Total*	
Completed						
2014				18	18	n/a
2015				20	20	n/a
Total				**38**	**38**	

Source: City of Lodi 2015

Table 3-2: Major Development Projects in Detail

Project Name and Status	*APN*	*Acres*	*General Plan Designation*	*Maximum Density*	*Housing Units, by Income*				
					Very Low	*Low*	*Moderate*	*Above Moderate*	*Total Units*
FCB SW Gateway (Approved. Vacant. Buildout at 55% assumes roads and utilities.)	05803004	1.0	Low Density Residential	8				4	4
	05803006	1.5	Medium Density Residential	20			8	8	16
	05803009	2.0	Low Density Residential	8				8	8
		8.1	Medium Density Residential	20			45	45	90
		9.4	High Density Residential	35	60	60	60		180
	05803016	11.6	Low Density Residential	8				50	50
		5.1	High Density Residential	35	33	33	33		99
	05804001	19.4	Low Density Residential	8				85	85
		12.0	Medium Density Residential	20			65	65	130
	05804002	22.1	Low Density Residential	8				97	97
		3.1	Medium Density Residential	20			17	17	34
	05804004	13.0	Low Density Residential	8				57	57
		1.0	Medium Density Residential	20			6	6	12
	05804005	5.5	Low Density Residential	8				24	24
	05804014	24.5	Low Density Residential	8				95	95
	Total				**93**	**93**	**234**	**561**	**981**
Van Ruiten Ranch	05803014	34.5	Low Density Residential	8				145	145
	05803015	8.2	Medium Density Residential	20			27	28	55
	05803017 05803018	5.1	High Density Residential	35	29	29	30		88
	Total	**47.7**			**29**	**29**	**57**	**173**	**288**
FCB Westside (Approved. Vacant. Buildout at 45% assumes roads and utilities.)	02740001	10.5	Low Density Residential	8				37	37
		7.5	Medium Density Residential	20			34	33	67
	02740002	22.2	Low Density Residential	8				79	79
		9.9	Medium Density Residential	20			44	45	89
	02740003	3.3	Low Density Residential	8				11	11
		6.1	Medium Density Residential	20			27	27	54
		9.9	High Density Residential	35	52	52	51		155
	Total				**52**	**52**	**156**	**232**	**492**

Project Name and Status	*APN*	*Acres*	*General Plan Designation*	*Maximum Density*	*Housing Units, by Income*				
					Very Low	*Low*	*Moderate*	*Above Moderate*	*Total Units*
Rose Gate	**02938005**	43	Low Density Residential	8				232	232
	Total							**232**	**232**
Reynolds Ranch (Approved. Vacant, except office and commercial component built as per development plan. Buildout at 70% assumes additional roads and utilities.)	05813002	0.9	Low Density Residential	8				4	4
	05813003	0.6	Low Density Residential	8				3	3
	05813004	0.4	Low Density Residential	8				2	2
	05813005	0.4	Low Density Residential	8				2	2
	05813006	0.4	Low Density Residential	8				2	2
	05813021	6.4	Low Density Residential	8				36	36
	05865001	2.0	Low Density Residential	8				11	11
	05813014	0.3	Medium Density Residential	20			1	1	2
	05813022	6.5	Medium Density Residential	20			45	46	91
	05813024	10.2	Medium Density Residential	20			71	71	142
	05865002	1.5	Low Density Residential	8				8	8
	05865003	1.5	Medium Density Residential	20			11	11	22
				~~20~~			~~265~~	~~265~~	~~530~~
				~~35~~	~~75~~	~~75~~	~~75~~		~~225~~
	05865004	39.0	Medium Density Residential	20			113	114	227
		14.3	High Density Residential	35	110	110	110		330
	Total				**110**	**110**	**351**	**311**	**882**
GRAND TOTAL		**372.0**			**284**	**284**	**798**	**1,509**	**2,875**

Source: City of Lodi 2015

As a result of these development projects, the City would meet the RHNA for moderate- and above moderate-income households, but not its allocations for extremely/very low-or low-income households. Additional sites will be required to accommodate housing needs. Table 3-3 describes this remaining need of 260 extremely/very low- and low-income units.

Table 3-3: Remaining Need

	Housing Units, by Income				
	Extremely/ Very Low	*Low*	*Moderate*	*Above Moderate*	*Total*
Regional Housing Needs Allocation	497	331	333	770	1,931
Units Constructed				38	38
Development Projects	284	284	798	1,509	2,875
Remaining Need	213	47	(465)	(777)	

Source: San Joaquin County Council of Governments 2014; City of Lodi 2015

2. Vacant and Underutilized Infill

Through its General Plan policies, the City emphasizes infill development, a compact community, residential neighborhoods that are accessible to commercial services, and higher densities in appropriate locations. Table 3-4 and Table 3-5 describe vacant and underutilized sites, respectively, that represent appropriate locations for housing for lower-income households. Vacant infill sites have the capacity for 882 units; underutilized sites could produce as many as 298 units for lower-income households. The following tables identify an assumed density value, based on densities permitted in the General Plan.

Underutilized sites include sites where uses are no longer in operation, are in disrepair, or have surpassed their useful life. Sites designated as Mixed Use Corridor were prioritized, since the General Plan calls for reinvestment in these areas. As evidenced by the small number of vacant parcels in the city, the City has done a commendable job of avoiding leapfrog development. Given the current economic climate, redevelopment of underutilized parcels—including closed businesses—will be important for avoiding blighted conditions and maintaining the city's compact form and accessible neighborhoods. Moreover, these sites already have infrastructure in place, which may reduce development costs compared to projects on greenfield land.

Unit capacity is determined by multiplying the number of acres by the assumed density and buildout factor. Sites were deemed appropriate for extremely low- or very low-income households due to their allowed density, location, and proximity to transit, neighborhood services, and public facilities. The Mixed Use Corridor designation permits 100% residential development except along Cherokee Lane and Lodi Avenue, where 25% and ground-floor frontage should be commercial active uses, respectively. Likewise, the Downtown Mixed Use designation requires ground-floor active uses. These restrictions are calculated as part of the unit capacity. A realistic development capacity of 80% ("buildout factor") is assumed for most vacant sites. Sites over 10 acres in size are assumed to have a development capacity of 70% to account for additional open space and enable appropriate development typologies (e.g., small apartment complexes of no more than 30 units for very low-income households). For underutilized sites, the assumed density value also takes into account the realistic potential for redevelopment, such as any existing uses to remain on the site or a potential mix of uses.

Table 3-4: Vacant Infill Sites

APN	*Acre*	*Address*	*General Plan Designation*	*Current Zoning*	*Buildout Factor*	*Max. Density*	*Extremely Low/ Very Low*	*Low*	*Moderate*	*Above Moderate*	*Total Capacity*
05814052	19.6	1920 S Lower Sacramento	Medium Density Residential	MDR	70%	20	120	120	34	0	274
05814012	19.2	1784 S Lower Sacramento	Medium Density Residential	MDR	70%	20	120	120	29	0	269
06201005	7.8	1774 South Church Street	Medium Density Residential, High Density Residential	MDR	80%	20	30	63		31	124
02939015	6.2	971 N Lower Sacramento	Medium Density Residential	MDR	80%	20	30	57		12	99
02742008	5.3	1333 Lower Sacramento	Low Density Residential	LDR	80%	8				33	33
02742010	3.8	1330 Westgate Dr	Low Density Residential	LDR	80%	8				24	24
05814014	2.3	1690 N Lower Sacramento	Low Density Residential	LDR	80%	8				14	14
				DMU							
04728015	1.9	1130 South Cherokee	Mixed Use Corridor1	MCO	60%	35	30	10		0	40
04728021	1.9	1150 South Cherokee	Mixed Use Corridor	MCO	60%	35	30	10		0	40
04502046	1.0	410 W Lodi Ave	Mixed Use Corridor	MCO	60%	35	21			0	21
06201003	0.9	1912 South Church Street	High Density Residential	HDR	80%	35	24			0	24
04323001	0.6	604 East Pine	Mixed Use Corridor	MCO	80%	35	16			0	16
02741020	0.6	2115 W Kettleman Lane	Mixed Use Corridor	MCO	80%	35	15			0	15
03726003	0.4	427 W Lockeford St	Mixed Use Corridor	MCO	80%	35	11			0	11
04307401	0.4	208 E Pine Street	Mixed Use Corridor	MCO	80%	35	11			0	11
04318002	0.4	113 N Cherokee	Mixed Use Corridor	MCO	60%	35	8			0	8
03726001	0.3	427 W Lockeford St	Mixed Use Corridor	MCO	80%	35	9			0	9
04302301	0.3	216 North Church Street	Downtown Mixed Use2	DMU	70%	35	7			0	7
04306716	0.2	301 E Lodi Ave	Mixed Use Corridor	MCO	60%	35	5			0	5
04307406	0.2	220 E Pine Street	Mixed Use Corridor	MCO	80%	35	6			0	6
04314035	0.2	527 East Lodi Avenue	Mixed Use Corridor	MCO	60%	35	4			0	4
03726002	0.2	427 W Lockeford St	Mixed Use Corridor	MCO	80%	35	5			0	5
TOTAL	**73.8**						**502**	**380**	**63**	**114**	**1,059**

Source: City of Lodi 2015

1. Sites designated as Mixed Use Corridor along Cherokee Lane require at least one quarter of the developed portion of the site to be commercial uses and along Lodi Avenue require active uses (e.g., retail, restaurants, cafes) at the ground level. This requirement is assumed in the table calculations.
2. Sites designated as Downtown Mixed Use require active uses (e.g., retail, restaurants, cafes) at the ground level. This requirement is assumed in the table calculations.

Table 3-5: Underutilized Infill Sites

APN	Acres	Address	General Plan Designation	Current Zoning	Buildout Factor	Max. Density	Income Levels					Existing Land Use	Photo #
							Ext. Low/ Very Low	Low	Moderate	Above Moderate	Total Capacity[1]		
06229037	6.6	401 E Harney Ln	Medium Density Residential	PD	80%	20	70	35		0	105	Agriculture, surrounded on all sides by completed or approved urban development. No Williamson Act. Across street from Lois E. Borchardt Elementary School.	3-1
04740004	3.4	1045 South Cherokee	Mixed Use Corridor[2]	MCO	40%	35	30	41		0	71	One-story older building. Former use as car dealership is no longer in operation. Surrounded by commercial, residential, and school uses.	3-2
02741022	3.1	2100 Tienda Drive	Mixed Use Corridor	MCO	50%	35	30	12		0	42	Site owned by church; half of site fronting Kettleman is vacant; existing structures to remain. Surrounded by church, residential, and commercial uses.	3-3
04739007	1.8	929 South Cherokee	Mixed Use Corridor Low Density Residential	MCO	50%	35	8	8	8	8	32	Surface parking lot, one-story commercial building (could remain), and vacant land. Surrounded by commercial and residential uses.	3-3
04741001	1.2	1050 South Cherokee	Mixed Use Corridor Low Density Residential	MCO	50%	20		8	8	0	16	One-story old motel. Could be renovated or redeveloped as housing. Surrounded by commercial and residential uses.	3-4
03104020	1.0	1833 W Kettleman	Mixed Use Corridor	MCO	50%	35	18			0	18	One-story office building (could remain) and vacant land. Surrounded by commercial and residential uses.	3-3

APN	Acres	Address	General Plan Designation	Current Zoning	Buildout Factor	Max. Density	Income Levels: Ext. Low/ Very Low	Low	Moderate	Above Moderate	Total Capacity[1]	Existing Land Use	Photo #
04323013	0.6	16 South Cherokee	Mixed Use Corridor	MCO	50%	35	10			0	10	Surface parking lot takes up majority of site; one-story used car dealership no longer in operation. For lease. Surrounded by commercial and school uses.	3-4
03310014	0.5	1100 West Lodi Ave	Mixed Use Corridor	MCO	50%	35	8			0	8	Closed theater, site for sale. Possible redevelopment with adjacent parcel while retaining theater tower.	3-5
03310015	0.5	1110 West Lodi Ave	Mixed Use Corridor	MCO	70%	35	8			0	8	One-story old building and surface parking lot. Business no longer in operation. For lease.	3-5
04323012	0.3	40 South Cherokee	Mixed Use Corridor	MCO	80%	20	5			0	5	One existing home to remain; rest of site vacant. Surrounded by commercial, residential, and school uses.	3-4
04306401	0.3	200 E Oak Street	Mixed Use Corridor	MCO	60%	35	7			0	7	Former Goodwill store--closed and for sale--and surface parking lot. Surrounded by commercial and residential uses. Proximity to downtown.	3-6
Total	**19.3**						**194**	**104**	**16**	**8**	**322**		

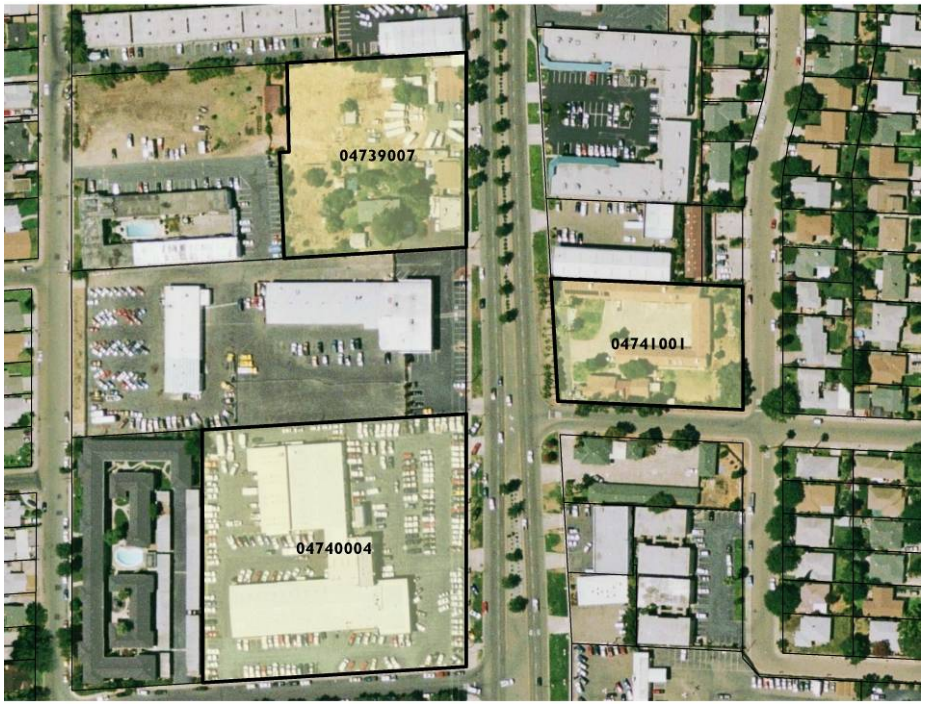
Source: City of Lodi 2015

1. Totals may not sum precisely due to rounding.
2. Sites designated as Mixed Use Corridor along Cherokee Lane require at least one quarter of the developed portion of the site to be commercial uses and along Lodi Avenue require active uses (e.g., retail, restaurants, cafes) at the ground level. This requirement is assumed in the table calculations.

Underutilized Site Photos

Photo 3-1

Photo 3-2



Underutilized Site Photos (continued)

Photo 3-3

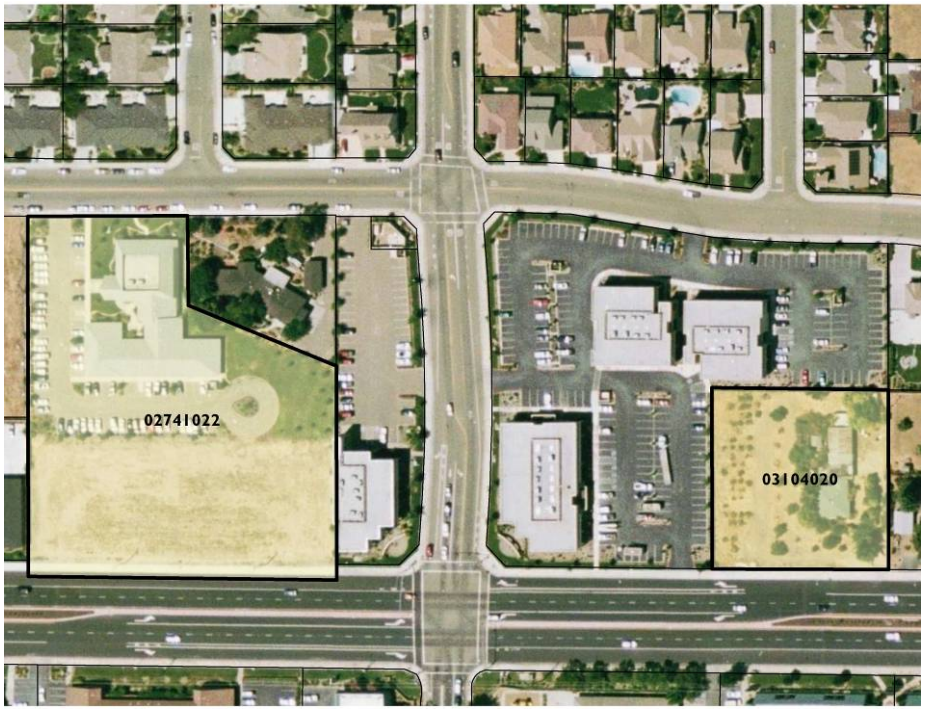


Photo 3-4

Underutilized Site Photos (continued)

Photo 3-5

Photo 3-6

4. Annexation Areas

Annexation is not required to fulfill the RHNA, but this section lays the groundwork for annexation should the housing market pick up within the planning period. Lodi has used its planning powers and the growth management process to prevent premature conversion of prime agricultural land, protect natural resources that border the city, and ensure orderly and efficient extension of public facilities and services. The General Plan Growth Management and Infrastructure Element identifies a phasing strategy to facilitate contiguous development and avoid unnecessary and premature conversion of agricultural land. Housing Element policies in the Strategy section call for discussions with property owners about annexation to commence by the end of the planning period in 2023. Potential annexation areas are identified by Phase 1 of the General Plan, specifically the portion of Phase 1 that lies outside of the current city limits but inside the Sphere of Influence. (Phase 1 General Plan sites inside the city limits are subsumed in the relevant sections above: development project, vacant and underutilized sites.) These annexation areas allow for 2,681 housing units, including 1,373 units available for below-market-rate units. Annexation sites are documented in Table 3-6.

Methods

The lettered key in the first column of the table corresponds to the relevant site in **Figure 3-1**. Existing land use information is provided for each site. Most of these sites are currently in agricultural use. Some sites contain one or more associated residences. Sites will only redevelop once agricultural uses cease. General assumptions are described in the text box below by General Plan land use designation. All unit capacity calculations assume that existing housing units would remain on the site. Calculations also provide 25% of the total area for streets and other infrastructure for each land use type (exceptions are noted in Table 3-6, as dictated by specific site conditions).

General Plan Land Use Designation	*Density Range (units/acre)*	*Household Income Level Accommodated*	*Assumptions*
Mixed Use Center	8–35	Extremely Low, Very Low, and Low	80% residential 20% nonresidential
High Density	15–35	Extremely Low, Very Low, and Low	
Medium Density	8–20	Moderate	
Low Density	2–8	Above Moderate	

Infrastructure

As part of the Growth Management Allocation Ordinance, which regulates the maximum amount of residential growth that can occur over time, the City requires that projects identify on- and off-site infrastructure improvements necessary to serve the project. Internal infrastructure is generally provided as part of the initial construction of a project. The areas proposed for annexation, as included in this Housing Element, will be subject to compliance with the City's regulations and policies related to infrastructure, which will alleviate any potential constraints the availability of public facilities (namely, storm drains, water distribution, and sanitary sewer) would have on housing construction. See Section 3.3: Constraints for a detailed description of public facilities and infrastructure needs.

Table 3-6: Annexation Area Sites

				Units, by Income Category				
Key	*Acres*	*General Plan Designation*	*Existing Land Use/Site Context*	*Extremely/ Very Low*	*Low*	*Moderate*	*Above Moderate*	*Total*[1]
A	39.0	Low Density Residential	Agricultural use in operation. One existing residence.				194	194
B	13.2	Medium Density Residential	Existing residences and development projects pending. Assumes 40% of site could be developed.			61		61
C	20.2	Low Density Residential	Vacant				100	100
D	37.1	Low Density Residential	Nursery and agricultural use in operation. One existing residence.				184	184
E	40.0	Low Density Residential	Existing residences on approximately one-quarter of site. Agricultural use in operation on remaining portion of site.				199	199
F	39.3	Low Density Residential	Agricultural use in operation. One existing residence.				195	195
G	27.8	Medium Density Residential	Agricultural use in operation. Three existing residences.			255		255
H	30.1	Low Density Residential	Agricultural use in operation.				150	150
I	12.0	High Density Residential	Agricultural use in operation.	275				275
J	11.7	Medium Density Residential	Agricultural use in operation.			107		107
K	17.2	Medium Density Residential	Agricultural use in operation.			158		158
L	32.8	Low Density Residential	Agricultural use in operation.				163	163
M	6.4	Mixed Use Center	Agricultural use in operation.	36	36			71
N	6.8	Medium Density Residential	Agricultural use in operation.			63		63
O	18.3	Mixed Use Center	Agricultural use in operation. One existing residence.	102	102			203
P	6.7	Medium Density Residential	Agricultural use in operation.			62		62
Q	12.9	Medium Density Residential	Agricultural use in operation.			119		119
R	11.2	Low Density Residential	Agricultural use in operation.				56	56
S	13.3	Low Density Residential	Agricultural use in operation.				66	66
Total	**395.9**			**412**	**137**	**824**	**1,307**	**2,681**

Source: City of Lodi 2015

1. Totals may not sum precisely due to rounding.

Summary

Lodi has a capacity of 4,294 units during the Housing Element planning period. This total includes sufficient capacity at each household income level to meet and exceed the RHNA. A summary is provided in Table 3-7.

Table 3-7: Summary of Housing Sites, January 1, 2014, to December 31, 2023

	Housing Units, by Income				
	Extremely/ Very Low	Low	Moderate	Above Moderate	Total
Units Constructed				38	38
Development Projects	284	284	798	1,509	2,875
Vacant Land	502	380	63	114	1,059
Underutilized Land	194	104	16	8	322
Total	**980**	**768**	**877**	**1,669**	**4,294**
Regional Housing Needs Allocation	497	331	333	770	1,931
Surplus	483	437	544	899	2,363

Source: City of Lodi 2015

3.2 ADMINISTRATIVE AND FINANCIAL RESOURCES

ADMINISTRATIVE RESOURCES

Described below are public and nonprofit agencies that have been involved or are interested in housing activities in Lodi. These agencies play important roles in meeting the housing needs of the community. In particular they are involved in the improvement of the housing stock, expansion of affordable housing opportunities, preservation of existing affordable housing, and/or provision of housing assistance to households in need.

Central Valley Low Income Housing Corporation (CVLIHC)

CVLIHC provides both permanent supportive housing for homeless households with disabilities and transitional housing and support services for homeless families. CVLIHC's permanent and transitional programs are located at scattered sites throughout San Joaquin County, with participants having the primary responsibility for the units where they live. Supportive services include basic life skills training, parenting and family counseling, transportation assistance, child care, assistance in school enrollment, and job search training. CVLIHC's programs provide housing and supportive services for about 600 households per year.

Christian Church Homes (CCH)

CCH has been providing housing in communities since 1961. The organization was created to meet the housing needs of low-income seniors who faced limited housing choices in Northern California. CCH manages 56 facilities in six states. The majority of CCH's facilities are HUD-subsidized and allow low-income residents to pay only 30% of their adjusted gross income for rent.

Community Home Builders and Associates (CHBA)

CHBA is a nonprofit public benefit corporation involved in the development, construction, and management of affordable housing for individuals and families of low to moderate incomes. The organization was founded in 1990 by the Home Builders Association of Northern California. Through its sponsorship of the San José Conservation Corps' YouthBuild program, CHBA has provided employment for at-risk youth in the construction trades while helping to create opportunities for the building industry to partner with local communities in an effort to fulfill affordable housing goals.

Eden Housing, Inc.

Eden Housing is a nonprofit developer that has completed more than 5,000 housing units. Eden Housing serves low-income families, seniors, persons with disabilities, the formerly homeless, and first-time homebuyers. Eden Housing has substantial experience in applying for funding through government programs, including Low-Income Housing Tax Credit, and HUD Section 202 and 811 programs. Eden Housing is developing an 80-unit affordable senior housing development on Tienda Drive, but construction has not yet begun.

Eskaton Properties, Inc.

Eskaton's primary mission is to enhance the quality of life for seniors through health, housing, and social services. Eskaton currently operates 34 planned affordable retirement communities in California for seniors with limited income, including the Manteca Manor in Manteca. These independent living facilities are located close to a variety of services and offer apartment living with maintenance handled by staff. Rental fees are typically subsidized by the federal government.

Habitat for Humanity, San Joaquin County

Habitat for Humanity is a nonprofit faith-based organization dedicated to building affordable housing and rehabilitating homes for lower-income families. Habitat builds and repairs homes with the help of volunteers and partner families. Habitat homes are sold to partner families at no profit with affordable, no-interest loans. Volunteers, churches, businesses, and other groups provide most of the labor for the homes. Government agencies or individuals typically donate land for new homes. In the past, the City of Lodi has provided an allocation of HOME Program funds to the local Habitat for Humanity chapter for land acquisition to accommodate their new construction activities. However, the availability of vacant parcels for such development and the higher cost of land in recent years have prevented Habitat from further development.

Housing Authority of San Joaquin County (HASJC)

HASJC offers programs to assist extremely low- to moderate-income households with their housing costs, including the Section 8 rental assistance program, public housing, and migrant farmworker housing. Specifically, HASJC manages five public housing projects and three migrant farm labor housing developments throughout San Joaquin County. In addition, HASJC provides the Family Self-Sufficiency Program as well as supportive services centers, which provide a range of services to help people become financially self-sufficient.

Lodi House

Lodi House is a nonprofit agency that provides shelter for homeless women and children. In addition to shelter, Lodi House provides food, advocacy, counseling, and numerous workshops on a variety of topics. Lodi House is geared toward assisting women in achieving independence so that they can find a home for themselves and their children. Five families reside together at Lodi House at a time. The City of Lodi has contributed to the Lodi House in recent years.

LOEL Gardens Senior Housing

The LOEL Gardens Senior Center, in addition to providing supportive services and activities to seniors at their facility at 105 S. Washington, also provides affordable housing to seniors. With funding provided through the City's CDBG and HOME programs, LOEL has acquired several residential properties around their Senior Center and has a total of 14 units designated for very low- and low-income seniors.

Mercy Housing California (MHC)

MHC is a nonprofit developer that provides affordable housing for families, seniors, formerly homeless persons, individuals with HIV/AIDS, and persons with chronic mental illnesses and physical impairments. With the assistance of public and private funding, MHC builds or rehabilitates housing to meet community needs. The types of housing developed include multi-unit rental apartments, single-family homes, single-room occupancy (SRO) apartments for formerly homeless adults, and accessible units for individuals with physical disabilities.

Salvation Army Shelter

The Salvation Army operates a 56-bed men's shelter in Lodi, which provides food, clothing, and medical services. The Salvation Army also operates a 16-bed transitional housing facility, as well as a 37-bed emergency shelter for women and children and a 24-bed transitional housing facility for women and children. The City of Lodi has contributed $35,000 to the Salvation Army in recent years under the Community Development Block Grant program.

Satellite Affordable Housing Associates

Satellite Housing is a nonprofit organization, based in Berkeley, that provides affordable, service-enriched housing that promotes healthy and dignified living for people with limited options, including seniors, families, and adults with special needs. Satellite Housing was awarded a $1.3 million HUD 811 Loan to develop a small project to serve special needs adults and is looking for a location in Lodi in which to place that project, since the primary location in Manteca has become unavailable.

Service First of Northern California, Inc.

Service First of Northern California is a nonprofit organization, based in Stockton, that provides affordable housing to the residents of San Joaquin County. In 2009, it acquired three properties (438 Via Marco, 324 Watson Street, and 502 E. Oak Street) for redevelopment and resale to low- to moderate-income families, using Neighborhood Stabilization Program funds.[5]

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[5] San Joaquin County. "Neighborhood Stabilization Program July 1, 2009 thru September 30, 2009 Performance Report." Page 9.

It is in the process of acquiring two additional properties at 500 E. Oak Street and 110 South Garfield Street, for resale to low-income families, using HOME funds.[6]

Stockton Shelter for the Homeless

Stockton Shelter is a not-for-profit agency that serves the homeless. The organization has three year-round shelters and opens a fourth shelter at one of the Housing Authority's migrant camps during the winter months. The Stockton Shelter served 3,090 persons in 2014. The family shelter has 160 beds, the singles' shelter has 8 beds and the women's dorm has 14 beds. In addition, the single men's shelter provides 169 shelter beds. The Holman House, a shelter for persons living with HIV/AIDS, has beds for 32 people. The seasonal migrant worker shelter sleeps approximately 250 people. Stockton Shelter offers a variety of services, including case management, drop-in services, showers, meals, and other supportive services.

FINANCIAL RESOURCES

The City of Lodi has access to a variety of existing and potential funding sources available for affordable housing activities. These include local, state, federal and private resources and are summarized in Table 3-8. Described below are the four largest housing funding sources the City can use for housing production, rehabilitation, or preservation: CDBG, HOME Investment Partnership Program grants, and the Section 8 Rental Assistance Program.

Community Development Block Grant

The federal CDBG program provides funds for a variety of community development activities. The program is flexible in that the funds can be used for a range of activities. The eligible activities include, but are not limited to, acquisition and/or disposition of real estate or property, public facilities and improvements, relocation, rehabilitation and construction (under certain limitations) of housing, homeownership assistance, and clearance activities. From 2001 to 2007, the City used $510,922 in CDBG dollars to produce 11 very low-income units.

HOME Investment Partnership Program

Federal HOME funds can be used for activities that promote affordable rental housing and homeownership for lower-income households. Such activities include the following: building acquisition, new construction, reconstruction, moderate or substantial rehabilitation, first-time homebuyer assistance, and tenant-based assistance. A federal priority for the use of HOME funds is the preservation of at-risk housing projects. Since 2001, the City has allocated $996,299 in HOME funds to produce 40 low-income units. HOME funding is now provided through the State HOME program on a competitive application basis; the City was awarded $700,000 in State HOME funds for a First-Time Homebuyer Program for 2013–2016.

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[6] City of Lodi. Planning Commission Staff Report. "Tentative Parcel map 09-P-02." December 9, 2009.

Section 8 Rental Assistance

The Section 8 program is a federal program that provides rental assistance to very low-income households in need of affordable housing. The program offers a voucher that pays the difference between the current fair market rent and what a tenant can afford to pay (e.g., 30% of their income). The voucher allows a tenant to choose housing that may cost above the payment standard, but the tenant must pay the extra cost. The program is administered by the Housing Authority of San Joaquin County.

Table 3-8: Financing Resources for Affordable Housing

Funding Type/Program	*Description*	*Eligible Activities*
Federal Programs		
Community Development Block Grant	Grants awarded to the City on a formula basis for housing and community development activities.	- Acquisition - Rehabilitation - Homebuyer Assistance - Economic Development - Homeless Assistance - Public Services
Emergency Shelter Grants (ESG)	Grants potentially available to the City through the County to implement a broad range of activities that serve homeless persons. Funding availability is uncertain for the current year.	- Shelter Construction - Shelter Operation - Social Services - Homeless Prevention
HOME	Grant program potentially available to the City on a competitive basis for housing activities. City competes for funds through the State's allocation process.	- Acquisition - Rehabilitation - Homebuyer Assistance - Rental Assistance
Low-Income Housing Tax Credits (LIHTC)	Tax credits are available to persons and corporations that invest in low-income rental housing. Proceeds from the sales are typically used to create housing.	- New Construction - Acquisition - Rehabilitation
Mortgage Credit Certificate (MCC) Program	Income tax credits available to first-time homebuyers to buy new or existing single-family housing. County Housing Authority makes certificates available.	- Homebuyer Assistance
Section 8 Rental Assistance Program	Rental assistance payments from the Housing Authority of San Joaquin County to owners of private market-rate units on behalf of very low-income tenants.	- Rental Assistance - Homebuyer Assistance

Funding Type/Program	*Description*	*Eligible Activities*
Section 108	Provides loan guarantees to CDBG entitlement jurisdictions for capital improvement projects. Maximum loan amount can be up to five times the jurisdiction's recent annual allocation. Maximum loan term is 20 years.	- Acquisition - Rehabilitation - Homebuyer Assistance - Economic Development - Homeless Assistance - Public Services
Section 202	Grants to nonprofit developers of supportive housing for the elderly.	- Acquisition - Rehabilitation - New Construction
Section 203(k)	Provides long-term, low-interest loans at fixed rates to finance acquisition and rehabilitation of eligible property.	- Land Acquisition - Rehabilitation - Relocation of Unit - Refinance Existing Indebtedness
Section 811	Grants to nonprofit developers of supportive housing for persons with disabilities, including group homes, independent living facilities, and intermediate care facilities.	- Acquisition - Rehabilitation - New Construction - Rental Assistance
U.S. Department of Agriculture (USDA) Housing Programs (Sections 514/516)	Below market-rate loans and grants for farmworker rental housing.	- New Construction - Rehabilitation
State Programs		
Affordable Housing Partnership Program (AHPP)	Provides lower interest rate CHFA loans to homebuyers who receive local secondary financing.	- Homebuyer Assistance
CalHOME	Provides grants to local governments and nonprofit agencies for local home buyer assistance and owner-occupied rehabilitation programs and new home development projects. Will finance the acquisition, rehabilitation, and replacement of manufactured homes.	- Homebuyer Assistance - Rehabilitation - New Construction
California Housing Assistance Program	Provides 3% silent second loans in conjunction with 97% CHFA first loans to give eligible buyers 100% financing.	- Homebuyer Assistance
California Housing Finance Agency (CHFA) Rental Housing Programs	Below market rate financing offered to builders and developers of multifamily and elderly rental housing. Tax-exempt bonds provide below-market mortgages.	- New Construction - Rehabilitation - Acquisition

Funding Type/Program	*Description*	*Eligible Activities*
CHFA Home Mortgage Purchase Program	CHFA sells tax-exempt bonds to make below-market loans to first-time buyers. Program operates through participating lenders who originate loans for CHFA.	- Homebuyer Assistance
California Self-Help Housing Program (CSHHP)	Provides grants for the administration of mutual self-help housing projects.	- Homebuyer Assistance - New Construction
Emergency Housing and Assistance Program (EHAP)	Provides grants to support emergency housing.	- Shelters & Transitional Housing
Emergency Shelter Program	Grants awarded to nonprofit organizations for shelter support services.	- Support Services
Extra Credit Teacher Program	Provides $7,500 silent second loans with forgivable interest in conjunction with lower interest rate. CHFA first loans to assist eligible teachers to buy homes.	- Homebuyer Assistance
Farmworker Housing Assistance Program	Provides state tax credits for farmworker housing projects.	- New Construction - Rehabilitation
Housing Enabled by Local Partnerships (HELP)	Provides 3% interest rate loans, with repayment terms up to 10 years, to local government entities for locally determined affordable housing priorities.	- New Construction - Rehabilitation - Acquisition - Homebuyer Assistance - Site Development
Joe Serna Jr. Farm-worker Housing Grant Program (FWHG)	Provides recoverable grants for the acquisition, development, and financing of ownership and rental housing for farmworkers.	- Homebuyer Assistance - Rehabilitation - New Construction
Multi-Family Housing Program (MHP)	Deferred payment loans for the new construction, rehabilitation, and preservation of rental housing.	- New Construction - Rehabilitation - Preservation
Self-help Builder Assistance Program (SHBAP)	Provides lower interest rate CHFA loans to owner-builders who participate in self-help housing projects. Also provides site acquisition, development, and construction financing for self-help housing projects.	- Homebuyer Assistance - New Construction - Site Acquisition - Site Development
Supportive Housing/ Minors Leaving Foster Care	Funding for housing and services for mentally ill, disabled, and persons needing support services to live independently.	- Supportive Housing - Foster Care

Funding Type/Program	*Description*	*Eligible Activities*
Local Programs		
Financial Incentives under the Density Bonus Ordinance	The County's Density Bonus Ordinance offers financial incentives, as required by state law.	- New Construction
Tax Exempt Housing Revenue Bond	The County can support low-income housing by issuing housing mortgage revenue bonds requiring the developer to lease a fixed percentage of the units to low-income families at specified rental rates.	- New Construction - Acquisition - Rehabilitation
Private Resources		
California Community Reinvestment Corporation (CCRC)	Nonprofit mortgage banking consortium designed to provide long-term debt financing for affordable multifamily rental housing. Nonprofit and for-profit developers contact member banks.	- New Construction - Rehabilitation - Acquisition
Federal National Mortgage Association (Fannie Mae)	Fixed-rate mortgages issued by private mortgage insurers.	- Homebuyer Assistance
	Mortgages which fund the purchase and rehabilitation of a home.	- Homebuyer Assistance - Rehabilitation
	Low down-payment mortgages for single-family homes in underserved low-income and minority cities.	- Homebuyer Assistance
Freddie Mac Home Works	Provides first and second mortgages that include rehabilitation loan. County provides gap financing for rehabilitation component. Households earning up to 80% area median income qualify.	- Homebuyer Assistance
Savings Association Mortgage Company Inc.	Pooling process to fund loans for affordable ownership and rental housing projects. Nonprofit and for-profit developers contact member institutions.	- New construction of rentals, cooperatives, self help housing, homeless shelters, and group homes

3.3 CONSTRAINTS

A number of factors may constrain the development of housing, particularly housing affordable to lower-income households. These factors can generally be divided into "governmental constraints," or those that are controlled by federal, state, or local governments, and "nongovernmental constraints," factors that are not generally created or affected by governmental controls.

An analysis of these factors can help in the development of programs that lessen the effect of construction on the supply and cost of housing.

NONGOVERNMENTAL CONSTRAINTS

Mortgage and Rehabilitation Financing

The availability of financing affects a person's ability to purchase or improve a home. Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications by the income, gender, and race/ethnicity of the applicants. This applies to all loan applications for home purchases and improvements, whether financed at market rate or with government assistance.

In 2013, as reported under HMDA,[7] 543 households applied for a mortgage to purchase a primary residence, and lending institutions approved financing for 85% of those requests. By comparison, in 2007, the overall loan approval rate was 47% and in 2001 83% of loans were approved. While the market tightened in 2007, it seems to have recovered to earlier lending rates. As a result, households are finding it easier to secure loans. Of the 543 loan requests, VA-guaranteed mortgage requests had the highest rate of loan origination (88.46%); however, FHA and conventional mortgage requests closely followed at 81.31% and 86.12%. American Indian/Alaska Native, Black or African American, and Native Hawaiian/Pacific Islander applicants experienced a high rate of loan origination at 100.00%. Asian and White applicants, on the other hand, experienced a lower rate at 90.00% and 84.35%, respectively. However, three census tracts (44.03, 45.01, and 45.02) have concentrations of either non-Whites or low/moderate-income persons, or both, and experienced a loan denial rate that was significantly lower than the overall rate in the city.

To address potential private market lending constraints and expand homeownership and home improvement opportunities, the City of Lodi offers a first-time homebuyer assistance program. This program assists extremely low-, very low-, low-, and moderate-income residents by increasing access to favorable loan terms to purchase or improve their homes.

Cost of Land

A key factor in determining housing costs is the price of raw land and any necessary improvements. Over the course of the last several years, virtually no land has been sold in the city since 2007. The price of existing homes continues to incrementally increase since the economic downturn. According to local developers at the stakeholder meeting, residentially zoned land anywhere in the city would not sell for more than $150,000 to $200,000 per acre at

[7] Home Mortgage Disclosure Act LAR data, 2013, http://www.consumerfinance.gov/hmda/.

present.[8] In 2001, the average selling price was $75,000 to $100,000. This is an increase in the cost of land from previous years.

Construction Costs

Single-Family Homes

Various factors can affect the cost of building a single-family house, including the type of construction, custom versus tract development, materials, site conditions, finishing details, amenities, square footage, and structural configuration. These factors create a wide variation in construction costs. A basic, 1,200-square-foot starter home could be constructed in Lodi for $214,000, including land cost,permit and development impact fees site preparation, and other miscellaneous costs, excluding developer fee or profit.

Multifamily Homes

Contacts with multifamily housing developers in the Lodi region indicate that construction costs for multifamily housing units, including land and site preparation costs, materials and labor, fees, and related expenses,,are discouraging for new construction. The construction costs for a 1,000-square-foot unit are approximately $125,000 which includes land cost, permit and development impact fees , site preparation, and other costs, excluding developer fee or profit.

GOVERNMENTAL CONSTRAINTS

Local policies and regulations impact the price and availability of housing and subsequently the provision of affordable housing. Land use controls, site improvement requirements, fees and exactions, permit processing procedures, and other factors can constrain the maintenance, development, and improvement of housing. This section discusses potential governmental constraints, as well as policies that encourage housing development in the city.

The City of Lodi adopted its Development Code in March 2013. The analysis below is based on the standards set out in the Development Code.

General Plan Designations and Permitted Densities

The Land Use Element was updated as part of the comprehensive General Plan update in 2010. The element sets forth the City's development policies. These policies, as implemented by the Development Code (Title 17 of the Lodi Municipal Code), establish the amount of land allocated for residential and other uses within the city. The Land Use Element establishes 14 land use designations in total, including six that allow residential uses (see Table 3-9): Low-Density Residential, Medium-Density Residential, High-Density Residential, Downtown Mixed Use, Mixed Use Corridor, and Mixed Use Center, and some limited residential use in Commercial, Industrial, and Overlay Districts. With this most recent General Plan, the City is emphasizing a dense, mixed-use downtown as well as mixed-use development along the city's major corridors: Kettleman and Cherokee lanes and Lodi Avenue.

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[8] Estimate from the stakeholders meeting on June 25, 2015.

Table 3-9: Development Standards, by Land Use Designation

Land Use District	*Residential Density (du/ac)/ Floor Area Ratio (FAR)*	*District Code*
Residential		
Low-Density Residential	2–8	RLD
Medium-Density Residential	8–20	RMD
High-Density	15–35	RHD
Mixed-Use		
Downtown Mixed Use	8–35 / 3.0	DMU
Mixed Use Center	8–35 / 1.0	MCE
Mixed Use Corridor	2–35 / 1.2	MCO
Commercial	—	
Office	—	O
General Commercial	—	GC
Industrial	—	
Industrial District	—	M
Overlay	—	
Planned Development	—	PD

Medium- and high-density residential and the mixed-use designations all allow multifamily housing by right. The Mixed Use Corridor designation permits 100% residential development except along Cherokee Lane and Lodi Avenue, where 25% and ground-floor frontage should be commercial active uses, respectively. Likewise, the Downtown Mixed Use designation requires ground-floor active uses. Still, the range of districts that permit residential development and the densities they offer (2–35 units per acre) allow for a variety of housing types and therefore do not serve as a constraint to housing development.

Smart Growth and Transit-Oriented Development

Both the General Plan, adopted in April 2010, and the Transit-Oriented Design Guidelines for Downtown prioritize locations for high-density development. The first guiding principle of the General Plan seeks to maintain the city's compact form, with virtually all new development located within 3 miles of downtown. Lodi's downtown and major transit and commercial corridors (including Lodi Avenue, Cherokee Lane, and Kettleman Lane) are priority areas for high density and mixed use with primarily residential development, in order to capitalize on access to transit, public facilities, and services. New growth areas are focused around mixed-use centers that envision a range of housing choices (including high-density development, appropriate for below-market-rate housing). Three new schools and several parks are intentionally located next to mixed-use centers and the highest residential densities to promote walkability and access to services. The General Plan and TOD Design Guidelines serve to remove constraints to affordable housing by supporting housing choices, including high density.

Zoning Standards and Permitted Housing Types

The existing Development Code regulates the type, location, density, and scale of residential development and exists to protect and promote the health, safety, and general welfare of residents. In addition, the Development Code serves to preserve the character and integrity of existing neighborhoods. As shown in Table 3-10, Lodi's Development Code includes design standards and guidelines for districts that permit residential development.

The development standards contained in the City's Development Code are consistent with other cities of Lodi's size and character. Examples include maximum lot coverage from 45% to 60% and height limits of 35 feet in low- and medium-density designations and 60 feet in high-density zones. Table 3-10 summarizes the City's development standards. Note that densities in the Sites Inventory are determined by the General Plan designation.

Development Standards

Table 3-10 shows the development standards and residential uses permitted by zoning district. Symbols in the table represent the following: A – allowed use; UP – use permit required; MUP – minor use permit required; X – use not allowed. In the Planned Development district, the development standards will vary depending on the requirements of the underlying zoning district.

Table 3-10: Residential Development Standards and Housing Types Permitted by Zone

	Zoning District									
Zoning Standards	*RLD*	*RMD*	*RHD*	*DMU*	*MCE*	*MCO*	*GC*	*O*	*M*	*PD*
Max Density (du/ac)[1] / Floor Area Ratio	8	20	35	8–35 / 3.0	8–35 / 1.0	2–35 / 1.2	FAR 0.60	FAR 0.60	FAR 0.60	varies
Min Lot Size (sq ft) – single family[1]	5,500	5,000	4,000	None	None	8,000	8,000 sq. ft.	8,000 sq. ft.	10,000	varies
Min Lot Width (ft)[2]	50	50	50	None	None	50 wide by 100 deep	750	75	75	varies
Front Yard Setback (ft)	15	15	15	None	None	10	10	10	10	varies
Side Yard Setback (ft)	5	5	5	None	None	5	None	None	None or 20 if adjacent to residential	varies
Rear Yard Setback (ft)	10	10	10	None, or 10 if residential	None or 10 if residential	10	None or 10 if residential	10	None or 20 if adjacent to residential	varies
Building Coverage (%) / Floor Area Ratio	45	50	60	3.0	1.0	1.2	FAR 0.60	FAR 0.60	FAR 0.60	varies
Max Building Height (ft)	35	35	60	75	75	60	35	35	70	varies
Parking (spaces/unit)	Varies, see discussion below.									
Housing Types Permitted										
Single-Family Dwelling	A	UP	UP	X	X	UP	X	X	X	varies
Two-Family Dwellings (duplex)	X	A	A	X	X	A	X	X	X	varies
Multifamily (3 or more dwelling units)	X	A	A	A	A	A	X	X	X	varies
Accessory Uses	A	A	A	A	A	A	X	X	X	varies
Caretaker Quarters	X	A	A	X	X	X	X	UP	X	varies
Home Occupations	MUP	MUP	MUP	MUP	MUP	MUP	X	X	X	varies
Live/Work Projects	X	UP	UP	A	A	A	X	X	X	varies
Seasonal Farmworker Housing	X	A	A	X	X	X	X	X	X	varies

	Zoning District									
Zoning Standards	*RLD*	*RMD*	*RHD*	*DMU*	*MCE*	*MCO*	*GC*	*O*	*M*	*PD*
Transitional/Supportive Housing	A	A	A	A	A	A	X	X	X	varies
Second Dwelling Units	A	A	A	X	X	X	X	X	X	varies
Residential Shelters							A	X	UP	varies
Mobile Homes/RV Park	X	X	UP	X	X	X	X	X	X	varies

Source: Chapter 17, Lodi Municipal Code

1. *Varies depending on dwelling type.*
2. *Varies with a second dwelling unit.*

Yards and Setbacks

Yard and setback requirements are consistent with permitted densities in residential zones: 15 feet in front, 10 feet in rear, and 5 feet on each side. Yard and setback requirements within the other zoning districts are typical in comparison with most jurisdictions.

Building Coverage

The City's building coverage standards are reasonably related to the density provisions in each residential zone. In residential zones, permitted building coverage ranges from 45% to 60% in the RLD zone (low density) to 60% in the RHD zone. Building coverage pertains to the primary (main) building and any accessory structures.

Lot Size and Lot Area per Dwelling Unit

In zones designated for residential low and medium density, minimum lot size is 5,500 square feet and 5,000 square feet respectively. Zones allowing high-density residential development have a minimum lot size of 4,000 square feet.

Building Height

Permitted building heights range from 35 feet in low- and medium-density zones to 60 feet (four stories) in the high-density zone. Residential uses are allowed in the General Commercial and Office zones, which have a maximum building height of 35 feet. In the industrial zone, the maximum building height increases to a maximum of 70 feet. In the city's mixeduse districts (DMU, MCO, and MCE), the maximum building height ranges from 60 (five stories) to 75 feet (six stories). Lodi's Development Code includes a provision for exceptions to standard height limitations for non-habitable architectural elements and structures.

Parking Standards

Lodi's minimum parking requirements are based on the gross floor area of a use. Where a site has multiple tenants, the minimum number of parking spaces is based on the aggregate number of parking spaces required for each separate use.

The minimum parking requirements are two spaces within a garage for a single-family home and two covered spaces per unit for a duplex. The requirements for a multifamily dwelling are one covered spaced per one-bedroom unit or two spaces per two-bedroom unit (one must be covered), plus one uncovered guest space for every five units. For senior housing projects, a minimum of 0.75 space for each unit with half the spaces covered, plus one guest parking space for each ten units, is required. Few parking spaces are required for senior congregate care facilities, which requires 0.5 space for each residential unit, plus one space for each four units for guests/employees. The City's parking ratios are reasonable in relation to the likely demand for parking from different residential uses.

The City allows variations to these parking requirements. When two or more adjacent nonresidential uses have distinct and different peak parking usage periods, a reduction in the required number of spaces may be allowed. Other reductions in parking may be allowed through granting of a use permit so long as the justification for needing fewer parking spaces is well documented, the parking reduction will not adversely affect the other adjacent businesses or uses, and the modified parking is consistent with other uses of similarly intensity.

Design Guidelines

The City adopted Transit-Oriented Development Design Guidelines for Downtown in 2008 and has general design guidelines as part of the update to the Development Code, to implement the policies of the General Plan and Housing Element. These documents do not serve as a constraint to development. In fact, they serve to alleviate constraints, since they provide detailed guidance about the City's design preferences (e.g., ground-floor features, green design, and parking) that can assist an applicant in preparing an application that conforms to the City's regulations.

Development Standard Conclusion

The City's development standards do not impose a constraint to achieving maximum residential densities and are reasonably related to neighborhood quality goals and protecting the health and safety of residents.

Permitted Housing Types

Licensed Residential Care Facilities

The city has 24 licensed residential care facilities: eight adult residential care, nine residential care facilities for the elderly, two adult day care facilities, four small residential care homes for children, and one group home. Residential care facilities are licensed by the State of California to provide permanent living accommodations and 24-hour supervision for persons in need of personal services, supervision, protection, or assistance for sustaining the activities of daily living. Licensed residential care facilities include hospices, nursing homes, convalescent facilities, sanatoriums, and group homes for minors, persons with disabilities, and people in recovery from alcohol or drug addiction. Under state law, the City of Lodi is required to permit licensed residential care facilities that serve six or fewer persons by right in residential districts. Facilities that serve more than six people can be required to have a use permit. The City's Development Code was updated to allow all types of residential care facilities of six of fewer individuals permitted by right in residential zones

Extremely Low-Income Households

Assembly Bill 2634 (Lieber, 2006) requires the quantification and analysis of existing and projected housing needs of extremely low-income households. Elements must also identify zoning to encourage and facilitate supportive housing and single-room occupancy (SRO) units. SRO units are generally small in nature and lack separate kitchen or bathroom facilities for every unit. Meals are often provided, and residents stay on a permanent or semi-permanent basis; rent is often accepted on a weekly or monthly basis. SRO units are frequently one of the only sources of housing available to extremely low-income people (in Lodi, a one-person household making $13,950 or less annually qualifies as extremely low income). The Development Code currently treats SROs the same as any group residential use.

Supportive and Transitional Housing

Supportive and transitional housing is geared toward individuals and families who have been homeless and who benefit from supportive services such as job counseling and day care as they get back on their feet and are able to afford their own house or apartment. Residents in supportive and transitional housing typically stay up to a year before moving out. According to state law, supportive and transitional housing must be treated the same as any other residential

use in a residential zone. The City Council adopted a Development Code amendment on August 19, 2015, to allow transitional and supportive housing in all zones that allow residential uses. ,

Emergency Shelters

Recent state law (SB 2) mandates that jurisdictions either permit emergency shelters by right in one or more zones or enter into a multi-jurisdictional agreement with neighboring jurisdictions to fund and operate a shelter or shelters to meet their collective homeless need. Lodi currently meets this new requirement—emergency shelters are allowed by right in the General Commercial (GC) zone. This zone was selected based on access to transit, public facilities, and commercial services. GC sites are all located primarily in downtown Lodi and along Cherokee Lane (a major commercial street with transit access, located adjacent to the eastern residential neighborhoods). Currently, there are five vacant GC sites ranging from 0.24 to 23.06 acres in size that could accommodate emergency shelters. Moreover, there are older motels along Cherokee Lane that could be used as emergency shelters if necessary. In sum, available land and existing structures would accommodate the estimated homeless population—approximately 90 unsheltered persons, as described in Chapter 2.

Second Units

The City defines a second unit as "an additional living unit on a lot within a single-family zone." A second unit is a self-contained unit with separate kitchen, living, and sleeping facilities. A second unit can be created by (1) altering a single-family dwelling to establish a separate unit or (2) adding a separate unit onto an existing dwelling. In accordance with state law, second units are allowed without the requirement of a use permit in the RLD, RMD, and RHD zoning districts.

The City requires that second units be architecturally compatible with the existing single-family dwelling. They must have separate exterior entrances and be no larger than 640 square feet in floor area or 30% of the existing living area of the primary residence, whichever is less. The unit must also have one off-street parking space in addition to the parking required for the existing residence.

Farmworker Housing

Farmworker or employee housing is property used temporarily or seasonally for the residential use of five or more unrelated persons or families employed to perform agricultural or industrial labor. The accommodations may consist of any living quarters, dwelling, boarding house, tent, bunkhouse, mobile home, manufactured home, recreational vehicle, travel trailer, or other housing accommodations maintained in one or more buildings, or one or more sites, and the premises upon which they are situated, including area set aside for parking of mobile homes or camping of five or more employees by the employer. State law (Sections 17021.5 and 17021.6 of the Health and Safety Code) requires the City to treat employee housing that serves six or fewer persons as a single-family structure and permitted in the same manner as other single-family structures of the same type in the same zone and also to treat employee housing consisting of no more than 12 units or 36 beds as an agricultural use and permitted in the same manner as other agricultural uses in the same zone (Section 17021.6) in zones where agricultural uses are permitted. The Development Code treats permanent housing for farmworkers who live in Lodi year-round the same as other permanent housing (i.e., single

family or multifamily). Seasonal or migrant farmworker housing is treated the same as group residential. Program 1.1 is proposed to amend the Development Code to comply with the state Employee Housing Act.

Development Process

Growth Management Allocation Ordinance

In 1991, the City adopted a Growth Management Allocation Ordinance (GMAO) to regulate the location, amount, and timing of residential development.

Under the ordinance, the maximum number of housing units approved each year by the City reflects a 2% increase in population. Unused permits rollover to the next year and there is no annual limit on the number of resulting permits that may be utilized. Additionally, this limitation does not apply to certain types of units, including senior citizen housing and projects of four units or less.

The ordinance establishes a residential density allocation system, with the goal of promoting a mix of housing types in the designated percentages listed in Table 3-11. These percentages were derived from the breakdown in existing housing units in Lodi when the ordinance was first conceived in 1989.

Table 3-11: Growth Management Ordinance Breakdown by Density

Housing Type	*Units/Acre*	*Percentage*	*2015 Growth Management Allocation Units*
Low Density	<8	65	291
Medium Density	8–20	10	45
High Density	1,535	25	111
Total	**—**	**100**	**447**

Source: City of Lodi, General Plan 2010

The allocation for a given year is calculated in the following manner: Lodi's DOF population estimate x 0.02 ÷ Lodi's DOF estimate of persons per household = number of allocations. For example, the current city population is 63,719 as of January 1, 2015, and new Department of Finance numbers show Lodi at 2.85 persons per household in 2015. In 2015, 447 units are available. Calculate 2% of the city's current population: 63,719 x 2% = 1,274.38. Divide 1,274 by the average number of persons per household 1,274 / 2.85 = 447.15. Divide the 447.15 (447) units into the three housing types: 65% low density; 10% medium density; 25% high density.

The breakdown by density establishes an upper limit for the number of permits, but does not guarantee that the density quotas for the three categories are attained by the end of a given year. Because in most years demand has been less than available permits, an inventory of available permits has built up. For example, permits for 49 single-family units were pulled from 2013 through April 2015, leaving many unused allocated units.

Assuming that Lodi's population continues to grow at 1.5% annually, the average growth rate from 2000 to 2015, the City will continue to accumulate and not build out, at the potential number of allocation units for 2015. More importantly, this means that in total, development permits for approximately 4,923 units will be available to fulfill Lodi's RHNA, which is 1,931. The density breakdown of these allocations appears in Table 3-12. Of the City's 4,923 total allocations, 3,472 remain for low density, 411 remain for medium density, and 1,040 remain for high density. Taking into account the planning period, based on an average number of persons per household of 2.8 and a 1.5% growth rate, an estimated 8,817 allocated units will be available for development by the end of the planning period.

Table 3-12 Remaining Growth Management Allocation

Residential Density (units/acre)	*2015 Remaining Allocations*	*2014–2023*
Low Density	3,472	-2,531
Medium Density	411	389
High Density	1,040	974
Total	**4,923**	**8,817**

How Permits are Allocated and Points Awarded

Proposed developments receiving the highest number of points under an annual permit application process receive allocations. Projects are ranked by point-score and eliminated as necessary in order to equal the number of permits allowed for a given year. No single-family development is allowed to receive more than one-third of the permits available in any single year unless the number of applications is less than the total permits available for the year. The current GMAO excludes commercial and industrial projects; senior housing; on-site replacement of housing in existence as of September 1, 1989; and projects of four units or less. To facilitate the development of affordable units, Program 1.2 proposes to exclude affordable housing from units that are required to receive allocations.

In practice, demand for permits has not exceeded the supply since 1991. Since that time there has been a backlog of available permits which rolls over from year to year. There is no cap on the number of allocations that can be granted annually nor is there an expiration date. Moreover, multifamily and affordable housing are eligible for 30 additional points. Additionally, multifamily housing is eligible for up to 20 bonus points for landscaping and architectural design, not available to single-family developments. In addition, projects with units affordable for low- and moderate-income households can earn up to 10 points. However, because of the large number of permits available, this scoring system is not expected to be necessary or used during this Housing Element planning period.

Conclusion

Overall, the Growth Management Allocation Ordinance does not present a substantial constraint to development during this planning period. There are more than enough available allocations to meet housing demand. There is no annual cap on the number of allocations that can be granted and no expiration on the permits Moreover, senior units are exempt from the allocation process and affordable units will be exempt.

However, the allocation process adds time and cost upfront to the development process for two reasons. The allocations occur once a year and an investment is required on the applicant's part to provide the level of site plan and application detail required by the City to receive an allocation. The reason the City only accepts allocations once a year is so that projects can be compared. Generally, projects submitted in May will receive allocations by the end of the calendar year. The time and cost are recouped for successful applicants who receive allocations because their proposed site plans and other details of the development proposal are reviewed and approved by the City during the allocation process. This provides a degree of certainty and ultimately efficiency in the approval process.

Once a development proposal is approved, an applicant may proceed with a Tentative Subdivision Map (TSM). Approval of the TSM is the final major regulatory process for the applicant. Following approval of the TSM and allocation of housing units, the applicant generally need only apply for ministerial approvals (final subdivision map, building permits, etc.). Applicants can apply for multiyear allocations (up to three years), which further reduces the long-term cost of receiving development approvals under the allocation process. However, use of housing allocations must be done in accordance with the schedule approved and construction occur in the year for which the allocation applies.

The City of Lodi does not believe that added costs exist with respect to the Growth Management Allocation Ordinance. The time frame for project review and approval is consistent with, if not shorter than, other communities. The review of site plans in the approval of multifamily projects is consistent with sound planning practice and other jurisdictions. Finally, since the inception of the ordinance, no medium or high density request has been denied that is consistent with existing General Plan designations and zoning; this is important given the statewide and local need for affordable housing opportunities.

Development Review Process

A city's development review process—the steps and the time that it takes to review and make a decision on a development application—can serve as a constraint to residential development. This section explains the City of Lodi's development review practices.

Administrative Deviations

Minor deviations from the provisions of Lodi's Development Code are approved through the processing of an administrative deviation. This process requires the submittal of an application and involves review and approval by Community Development and Public Works and Electric Utility Department staff only or can be referred to the Planning Commission, and can be submitted for land located within any zoning district. Administrative deviations are issued only because of special circumstances such as topography or size constraints that obstruct development of a site. Lodi's Development Code identifies the only modifications for which an administrative deviation can be issued. These modifications include off-street parking requirements, setback requirements, area and width requirements, height requirements, and landscaping requirements. Modifications are only allowed up to a certain percentage of the standard requirements.

Site Plan and Architectural Review

The development review process includes site plan and architectural review for certain development projects by the Site Plan and Architectural Review Committee (SPARC). The purpose of this review is to ensure compliance with the Development Code and promote orderly development. Projects required to obtain site plan and architectural approval are sign permits, site plan and architectural approval for multiple single-family homes, and site plan and architectural approval for commercial and industrial buildings. More specifically, SPARC review is required for the following:

- Multiple single-family detached homes and accessory structures in the R-1, R-1E, and R-2 zoning districts. Multifamily dwellings and accessory structures in the RMD and RHD zoning districts. Temporary structures that will be removed within one year.
- Additions and alterations in all zoning districts, except the R-1, R-1E, R-2, RMD, and RHD zones, that do not meet the specific criteria above. Nonresidential development containing up to 10,000 square feet of total gross structure area. Nonresidential development containing 10,000 square feet or more of total gross structure area.

Site plan and architectural review is facilitated by the SPARC, which was established to assist the Planning Commission in reviewing site plans and architectural drawings. Four of the five members are appointed by the Mayor, while the SPARC is appealable to the Planning Commission. The Planning Commission is the final regulatory authority that issues decisions on most developments within the city. SPARC meetings are open to the public and are publicly noticed.

Applicants are required to submit the following information to the committee:

- A site plan of the proposed structures that complements the neighborhood and preserves light and air on adjoining properties;
- Landscaping and/or fencing of yards and setback area, use of landscaping, and/or fencing for screening purposes;
- Design of ingress and egress;
- Off-street parking and loading facilities;
- Drawings or sketches of the exterior elevations; and
- Designation of location of existing fire hydrants.

These requirements are relatively easy to meet and do not add significantly to the cost or time required for site plan review since these elements are already required for planning and building approval processes and proceed in parallel. The SPARC meets monthly or as needed. The review process proceeds as follows:

- Planning staff reviews site plan and architectural review applications to determine if projects require discretionary approval from the Planning Commission in addition to site plan and architectural review. Discretionary approval may be required if a project needs a use permit or variance—it does not apply to individual single-family homes and accessory structures, including additions and alterations, under individual

applications in the R-1, R-1E, and R-2 zoning districts, nor to ground-floor additions and alterations deemed visually or functionally insignificant by the Planning Department the other hand, condo conversions would trigger a use permit, though existing tenants would have the first right of refusal.

- If it is determined that discretionary approval is required, the application in question is sent to the Planning Commission for review of the site plan and architectural features.
- If the application falls into one of the categories requiring site plan and architectural review (but does not require discretionary approval), it is reviewed by the SPARC.
- The approval body, whether the Planning Commission or the SPARC, has the power to approve or disapprove the application or to approve the application subject to compliance with modifications or conditions to comply with the City's Municipal Code and other applicable laws and regulations. This evaluation against existing laws serves as the findings for approval or denial.
- The SPARC has up to 21 days to make a decision. Upon approval of submitted plans, or at the expiration of 21 days, the City issues a building permit, provided that all building code requirements have been met and the applicant does not need a use permit (which triggers Planning Commission review).
- The SPARC's decision may be appealed to the Planning Commission. Appeals must be filed in writing, with a $300 fee, within 10 days of the SPARC's decision.

Development Review Time Frame

The development review time frame is affected by several factors. Some of these factors, such as the amount of time it takes to (a) determine the completeness of an application, (b) determine if environmental review is necessary, and (c) approve or disapprove a project from the date environmental review is complete or determination of categorical exemption is made, are within the control of jurisdictions. Other factors, such as the time it takes to gather application materials or complete an environmental document, are largely in the hands of developers. Still other factors such as the availability of project financing are dependent upon the state of the economy.

The City complies with state law by taking only 5–10 days to determine whether an application is complete and 5–10 days to determine if environmental review is required (the State actually allows up to 30 days for both of these steps) as well as only 180 days when an EIR is required or 60 days when a negative declaration is made (or the project is exempt from CEQA) to approve or disapprove a project (see Table 3-13). However, typically, project approvals take longer because of the factors discussed above that are out of the City's control as well as additional steps such as conditional use permits and construction permits that may be required.

A typical single-family development will require a residential allocation, tentative and final tract map, environmental review (negative declaration or EIR), Planning Commission review, City Council review (if a Planning Commission decision is appealed), and construction permits (building, grading, etc.). From start to finish, the process will typically take 6 to 12 months. A large or complex project, particularly one triggering state or federal environmental mandates, can take longer. A typical multifamily development will require a residential allocation, environmental review (negative declaration or EIR), Planning Commission review, City

Council review (if a Planning Commission decision is appealed), and construction permits (building, grading, etc.). From start to finish, the process will typically take 6 to 12 months.

Multifamily and single-family developments are also required to go through the Site Plan and Architecture Approval Committee process. It takes two to four weeks to complete staff review before the development can be submitted to the committee. Then, the committee takes 21 days to review the project. It should be noted that smaller developments in the city such as one single-family home or two- to four-unit multifamily structures are only required to obtain building permits and are not required to go through the SPARC.

Table 3-13: Development Review Process Time Frame

			Time Frame for Review (maximum # of days to approve)		
Type of Development	*Type of Approval[1]*	*Approving Authority[2]*	*To Determine Completeness of Application*	*To Determine Environmental Review[3]*	*To Approve/ Disapprove Project[4]*
Second Unit	400 sq. ft. or less is permitted by right; above 400 sq. ft. requires a Variance	Variance approved by Planning Commission	5–10 business days	5–10 business days	4–6 weeks (typically exempt from CEQA)
Single-Family Multifamily (no zone change) Multi-Family (PD zone change) Affordable Housing Senior Housing	Permitted by right	Planning Division	5–10 business days	5–10 business days	180 days if EIR required (only 90 if 49% or more units are affordable); 60 days if a negative declaration required or exempt from CEQA
State-Defined Large Licensed Residential Care[5]		Planning Commission Use permit	5–10 business days	5–10 business days	6–12 weeks

Source: City of Lodi 2015.

1. *Permitted by right, permitted with a Use Permit, etc.*
2. *Planning Division (ministerial), Planning Commission and/or City Council, etc.*
3. *To determine whether an environmental impact report, negative declaration, or mitigated negative declaration shall be required.*
4. *From date environmental review is complete or determination of categorical exemption made. Times listed for approval/disapproval do not take the time needed for the PD zone change into account.*
5. *Licensed residential care facilities are licensed by the State of California to provide permanent living accommodations and 24-hour primarily nonmedical care and supervision for persons in need of personal services, supervision, protection, or assistance for sustaining the activities of daily living. Living accommodations are shared living quarters with or without separate kitchen or bathroom facilities for each room or unit. Licensed residential care facilities include hospices, nursing homes, convalescent facilities, and group homes for minors, persons with disabilities, and people in recovery from alcohol or drug addictions.*

Constraints to Housing for Persons with Disabilities

Given that persons with disabilities frequently have difficulty finding housing that meets their needs, the State requires special analysis of governmental constraints to housing for persons with disabilities.

Zoning and Land Use Policies and Practices

Lodi's Development Code permits certain detached and attached accessory uses and various projections into yards and setbacks. While the Development Code does not specifically indicate that facilities for access by persons with disabilities are permitted, accessory uses such as ramps or lifts for handicapped accessibility are similar to the permitted uses that are specified. Requests for reasonable accommodations are approved administratively (without the requirement of a public hearing or other special review) unless the nature of the request triggers a major design review, which is unlikely. The City does not charge a separate fee for such consultation, and any representative of an applicant (including the applicant) can make a request to the City for reasonable accommodations. Reasonable accommodations requests are subject to a building permit and generally take 10–15 business days to approve.

There are no specific programs or provisions in the Development Code that specifically obstruct the development of housing or other structures that accommodate persons with disabilities. However, there are no special provisions either, which may be a constraining factor on improvements and developments focused to meet the special needs of persons with disabilities. The City is currently in the process of updating its reasonable accommodation procedure to include land use and zoning requests (Program 1.1).

On- and Off-site Improvement Standards

Site improvements are an important component of new development and include roads, water and sewer, and other infrastructure necessary to serve the development. Improvement requirements are regulated by the City's Subdivision Ordinance. Within the existing city limits, off-site improvement requirements are typically limited because the infrastructure needed to serve infill development is already in place. Where off-site improvements are required, they typically relate to local improvements to existing facilities to accommodate higher-density development or to repair or replace aged infrastructure.

Street Improvements

Street improvement standards can have a significant impact on housing cost. The cost of providing streets for new residential developments, in turn, is primarily influenced by the required right-of-way width, pavement width, and pavement improvement standards. Table 3-14 summarizes Lodi's right-of-way and pavement requirements for the hierarchy of streets. The right-of-way and pavement requirements allow for adequate though slightly narrower streets in residential areas than in many communities. Minimum pavement widths of 50 feet or more for collector streets and 40 feet of more for residential streets are common among local jurisdictions. Lodi's Subdivision Ordinance includes a provision for reimbursement to developers for excess widths of street construction, more than 68 feet for construction of new streets, and widening in excess of half of the adjacent side of the right-of-way.

Required street improvements include curbs, gutters, and sidewalks of at least 5.5 feet in width. The minimum sidewalk improvement standard is consistent with accessibility requirements for persons with disabilities and is adequate for ensuring pedestrian access in residential areas. Planting strips equaling 2% of the 5.5-foot swath are also required.

Table 3-14: Street Standards

Street Type	*Required Right-of-Way (ft)*	*Required Pavement Width (ft)*
Minor Residential	50	30, 34
Standard Residential	55	35, 39
Minor Collector	60	44
Major Collector	68	52
Local	66	52
Secondary Arterial	80	64
Minor Arterial	94	78
Major Arterial	118	102

Source: City of Lodi Department of Public Works, Public Improvement Design Standards, 1991

Energy Conservation

Energy conservation is encouraged in new subdivisions. Designs of new subdivisions must provide for future passive or natural heating/cooling systems.

Drainage

Lodi requires that developers of residential subdivisions prepare a grading plan and a master storm drainage plan for the area associated with the tentative map. Grading plans must show the elevation and drainage direction a minimum of 100 feet outside the boundary of the proposed map/area. It is required to include erosion and sediment control measures. No inter-lot or cross drainage is permitted so all water should drain to the public street or public drainage facility. Upon completion of the grading, the applicant must provide an as-built grading plan. Storm drains must conform to the City's master storm drainage plan. Any facilities within the subdivision that are not part of the City's master plan are the developer's responsibility. However, the City Council has the ability to grant credits to developers for storm drain lines and manholes that developers construct. Payment of mitigation for drainage impacts is included in the City's development impact fee.

Landscaping and Lighting

Residential subdivisions must have landscaping, including at a minimum street trees, landscaping with irrigation in common areas or open space areas, and any additional landscaping required by the reviewing authority. To the extent possible, plant materials should be drought-resistant or drought-tolerant. Streetlights must also be installed, pursuant to City policy and approved by the Utility Department.

Sanitary Sewers

Each parcel in the subdivision should be provided connection to public utilities including electricity, gas, water, wastewater, and telecommunications. With each subdivision, a master sanitary sewer plan must be created by the applicant to comply with the City's design standards and master sanitary sewer plan. Installation is required to comply with the current City policies and standards. In the event that developers are asked to construct oversized facilities, the City of Lodi has established a mechanism by which the developer is reimbursed for excess improvements. As part of the development impact fee paid by developers, funding, in part, for construction, operation, and maintenance of citywide sanitary sewer facilities is provided.

Potable Water

Internal water transmission pipelines and appropriate off-site connection facilities are required for all proposed development. The applicant must submit a master water plan that conforms to the current City master water plan. Similar to the process for sanitary sewers, in the event that developers are asked to construct oversized facilities, the developer is reimbursed for excess improvements. The City also levies a development impact fee that is used, in part, to construct, operate, and maintain citywide water system facilities.

Code Enforcement

The Building Department provides assistance to applicants and owners in meeting state and local codes by publishing compliance forms, handouts, and worksheets and through the plan check process. The City's Code Enforcement Unit within the Lodi Police Department administers the code enforcement program that works to bring substandard homes into compliance with all applicable building and health and safety codes. The unit works closely with the Lodi Improvement Committee in developing improvement programs. Over the past 10 years, approximately 1,800 housing units that were identified as out of compliance have made improvements. Using this rate as an average, the City should be able to rehabilitate approximately 1,080 housing units during the planning period. The City recently instituted a code enforcement tool through its website, allowing community members to report violations and track progress in rectifying the program. This tool is expect to assist in increasing reporting of violations, as well as increase accountability for the City in issuing violations or warnings and for property owners to bring their properties into compliance.

Fees

Development Impact Fees

The City of Lodi levies development impact fees for all the various municipal facilities and services under the City's jurisdiction. Although requiring developments to either construct site improvements and/or pay pro rata shares toward the provision of infrastructure and public services is common practice, these requirements nonetheless result in increases to the cost of housing development and in turn, the final sale price or rent of housing. Despite the initial cost that impact fees impose on new homes, such fees are necessary to protect the public health and safety.

Calculating Fees: Residential Acre Equivalent

Development impact fees can serve as a constraint to affordable housing development. Lodi's current fee program incentivizes development through a reduced fee schedule (set to expire December 2019), as well as incentivizes multifamily development by decreasing fees as the development becomes more dense. The revised-reduced impact fee program is described further in Program 3.1.

Table 3-15: Reduced Development Impact Mitigation Fees ($/acre)

Impact Fee		*Land Use Category*		
		Low Density	*Medium Density*	*High Density*
Water	DUE /Meter Size[1]	Varies	Varies	Varies
	$/Meter Size[1]	$846–$96,841	$846–$96,841	$846–$96,841
Wastewater	DUE/Unit[1]	Varies	Varies	Varies
	$/Meter Size[1]	$1,152–$131,880	$1,152–$131,880	$1,152–$131,880
Storm Drainage Zone 1/ Zone 2	DUE/Unit	1.00	0.50	0.40
	$/Unit	Zone 1 $567 Zone 2 $1,725	Zone 1 $284 Zone 2 $862	Zone 1 $228 Zone 2 $693
South Wastewater Trunk (required if project benefits from this trunk)	DUE/Unit	1.00	0.84	0.70
	$/Unit	$481	$405	$337
Streets	DUE/Unit	1.00	0.54	0.54
	$/Unit	$289	$157	$157
Police	DUE/Unit	1.00	0.84	0.70
	$/Unit	$307	$258	$215
Fire	DUE/Unit	1.00	0.84	0.70
	$/Unit	$157	$132	$110
Parks & Recreation	DUE/Unit	1.00	0.84	0.70
	$/Unit	$1,111	$1,334	$1,584
General City	DUE/Unit	1.00	0.84	0.70
	$/Unit	$251	$211	$176
Art in Public Places	DUE/Unit	1.00	0.84	0.70
	$/Unit	$33	$27	$23
Total (per dwelling unit)		**$5,187–$233,548[2]**	**$4,401–$232,107[2]**	**$4,018–231,543[2]**

Source: City of Lodi, Public Works Department, Development Impact Mitigation Program, Schedule of Reduced Fees 1 (2012, revised March 4, 2015).

1. *Varies with meter size.*
2. *This range occurs due to the varying fees associated with water, wastewater, and south wastewater trunk fees, which vary depending on the size of the development. For a calculation of the average fees for a single-family home or multifamily housing development, see discussion below on Total Fees Estimates and Comparisons. A Dwelling Equivalent Unit (DUE) is a factor that quantifies the demand on a facility for different land use types in terms of their equivalence to a low-density residential unit. A low-density residential unit is assigned a DUE factor of 1.0. The DUE factor for each of the other land use categories is determined based on the anticipated demand for each land use category relative to the anticipated demand for a low-density residential unit. Demand is measured differently for each component (listed below). For example, demand for police facilities is based on the potential number of persons served. If each person were assumed to equal one person served and a low-density residential unit is assumed to have 2.85 persons per household, then a low-density residential unit would equal 2.85 persons served and have a DUE of 1.0.*

- *Component: Demand Variable*
- *Water: Hydraulic Capacity Factor*
- *Wastewater: Hydraulic Capacity Factor*
- *Storm Drainage: Runoff Coefficient*
- *Transportation: Trip Generation*
- *Police Persons Served*
- *Fire: Persons Served*
- *Parks: Persons Served*
- *Electric Utility: Load Factor*
- *General City Facility: Persons Served*
- *Art in Public Places: Persons Served*

Planning Fees

The Community Development Department collects the fees listed in Table 3-16. Many of the fees include a base fee as well as an hourly charge for staff time. The department operates on an hourly basis. The fee is a deposit against expected time and cost to complete. The deposit amounts listed are averages, and more complex projects require additional funds. Planning fees could total about $1,792 to 5,940 for a single-family dwelling and likewise for a multifamily unit.

Table 3-16: Planning Fees

Fee Category	*Fee Amount*
Planning and Application Fees	
Administrative Deviation	$350 + Hourly
Annexation	$4,000 + Hourly
Appeals	$300
Document Imaging	$50
Development Plan Review	$2,500 + Hourly
General Plan Amendment	$3,000 + Hourly
Home Occupation	$100
Landscape Review	$175 + Hourly
Live Entertainment Permit	$200
Mitigation Monitoring	Hourly
Nonresidential Condominium Conversion	$2,500 + Hourly
Pre-Development Review	$250
Rezone	$2,000 + Hourly
Site Plan and Architectural Review	$1,875 + Hourly
Staff Consultation	Hourly
Use Permit	$2,000 + Hourly
Variance	$1,000 + Hourly
Subdivision	
Lot Line Adjustment	$650 + Hourly
Tentative Parcel Map	$2,500 + Hourly
Tentative Subdivision Map	$4,600 + Hourly
Environmental	
Preliminary Environmental Assessment	$250 + Hourly
Environmental Impact Report	Hourly
Negative Declaration	$900 + Hourly

Source: Lodi Planning Fee Schedule, 7/1/14.

Total Fee Estimates and Comparisons

The minimum cost of developing a basic 1,200-square-foot single-family home would be an estimated $214,000, including land acquisition, finished lot expenses (curb/sidewalk), construction, and fees (Lodi and other agencies combined). A typical single-family home would necessitate $5,187 in development impact fees, $5,000 in building fees, and a range of $1,792 to $5,940 in planning fees. Therefore, City fees represent about 6%–8% of the development costs—fairly low compared to the typical threshold of about 12%.

A multifamily 1,000-square-foot unit would require development impact fees of about $4,018 per unit, $2,000 in building fees, and a range of $1,792 to $5,940 in planning fees. The cost of developing such a unit is estimated at $125,000 including land acquisition, finished lot expenses (curb/sidewalk), construction, and fees (Lodi and other agencies combined). Therefore the City's total fees represent about 6%–10% of total development costs.

A review of planning fees from neighboring cities reveals that Lodi's fees are in line with, if not lower than, those charged in other San Joaquin County jurisdictions. While it is difficult to do a direct comparison of fees collected across jurisdictions because the types of fees jurisdictions levy vary somewhat, Table 3-17 compares several common fees. Annexations, tentative parcel maps, negative declarations, and appeals are less expensive in Lodi than in Tracy, Stockton, and Manteca, while general plan amendment, rezone, and use permit fees are in line with those charged in these surrounding jurisdictions. Given this information, the City's planning fees are not seen as a constraint to residential development.

Table 3-17: Comparison of Fees Across Jurisdictions

Fee Category	*Lodi*	*Tracy*	*Stockton*	*Manteca*
Annexation	$4,000	$10,815	$5,536–$12,070	$12,482
Appeals	$300	$284	$404	$2,916
General Plan Amendment	$3,000	NA	$2,473	$7,116
Negative Declaration	$900 + Hourly	$1,463	$2,713	$3,150
Rezone	$2,000 + Hourly	$2,627	$5,595	$1,630–$5,354
Tentative Parcel Map	$2,500 + Hourly	$7,519	$5,416	$4,160
Use Permit	$2,000 + Hourly	$350–$5,495	$768–$3,755	$2,261–$4,455

Source: City of Lodi Planning Fee Schedule, 7/1/14; City of Tracy Master Fee Schedule, 6/5/2012; City of Stockton Fee Schedule 2015; City of Manteca Community Development Department, Planning Division, Fee Schedule, 3/18/2014.

ENVIRONMENTAL, INFRASTRUCTURE, AND PUBLIC SERVICE CONSTRAINTS

Environmental factors, including a lack of necessary infrastructure or public services, can constrain residential development in a community by increasing costs and reducing the amount of land suitable for housing. As discussed below, the City's water, sewer, and storm drain facilities are adequate to accommodate the existing and future development of Lodi. The following discussion addresses the constraint which environmental and infrastructure issues may pose on housing development for the City of Lodi.

As part of the General Plan update in 2010, an infrastructure assessment was undertaken to determine infrastructure demand, supply, and projected improvements in both infill and new growth areas. Although the assessment was completed for a 2030 planning horizon and full General Plan development potential, the analysis completed will accommodate the 2023 horizon and Housing Element sites presented in Section 3.1. Note that these are conservative estimates, since the infrastructure analysis includes both residential and nonresidential uses identified in Phase 1 of the General Plan.

Historically, the city has grown in increments, which has ensured the availability of public services for new development while avoiding adverse impacts to levels of service to existing residents. New development is assessed a development impact mitigation fee, which in part, funds the incremental improvements to the water, sewer collection and disposal, and drainage systems. One of the City's major goals, identified in the General Plan, is to maintain an adequate level of service in the city's infrastructure to meet the needs of existing and projected development.

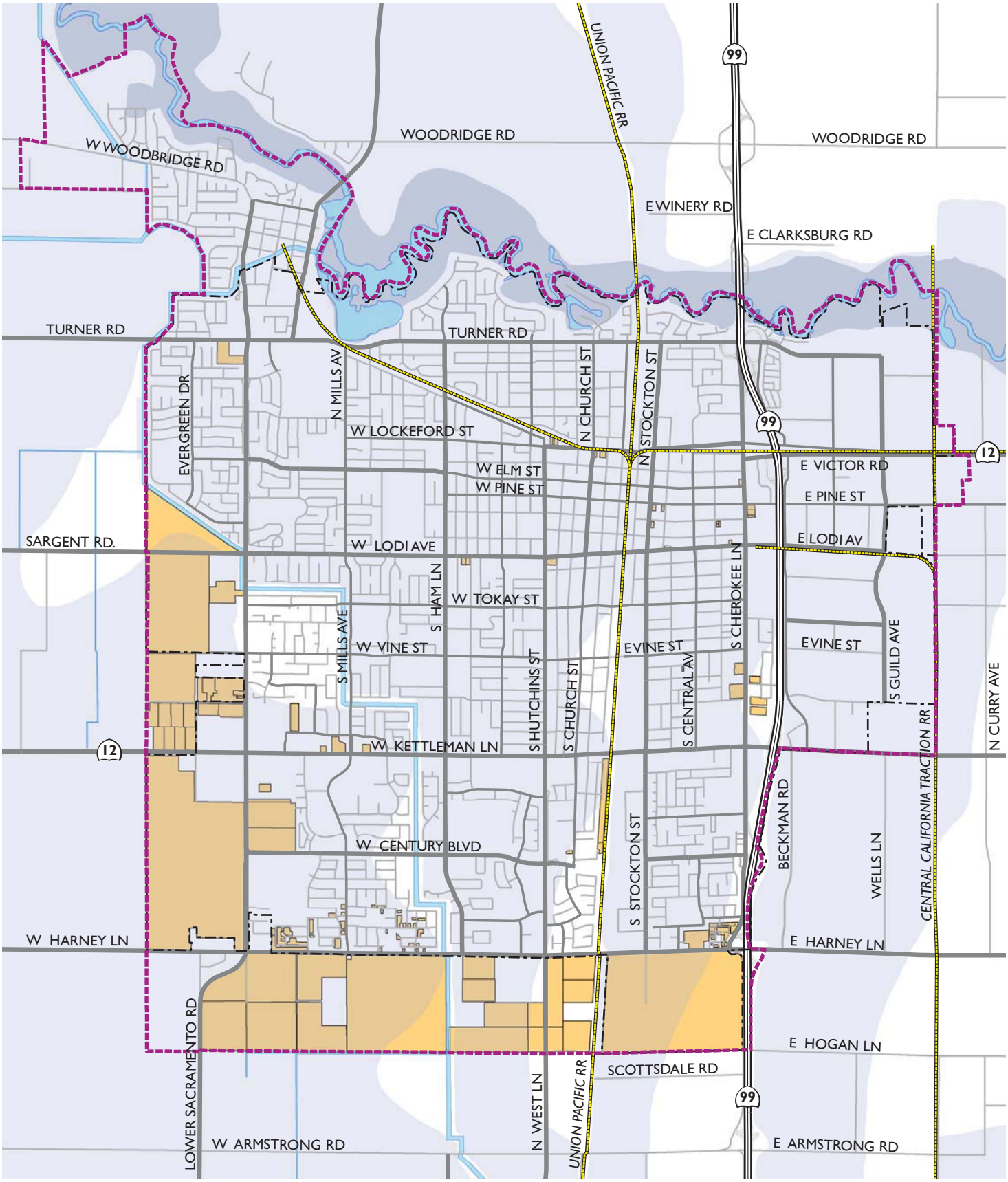
To comply with Senate Bill (SB) 1087, the City will immediately forward its adopted Housing Element to its water and wastewater providers so they can grant priority for service allocations to proposed developments that include units affordable to lower-income households.

Storm Drainage and Flood Control

The City of Lodi has two documents that address stormwater quality: the City of Lodi Stormwater Management Plan Program and the Stormwater Development Standards Plan. Based on revised flood risk evaluations prepared by the Federal Emergency Management Agency (FEMA) for the City of Lodi and San Joaquin County, effective October 19, 2009, flood hazards are a constraint to development only in two areas of the city: the area immediately adjacent to the Mokelumne River along the city's northern boundary, and the area around the White Slough Water Pollution Control Facility. No new development is planned within either of these areas, as shown in **Figure 3-3.** Most of the city lies in Zone X, which describes lands subject to the 0.2% annual (500-year) flood zone or that lie within the 100-year flood zone, but with flooding depths less than 1 foot. This suggests that these areas have a low susceptibility to major flooding, but would be inundated, with depths less than 1 foot, during a 500-year flood event.

Levees or berms along the Mokelumne River protect the city from flood events. As long as levees are not overtopped and maintain their structural integrity, flooding is considered to be very unlikely. Should a major storm event cause levees to be overtopped or if a levee fails, flooding would occur. Flooding also can occur when runoff exceeds the capacity of local systems and cannot drain adequately. The city's existing stormwater system functions well, with no substantial flooding problems. With new stormwater improvements, the City does not have any constraints to the sites identified in this Housing Element.

Based on the City's incremental approach to annexation and the extension of the public facilities and services through the payment of development fees, Lodi does not anticipate that residential development will be impeded in infill areas or the areas to be annexed due to drainage or flood control issues.



100 Year Floodplain

500 Year Floodplain

Housing Sites

Sphere of Influence (2008)

City Limits

0 0.25 0.5 1
Miles

Figure 3-3

Flooding Potential

Water Service

The City of Lodi operates the potable water distribution system that serves all areas within the city limits. The City's water supply comes from groundwater via 28 municipal wells, with 240 miles of distribution pipeline and two storage preserves, with a safe yield for the area estimated to be about 15,000 acre-feet per year. Under terms of an agreement with the Woodbridge Irrigation District (WID), 6,000 acre-feet per year of surface water is also currently available. In addition, further groundwater and surface water supplies will be made available through the annexation process, since new land area increases the safe yield and WID supplies available to the City, respectively. The City has developed a conjunctive water management use of the surface water and groundwater supply. The City will maximize the use of surface water during periods when the water supply is plentiful and will save groundwater for the periods when surface water supplies are short or restricted.

A complete water supply and demand analysis was undertaken as part of the General Plan update and associated environmental review. Scaling this analysis method from the General Plan's 2030 growth areas and planning horizon to the 2022 Housing Element sites and horizon also results in a finding of an adequate water supply to meet demand.

Table 3-18: Projected Water Demand and Supply for the 2015 Housing Element (acre-feet per year)

	Normal Year	*Dry Year*[1]
Supply Type		
Groundwater (Current Safe Yield)	15,000	15,000
Groundwater (Future Safe Yield)[1]	4,760	4,760
Surface Water (Current WID Contract)	6,000	3,000
Surface Water (Resulting from Annexation)2	5,100	2,550
Total Supply	**30,860**	**25,310**
Total Demand[2]	**29,350**	**29,350**
Difference/Potential Shortage (supply-demand)	1,510	-4,040
Percentage of Demand Met by Supply	100%	86%

Source: Lodi General Plan Environmental Impact Report (SCH#2009022075); City of Lodi Urban Water Management Plan, 2006

1. *The UWMP supply availability is the same in a single dry year and multiple dry year scenarios.*
2. *The proposed General Plan water demand estimates include a 15% reduction in residential use due to water metering.*

The General Plan Growth Management and Infrastructure Element also identifies the following water distribution improvements:

- New wells will be required in the southern and eastern areas of the city. Additional water storage tanks may be needed.
- Some of the existing 2- and 3-inch water distribution mains do not have adequate capacity, particularly for providing fire flows and serving future increases in housing density and water demand. The City has a water main replacement program to repair, replace, and make improvements to the City's water service infrastructure in an effort to ensure reliability.

The City's General Plan projects that Lodi would have a long-term, reliable water supply of 30,860 acre-feet per year available from its current and future safe yield of groundwater and surface water supplies, meeting 100% of the estimated demand. During dry years, the reliable water supply is estimated at 25,310 acre-feet. As a result, potential water shortage at full development could be 4,040 acre-feet in a dry year, meeting 86% of demand.

Moreover, an updated Urban Water Management Plan (UWMP) was developed in 2015 and is consistent with state law, this Housing Element, and the General Plan. The UWMP is prepared to ensure the efficient use of available water supplies, describe and evaluate the existing water system and historical and projected water use, evaluate current and projected water supply reliability, describe and evaluate demand management measures, and provide water shortage contingency plans as required by state law. This UWMP also includes information related to the 20% by 2020 conservation requirement of the Water Conservation Bill of 2009.

The City of Lodi also has a Water Meter Retrofit Program. It has begun installing water meters on all unmetered properties in its service area. This is in accordance with California Assembly Bill 2572, which requires the installation and use of water meters throughout the state. To date, nearly 3,000 residential water meters have been installed as part of the program. This is in addition to the existing 1,100 commercial and industrial meters.

As discussed above, the city's desire to grow incrementally is addressed through the implementation of a Growth Management Allocation Ordinance and the levying of a development impact mitigation fee. Development that occurs within annexed areas will provide internal water transmission facilities and pay fees as appropriate for necessary off-site infrastructure. Therefore, water service will not be a constraint to the City's ability to meet future housing needs.

Sewer Service

The City of Lodi owns and operates the municipal wastewater system, which collects all domestic and limited industrial wastewater flows within the city limits. The City also owns and operates a wastewater treatment plant, the White Slough Water Pollution Control Facility (WSWPCF), located 6 miles south of the city. The WSWPCF has an average dry weather flow (ADWF) capacity of 11.8 million gallons per day (mgd) and peak wet weather flow (PWWF) of 22.6 mgd. The ADWF flow to the WSWPCF for 2014 was 5.1 mgd, and the facility has a permitted capacity of 8.5 mgd, which indicates that the existing facility currently has an excess capacity of about 3.3 mgd (ADWF). This excess capacity will accommodate much of the development proposed in this Housing Element. However, the infrastructure assessment for the General Plan determined that capacity expansion of the WSWPCF would be required in the early stages of Phase 1. The updated Sewer System Management Plan addresses future needs for infill and new growth areas. Table 3-19 describes the improvements needed to adequately meet the needs of the Housing Element sites and other Phase 1 General Plan development (including nonresidential uses).

Table 3-19: Required Sewer Infrastructure Improvements

Location	*Required Infrastructure*
South Wastewater Trunk Line Master Plan Sewer Shed	There is excess capacity available in this planned sewer. As of 2008, the only segment of this sewer that has been constructed is the segment through the Reynolds Ranch development, which has excess capacity.
Harney Lane Lift Station Sewer Shed	Sufficient pump station capacity already planned; part of the South Wastewater Trunk Line.
Redevelopment Sewer Sheds	Some of the sewers serving the downtown area are currently flowing at or above their design capacity. Additional sewer improvements needed to serve infill will be determined by preparation of a sewer master plan for these areas.
WSWPCF	Capacity expansion of the WSWPCF will be required in the early stages of Phase 1. Alternatively, a scalping plant near the city could be constructed to provide recycled water for use in/near the city that would reduce the size or extent of the required new facilities at the WSWPCF. However, there would need to be a nearby use for the recycled water for a scalping facility to be feasible. Part of the City of Lodi Wastewater Master Plan.

Source: West Yost Associates 2009

Development within annexed areas will provide sewer collection facilities and pay fees as appropriate for necessary off-site infrastructure. Infill areas will also require sewer improvements, as identified above. Since the initial planning steps have been taken to assess sewer infrastructure needs, expansion of sewer service to meet the City's future housing needs is not a constraint to development.

Agriculture and the Williamson Act

Nearly all of the soils in the Lodi area are classified, by the US Department of Agriculture, as prime agricultural soils, some requiring frequent irrigation. Historically, various parcels within this area have been subject to Williamson Act compliance.[9] Potential residential annexation areas, defined by Phase 1 of the General Plan and described in Section 3.1, include 73 acres of land covered by active Williamson Act contracts. Of these acres, 68 acres are designated for Low Density Residential and 5 acres for Medium Density Residential. The City does not need this land in order to accommodate its share of the RHNA (specifically the below-market-rate units) and does not intend to pursue annexation until those contracts have expired and the market is ready for urban development.

Protection of Habitat and Species

The San Joaquin County Multi-Species Conservation and Open-Space Plan (SJMSCP) is a 50-year habitat conservation plan that seeks to protect agriculture, open space, habitat, and wildlife, in order to address the impacts of urban development and conversion of open space land. In 2001, the City of Lodi adopted the SJMSCP, thereby allowing project applicants to use

[9] The Williamson Act is a mechanism by which agricultural land is preserved for a specified period of time.

this plan to mitigate open space conversions while satisfying CEQA requirements. Project applicants may pay an in-lieu fee that mitigates cumulative impacts; dedicate habitat lands as conservation easement or fee title; purchase mitigation bank credits from a mitigation bank approved by SJMSCP; or propose an alternative plan, consistent with the SJMSCP goals and equivalent in biological value. It should be noted that there are no known protected species in areas encompassed by the housing sites listed in this document.

In preparing the SJMSCP, land uses and habitats were mapped throughout the county and categorized into land use categories to help determine compensation fees. Potential annexation areas described in Section 3.1 fall into three of the SJMSCP compensation zones and include the following per acre fees per the 2015 fee schedule: No Pay Zone ($0), Multi-Purpose Open Space Land ($7,281), and Agricultural Habitat Open Space ($14,543). As a voluntary plan, developers have the option to participate (or not) depending on site evaluation. Participation may increase or decrease the costs associated with mitigating the environmental impact, depending upon site specific conditions. Although electing to pay an in-lieu fee would increase development costs, this cost is the same as other cities in the county that participate in the SJMSCP.

4. Housing Strategy

The provision of housing is a critical concern for cities throughout California. The housing element is a city's major statement of local housing strategy, providing an integrated set of goals, policies and programs to improve the condition and availability of housing.

4.1 GOALS AND POLICIES

H-G1 Provide a range of housing types and densities for all economic segments of the community while emphasizing high quality development, homeownership opportunities, and the efficient use of land.

H-P1.1 Promote the development of a broad mix of housing types through the following mix of residential densities as described in Policy GM-P4 of the Growth Management and Infrastructure Element.

H-P1.2 Regulate the number of housing units approved each year to maintain a population-based annual residential growth rate of 2%, consistent with the recommendations of the Mayor's Task Force and the Growth Management Allocation Ordinance.

H-P1.3 Facilitate and encourage the development of affordable and senior housing units.

H-P1.4 Maintain and regularly update the City's land use database to monitor vacant residential land supply.

H-P1.5 Pursue available and appropriate state and federal funding programs and collaborate with nonprofit organizations to develop affordable housing.

H-P1.6 Promote the expeditious processing and approval of residential projects that conform to General Plan policies and City regulatory requirements.

H-P1.7 Reduce the cost impact of City policies, regulations, and permit procedures on the production of housing, while assuring the attainment of other City objectives.

H-P1.8 Intersperse extremely low-, very low-, and low-income housing units within new residential developments and ensure that such housing is visually indistinguishable from market-rate units.

H-P1.9 Promote the development of senior and other special needs housing near, and/or with convenient public transportation access to, neighborhood centers, governmental services, and commercial service centers.

H-G2 Encourage the maintenance, improvement, and rehabilitation of existing housing stock and residential neighborhoods, particularly in the Eastside area.

H-P2.1 Encourage private reinvestment in older residential neighborhoods and private rehabilitation of housing.

H-P2.2 Use available and appropriate state and federal funding programs and collaborate with nonprofit organizations to rehabilitate housing and improve older neighborhoods.

H-P2.3 Give housing rehabilitation efforts high priority in the use of Community Development Block Grant (CDBG) funds, especially in the Eastside area.

H-P2.4 Support the revitalization of older neighborhoods by keeping streets and other municipal systems in good repair.

H-P2.5 Allow reconstruction of existing housing in the Eastside area and in commercially or industrially designated areas in the event such housing is destroyed or damaged.

H-P2.6 Implement historic preservation guidelines to preserve historically significant residential structures and ensure that infill projects fit within the context of the neighborhood. (See the Community Design and Livability and Conservation elements for implementation of this policy.)

H-P2.7 Enforce residential property maintenance standards.

H-G3 Ensure the provision of adequate public facilities and services to support existing and future residential development.

H-P3.1 Support the use of CDBG funds for the upgrading of streets, sidewalks, and other public improvements.

H-P3.2 Ensure that new residential development pays its fair share in financing public facilities and services and pursues financial assistance techniques to reduce the cost impact on the production of affordable housing.

H-P3.3 Ensure that all necessary public facilities and services are available prior to occupancy of residential units.

H-P3.4 Require that park and recreational acquisitions and improvements keep pace with residential development.

H-G4 Promote equal opportunity to secure safe, sanitary, and affordable housing for all members of the community regardless of race, sex, or other discriminatory factors.

H-P4.1 Seek to address the special housing needs of persons with disabilities, with lower incomes, large families, seniors, single-parent households, farmworkers, and persons in need of temporary shelter.

H-P4.2 Make available to the public information on nonprofit, county, state, and federal agencies that provide education, mediation, and enforcement services related to equal housing opportunity.

H-P4.3 Modify existing regulations that govern the conversion of apartments and mobile home parks to condominiums to protect the safety and investment of purchasers of the condominiums and minimize the impacts on rental tenants.

H-P4.4 Work with surrounding jurisdictions to address the needs of the homeless on a regional basis.

H-P4.5 Cooperate with community-based organizations that provide services or information regarding the availability of assistance to the homeless.

H-P4.6 Promote fair housing programs and services to residents and property owners in Lodi.

H-G5 Encourage residential energy efficiency and reduce residential energy use.

H-P5.1 Require the use of energy conservation features in the design and construction of all new residential structures and promote the use of energy conservation and weatherization features in existing homes.

H-P5.2 Pursue residential land use and site planning policies, and promote planning and design techniques that encourage reductions in residential energy consumption.

4.2 IMPLEMENTATION PROGRAMS

The following programs describe actions that the City intends to implement during the time frame of this Housing Element (2015 through 2023). For some of these programs, the description includes a target (quantified objective) for the number of units to be produced or households to be assisted during the Housing Element time frame.

H-G1 Provide a range of housing types and densities for all economic segments of the community while emphasizing high quality development, homeownership opportunities, and the efficient use of land.

Program 1.1: Revise Development Code

The City will revise Title 17 of the Lodi Municipal Code (Development Code) to reduce barriers to, and provide incentives for, the construction and conservation of a variety of housing types:

- Amend the Development Code to comply with the state Employee Housing Act (Health and Safety Code Sections 17021.5 and 17021.6) to treat employee housing for farmworkers or other employees that serves six or fewer persons as a single-family structure and permitted in the same manner as other single-family structures of the same type in the same zone (Section 17021.5). The Development Code will also be amended to treat employee housing consisting of no more than 12 units or 36 beds as an agricultural use and permitted in the same manner as other agricultural uses in the same zone in zones where agricultural uses are permitted (Section 17021.6).
- Work with the San Joaquin County Housing Authority in developing procedures and guidelines for establishing income eligibility for the "reserved" units and for maintaining the "reserved" units as affordable units for at least 30 years. The City shall seek Housing Authority administration of the reserved units.
- Amend the Development Code to include a definition for “group residential” that includes all living situations with shared living quarters without separate kitchen or bathroom facilities for each room or unit, including boarding houses, dormitories, and single-room occupancy units.

- Specify procedures for requesting reasonable accommodations for persons with disabilities that allow for administrative (ministerial) approval of accessible features. Create explanatory handouts for those wishing to request reasonable accommodations.

Responsibility: Community Development Department, Planning Commission, City Council

Time Frame: Develop procedures and guidelines for establishing income eligibility for "reserved" units within two years from adoption of Housing Element. Complete Development Code amendments within one year of adoption of this element.

Funding: General Fund

Objective: Reduce regulatory barriers to the provision of housing.

Program 1.2: Revise Growth Management Allocation Ordinance

The City will revise its Growth Management Allocation Ordinance to exempt housing units affordable to extremely low-, very low-, or low-income households with long-term affordability restrictions. The City will also monitor the program to ensure that it does not represent a constraint to multifamily and affordable housing for all income groups. The program should be evaluated for cumulative effects of all development application requirements and costs by the end of the planning period.

Responsibility: Community Development Department

Time Frame: Revise Growth Management Allocation Ordinance within a year of adoption of this Housing Element and evaluate implementation by the end of the planning period.

Funding: Application fees

Objective: Expedite the residential development approval process for affordable housing.

Program 1.3: Personal Security Standards

The City will continue to implement design standards applicable to all new residential projects with the objective of improving the personal security of residents and discouraging criminal activity. Design standards will address issues such as the placement of landscaping, accessory buildings, and accessory structures in a manner that does not impede the City's ability to conduct neighborhood police patrols and observe potential criminal activity, lighting and other security measures for residents, and the use of materials that facilitate the removal of graffiti and/or increase resistance to vandalism.

Responsibility: Community Development Department

Time Frame: As projects are submitted to the Planning Division.

Funding: Development fees

Objective: Reduce the susceptibility of residential properties and neighborhoods to criminal activity and increase residents' perception of personal safety.

Program 1.4: Land Inventory

The City will maintain a current inventory of vacant, residentially zoned parcels and a list of approved residential projects, and will make this information available to the public and developers, including information on underutilized sites within the downtown area with residential or mixed-use development potential. The City will update the inventory and list at least annually.

To maintain adequate sites throughout the planning period to accommodate the City's RHNA, pursuant to Government Code Section 65863, the City will monitor available residential capacity and evaluate development applications, particularly in nonresidential and/or mixed-use zones. Should an approval of development result in a reduction of capacity below the residential capacity needed to accommodate the remaining need for lower-income households, the City will identify and zone sufficient sites to accommodate the shortfall to ensure that the "no net loss" provision is upheld (i.e., if any units that had been designated for subsidized housing are developed as market rate, then an equal number of units must be designated in their stead).

The inventory update of infill sites should focus on opportunity sites along Mixed Use Corridors, in the Downtown Mixed Use designation, and in residential areas downtown, as identified in the Land Use Element. The City promotes the land inventory and the availability of each update through the City's website, a notice at the Community Development Permit Counter, and a press release subsequent to each update.

Responsibility: Community Development Department

Time Frame: Maintain a current land vacant residentially zoned land, as projects are approved.

Funding: General Fund; contributions from property owners

Objective: Increase the potential for infill development, thereby reducing the need to prematurely annex land and convert agricultural land to urban use.

Program 1.5: Pursue State and Federal Funds in Support of Housing Construction

The City will continue to pursue available and appropriate state and federal funding sources to support efforts to construct housing meeting the needs of extremely low-, low-, and moderate-income households, to assist persons with rent payments required for existing housing units, to provide supportive services, and to provide on- and off-site improvements and public facilities, in support of affordable housing projects. The City takes the following actions in pursuit of state and federal funding:

a. Meet annually with private nonprofit and for-profit affordable housing providers and public agencies that are interested in constructing affordable housing (and keep in contact with them throughout the year), providing special needs housing or shelter, and/or providing supportive services for low-income and special needs residents. The purpose of the annual meetings will be to discuss priorities for lending City support for funding requests for affordable housing projects and programs during the subsequent 12 to 24 months. The City will promote these annual meetings through direct notices to private and public entities that have provided housing or supportive services in Lodi or that expressed an interest in doing so in the past.

b. Provide support to other entities (nonprofit organizations, for-profit affordable housing providers, and public agencies) that apply directly for state or federal funds. Examples of support to be provided by the City include: (1) expedited processing of planning permits that are needed before an applicant can submit a state or federal funding request or receive funds; (2) providing information to complete a funding request (such as demographic, housing, or economic statistics in support of an application); and (3) letters of support for projects or programs that the City has approved (including preliminary or conceptual approval). This can help support organizations such as the Central Valley Low Income Housing Corporation and the LOEL Foundation which provide services to extremely low-income households.

c. Apply directly for state and federal funding under programs in which the City must be the applicant.

In pursuing state and federal funding, and working with other private and public entities to provide affordable housing, the City seeks to increase the availability of housing and supportive services to the most vulnerable population groups and those with the greatest unmet needs, such as very low-income and frail seniors, persons with disabilities who cannot live independently, persons with developmental disabilities, farmworkers and their families, low-income large families, and single-parent households, particularly those with small children.

Responsibility: Community Development Department

Time Frame: For Action a., annual meetings, 2015–2023; for Action b., quarterly each year, depending on funding deadlines for specific state and federal programs, 2015–2023; for Action c. semi-annual review and assessment of funding opportunities based on (1) funding cycles and eligible activities for various state and federal programs, (2) projects and programs proposed to the City for state or federal funding, and (3) City staff capacity to prepare funding requests.

Funding: California Multi-family Housing Program, California Housing Finance Agency Affordable Housing Partnership Program, Low-Income Housing Tax Credits (State and federal), CalHome Program, Federal Home Loan Bank-Affordable Housing Program, Enterprise Community Partners, Federal Department of Housing and Urban Development Programs-Section 221(d) (low-income), Section 202 (elderly), Section 811 (persons with disabilities), National Stabilization Program, and Joe Serna Jr. Farmworker Housing Fund

Objective: 20 extremely low-, 50 very low-, and 50 low-income housing units.

Program 1.6: Encourage Efficient Use of Land for Residential Development

The City encourages the efficient use of land for residential development while reducing the premature conversion of agricultural land to urban use. The City uses the following approaches:

- The General Plan Growth Management and Infrastructure Element guides contiguous development through the identification of three expansion phases. The third phase includes Urban Reserve designations that define future growth areas if

initial phases are built out. (See the Growth Management and Infrastructure Element for details.)

- In response to the City's dual goals of preserving agricultural land/open space and supporting employment in the agriculture industry, the City will develop an agricultural conservation program that establishes a mitigation fee to protect and conserve agricultural lands. The fee will be assessed for acreage converted from agricultural to urban use, and used for conservation easements, fee title acquisition, research, education, and capital improvement projects that benefit agriculture. (Program details and priority areas are described in the Conservation Element, Policy C-P7.) Notably, all conservation areas are outside the City's current Sphere of Influence and future growth areas as delineated in the current Land Use Element and therefore would not affect any housing sites listed in the inventory herein. The program will be developed with community input following buildout of Phase 1 of the General Plan. During development of the program, the City and community members should consider how to exempt or reduce the fee for high-density and/or affordable housing projects.
- The City has adopted the San Joaquin County Multi-Species Conservation and Open-Space Plan (SJMSCP), a habitat conservation plan that seeks to protect agriculture, open space, habitat, and wildlife, in order to address the impacts of urban development and conservation of open space land. This allows project applicants to mitigate open space conversions and satisfy CEQA requirements by paying an in-lieu fee, dedicating land, purchasing credits from a mitigation bank, or proposing an alternative plan consistent with SJMSCP goals.

Responsibility: Community Development Department, Planning Commission, City Council

Time Frame: Require fee payment as mitigation, ongoing (2015–2023); enforce Urban Reserve designation and contiguity requirements when this Housing Element is adopted.

Funding: General Fund

Objective: Preserve agricultural land and reduce the amount of land needed to meet future urban growth needs.

Program 1.7: Provide Rental Assistance

The City will continue to support the San Joaquin County Housing Authority in its administration of the Housing Choice Voucher rental assistance program (formerly called the Section 8 Program). The City's support will include distribution of program information at the Community Development public counter, distribution of program information to rental property owners as part of the City's code enforcement activities, annual meetings with representatives of the Housing Authority to discuss actions the City can take to encourage greater participation in the Voucher Program by rental property owners, and creation and maintenance of a link to the Housing Authority's website on the City's website.

Responsibility: Community Development Department

Time Frame: Distribution of Housing Choice Voucher Program information, current and ongoing, 2015–2023; create website link to Housing Authority website within

two years of adoption of this Housing Element, maintain link thereafter, 2015–2023.

Funding: General Fund

Objective: Increase rental property owner awareness of, and participation in, rental assistance programs.

Program 1.8: Focus on Neighborhood Improvement Initiatives

The City will continue to designate a staff position, Neighborhood Services Manager (NSM), in the Community Development Department to focus on the implementation of housing and neighborhood improvement programs. Among the duties of the NSM are to:

- Develop programs and plans to produce housing, especially affordable housing, by means of new construction, rehabilitation, or acquisition;
- Implement neighborhood improvement programs on a citywide basis and develop neighborhood improvement strategies;
- Ensure compliance with federal and state laws and regulations and consistency with local objectives and community requirements;
- Prepare a variety of reports on housing preservation and development, neighborhood improvement and code enforcement, and other related City activities; and
- Manage programs for housing rehabilitation, first-time homebuyer, and code enforcement. Through 2018, the City will operate both housing rehabilitation and first-time homebuyer programs through the Urban County CDBG/HOME Program.

The Lodi Police Department is responsible for enforcing City codes and ordinances pertaining to neighborhood maintenance; the NSM is tasked with coordinating activities with the code enforcement supervisor and staff in the Police Department.

Responsibility: Community Development Department; Police Department

Time Frame: Current and ongoing, 2015–2023.

Funding: CDBG, CalHOME Program

Objective: Improve the City's ability to focus on the implementation of housing and neighborhood improvement programs.

Program 1.9: Annex Land to Accommodate Future Housing Needs as Necessary

The City will pursue annexation of land outside the existing Sphere of Influence to conform to the development needs for Phases 1, 2, and 3. Subsequent phases should be annexed only as current phases meet development capacity thresholds, as described in the Growth Management and Infrastructure Element. South of Harney Lane, an area which would require annexation, 338 acres have been identified for low-density residential; nearly 100 acres for medium- and high-density residential, and 28 acres for the residential component of a mixed-use center. Given the backlog of unused housing allocations, recently approved development projects, and available sites within the current city limits, the City does not need

to annex land to meet current housing needs. Nevertheless, the City will initiate the process with property owners by the end of the planning period.

Responsibility: Community Development Department, Planning Commission, City Council

Time Frame: Pursue discussions with property owners about annexation, as appropriate according to housing needs, but no later than the end of the planning period in 2023.

Funding: Annexation and permit fees

Objective: Increase the City's residential development capacity to accommodate its share of the region's future housing construction needs.

Program 1.10: Provide Homebuyer Assistance

The City will continue to implement a first-time homebuyer down payment assistance program. The City will continue to participate with the Housing Authority in a countywide consortium for the issuance of mortgage revenue bonds or mortgage credit certificates to assist first-time homebuyers. The City will promote the program by providing information at the Community Development Department's public counter and by providing a link to the program on the City's website. The City's Neighborhood Services Manager will contact real estate agents active in Lodi to identify opportunities for program participation.

Responsibility: Community Development Department

Time Frame: Current and ongoing, 2015–2023; provide website link within one year of adoption of this Housing Element and continue to provide information at the public counter; Neighborhood Services Manager to meet with local realtors within one year of adoption of this Housing Element.

Funding: CDBG, HOME, CalHOME, CalHFA's California Homebuyer's Down Payment Assistance Program, Mortgage Credit Certificate or Mortgage Revenue Bonds (through San Joaquin County or a local government consortium)

Objective: 24 homebuyers: 4 very low-, 10 low-, and 10 moderate-income housing units.

Program 1.11: Promote the City's Multifamily Housing Development Standards

The City will continue to promote its multifamily development standards through the Community Development Department's link to the City's website, information brochures available at the Community Development Department, pre-application meetings, and a notice to the local homebuilders, realtors, and contractors associations.

Responsibility: Community Development Department

Time Frame: Current and ongoing (2015–2023); information is currently available on the City's website and at the public permit counter. The City also encourages pre-application meetings. These practices will continue indefinitely. A notice of the City's multifamily development standards will be distributed to industry organizations within six months of the adoption of this Housing Element.

Funding: General Fund, Permit Fees

Objective: Increase awareness of the City's multifamily development standards.

Program 1.12: Subdividing Large Sites for Lower-Income Households

To assist the development of housing for lower-income households on larger sites (more than 10 acres), the City will facilitate land divisions, lot line adjustments, and specific plans resulting in parcels sizes that enable multifamily developments affordable to lower-income households. The City will work with property owners and nonprofit developers to target and market the availability of sites with the best potential for development. In addition, the City will offer the following incentives for the development of affordable housing including but not limited to:

- Streamlining and expediting the approval process for land division for projects that include affordable housing units;
- Deferral or waiver of fees related to the subdivision for projects affordable to lower-income households; and
- Technical assistance to acquire funding.

Responsibility: Community Development Department

Time Frame: Determine appropriate incentives within one year of adoption. Provide incentive throughout planning period, as projects are submitted to the Planning Division.

Funding: General Fund

Objective: Facilitate parcel sizes that that are developable for multifamily affordable housing and consistent with recommendations/requirements of state, federal, and local financing programs.

H-G2 Encourage the maintenance, improvement, and rehabilitation of existing housing stock and residential neighborhoods, particularly in the Eastside area.

Program 2.1: Evaluate Applications for the Demolition of Residential Structures

The City will implement policies and procedures for evaluating applications for demolition of residential structures. This evaluation will consider the implications of the demolition with respect to the retention of affordable housing. If demolitions are deemed to result in a reduction of the amount of affordable housing in Lodi, the City will require the proponent of the demolition to cooperate with the City in providing relocation assistance to displaced residents and in determining the means for replacing demolished units. The City will provide information regarding its policies and procedures on the City's website and at the Community Development Department's public counter.

The City will determine the most appropriate method of implementing this program through a review of past demolition permits and conditions.

Responsibility: Community Development Department

Time Frame: Complete review within six months of adoption of this Housing Element; implement new review procedures within one year of adoption of this Housing Element; ongoing thereafter, based on proposals.

Funding: Permit fees, property owner contribution

Objective: Maintain or replace existing affordable housing.

Program 2.2: Assist the Eastside Area with Housing Rehabilitation and Code Enforcement

The City will continue to combine code enforcement and housing rehabilitation assistance, targeted to the Eastside area. Code enforcement falls under the purview of the Lodi Police Department, while the Neighborhood Services Manager (NSM) is responsible for coordinating rehabilitation efforts. The NSM will promote its program through the Lodi Improvement Committee, a neighborhood organization that provides direct outreach to area residents and property owners, by providing information at the Community Development Department's public counter, and through a link to the program on the City's website. The NSM will work with the committee to continue marketing the program to Eastside area residents and property owners.

Responsibility: Community Development Department

Time Frame: Current and ongoing, 2015–2023.

Funding: CDBG, HOME, CalHOME, funding

Objective: Improvement of 750 units (including private investment to correct code violations) over the planning period of this Housing Element: 250 extremely low /very low, 250 low, and 250 moderateincome.

Program 2.3: Implement Property Maintenance and Management Standards

The City will continue to implement standards for private property maintenance (Chapter 15.30 of the Municipal Code) to (1) control or eliminate conditions that are detrimental to health, safety, and welfare; (2) preserve the quality of life and alleviate certain socioeconomic problems created by physical deterioration of property; and (3) protect property values and further certain aesthetic considerations for the general welfare of all residents of the City of Lodi.

Responsibility: Police Department (code enforcement), Community Development Department, Neighborhood Services Division (implementation)

Time Frame: Code enforcement on both complaint and proactive basis; current and ongoing, 2015–2023.

Funding: Inspection fees, code violation penalties, CDBG funds (for dwelling units occupied by low-income households)

Objective: Eliminate substandard building and property conditions.

Program 2.4: Conduct a Housing Condition Survey

The City will conduct a housing survey to document its efforts at improving housing conditions and to identify future areas and housing types for targeting its code enforcement, housing rehabilitation assistance, and neighborhood improvement efforts.

Responsibility: Community Development Department

Time Frame: Complete survey and report to City Council before the start of the next planning period.

Funding: CDBG, General Fund

Objective: Document housing conditions and establish priorities for future code enforcement, housing rehabilitation assistance, and neighborhood improvement efforts.

Program 2.5: Preserve Affordable Rental Housing

There are currently no affordable units at risk of converting to market rate in Lodi. However, if in the future units become at risk, the City would coordinate a meeting or series of meetings between the Housing Authority, local nonprofits, and the owner (or owner's representative) to discuss the owner's intentions to remain or opt out of the federal Housing Choice Voucher (Section 8) Program and future plans for the property. If the owner intends to convert the apartments to market-rate housing or sell the property, the City will seek to facilitate the acquisition of the property by a nonprofit or other entity to preserve the rental units as affordable housing. The City would not take part directly in negotiations regarding the property, but would apply for state or federal funding on behalf of an interested nonprofit entity, if necessary, to protect the affordability of the rental units. The City would request that the property owner provide evidence that it has complied with state and federal regulations regarding notice to tenants and other procedural matters related to conversion and contact HUD, if necessary, to verify compliance with notice requirements.

Responsibility: Community Development Department

Time Frame: Implement this program as necessary.

Funding: Minimal administrative cost to coordinate meetings; CDBG, HOME, CalHFA, Multi-family Housing Program, and Section 207 Mortgage Insurance for Purchase/Refinance (HUD) as potential funding sources for preservation

Objective: To preserve affordable rental housing units.

Program 2.6: Target the Eastside Area for Use of Funds for Public Improvements

The City will continue to target a portion of its annual CDBG allocation for public improvements in the Eastside area in support of its housing rehabilitation and neighborhood improvement activities. The General Plan Land Use Diagram identifies the Eastside area for medium and high-density residential, acknowledging opportunities for redevelopment and reinvestment through density increases. Public investment is intended to stimulate private investment in order to preserve the character of the neighborhood and introduce new

housing, while also improving streetscapes and connections to downtown. In addition, the City will continue the practice of including conditions in developer agreements of major projects to pay for rehabilitation of housing units. Funds can be specifically directed toward units for extremely low- and very low-income households and supportive housing providers, and will be negotiated on a case-by-case basis.

Responsibility: Community Development Department, Planning Commission, City Council

Time Frame: Annual CDBG allocation, maintain zoning, 2015–2023.

Funding: CDBG, permit fees, impact fees

Objective: Preserve and improve the Eastside area.

H-G3 Ensure the provision of adequate public facilities and services to support existing and future residential development.

Program 3.1: Collect Development Impact Fees and Enforce Improvement Requirements

The City will continue to collect a unified development impact fee to pay for off-site public facilities and services needed for residential development and require that residential developers continue to provide on-site infrastructure to serve their projects. The City will continue to charge fees that reflect the actual cost of service provided to housing units anticipated by this element. Prior to the issuance of building permits, the City will require evidence that the developer has paid the required school impact fees.

The City will annually review fees to ensure they do not psoe a constraint to development.

Responsibility: Community Development Department, Planning Commission, City Council

Time Frame: Annually review fees.

Funding: General Fund

Objective: Reduce impact fees for multi-family projects based on actual project densities.

Program 3.2: Ensure Adequate Public Services for Residential Development

The City will continue to use its Growth Management Allocation Ordinance to ensure that the pace of development is consistent with the City's and other public facility and service providers' abilities to provide public facilities and services and maintain minimum facility and service standards for the entire community. The City will contact other public facility and service providers annually during the housing unit allocation process to ensure that these agencies can serve the increased number of housing units to be allocated.

Responsibility: Community Development Department, Planning Commission, City Council

Time Frame: Annually during housing allocation process, 2015–2023.

Funding: Application fees, development impact fees

Objective: Provide public facilities and services meeting minimum City standards.

Program 3.3: Use of CDBG Funds

The City will continue to use CDBG funds to upgrade public facilities and services in older neighborhoods. (See Program 1.8 for implementation.)

Program 3.4: Provide Park and Recreation Facilities (see General Plan Policy P-P20)

Program 3.5: Support Transit Facilities and Transit-Oriented Development

To coordinate the availability of public transit as Lodi develops and to support transit-oriented development (TOD) on infill sites and properties with reuse potential, the City will:

a) Ensure the continued construction of transit facilities, facilitate adequate transit service, and lower the cost of living within the community, with funding to be paid from traffic impact fees, state and federal funding sources, and "Measure K" sales tax funds.

b) Determine whether areas with infill/reuse potential (see Program 1.4) qualify as infill opportunity zones. The City will designate qualified areas that are appropriately located for higher-density residential and mixed-use developments in such zones near transit facilities.

c) If adopted under Action b, promote development opportunities in infill zones through a link on the City's website, an information bulletin to be distributed to property owners within these zones, and with developers and business organizations in Lodi, and one or more meetings with business and community organizations to explain the benefits and implications of infill zone designation for development opportunities.

d) Use the City's adopted Transit-Oriented Development Design Guidelines to develop TOD in Lodi's downtown, establishing a framework for infill development and public improvements, such as streets and open spaces.

Responsibility: Community Development Department, Planning Commission, City Council

Time Frame: For Action a., annually, prior to the adoption of a City budget, 2015–2023; for Action b., within one year of adoption of this Housing Element, designate infill opportunities and identify and adopt zoning amendments that are needed and appropriate to develop in infill opportunity zones within two years of adoption of this Housing Element; for Action c., within two years of adoption of this Housing Element, conduct one or more community meetings ; for Action d., ongoing.

Funding: Development impact fees, state and federal transportation funds

Objective: Increase housing opportunities near transit facilities and encourage forms of travel other than private vehicles. All income groups will be targeted for TOD housing. However, extremely low-and very low-income households that may rely on transit as their primary transportation mode should be prioritized.

H-G4 Promote equal opportunity to secure safe, sanitary, and affordable housing for all members of the community regardless of race, sex, or other discriminatory factors.

Program 4.1: Promote Fair Housing Services

The City will promote equal housing opportunity for all persons in compliance with state and federal laws by continuing to provide funding for the operation of the City's Affirmative Fair Housing Program. Under the program, the City provides information to the public on state and federal fair laws, provides referrals to county, state, and federal agencies for investigation of fair housing complaints, and provides financial support to San Joaquin Fair Housing, which provides landlord-tenant mediation services.

The City will collaborate with San Joaquin Fair Housing to promote fair housing information and resources at an annual community event. The City of Lodi will promote fair housing activities and resources by providing links through its website to nonprofit, county, state, and federal agencies; providing fair housing information at the Community Development Department public counter; designating a point of contact in the department to handle fair housing inquiries; and distributing fair housing information at public locations in the city (such as the Lodi Public Library and the LOEL Senior Center).

Responsibility: Community Development Department

Time Frame: Current and ongoing, 2015–2023; annual community event for display of air housing information within one year of adoption of this Housing Element; fair housing links will be provided on the City's website within two years of adoption of this Housing Element.

Funding: CDBG

Objective: Provide information on fair housing law to the public and support landlord-tenant mediation services.

Program 4.2: Regulate Condominium Conversion

The City will continue to regulate the conversion of rental housing to condominium or stock cooperative ownership to reduce the displacement of extremely low-, very low-, low-, and moderate-income households (see Title 15 of the Lodi Municipal Code). The regulations ensure that:

4. Residential condominium conversion projects are consistent with the Housing Element of the General Plan and state law;
5. Converted dwellings meet certain safety, quality, and appearance standards;
6. Purchasers of converted dwelling units are fully informed as to the physical condition of the structure and facilities;
7. Tenants are provided with notice of the conversion, relocation benefits, and the opportunity to purchase the residential units being converted; and
8. The City maintains a supply of affordable housing.

Responsibility: Community Development Department, Planning Commission, City Council

Time Frame: Ongoing, 2015 – 2013 and as conversions come forward.

Funding: Application fees

Objective: Minimize the impact of displacement of very low-, low-, and moderate-income households and assure safety of converted units.

Program 4.3: Pursue Regional Solutions to Homeless Needs

The City will continue to support regional solutions to homelessness through its collaboration with the Salvation Army. The City of Lodi has contributed $418,798 to the Salvation Army for the expansion or improvement of its facilities. The City is also open to the possibility of providing funds to other nonprofit organizations. The City will also support San Joaquin County in implementing the Ten Year Plan to End Homelessness and continue to have a City representative serve on the Board of the Emergency Food and Shelter Program.

Responsibility: Community Development Department, Planning Commission, City Council

Time Frame: Current and ongoing, 2015–2023; annual review of applications by nonprofit organizations for use of City's share of CDBG funds.

Funding: CDBG

Objective: Provide regional solutions to homelessness through assistance to nonprofit organizations and the County who work on solutions to end homelessness in the region.

Program 4.4: Educate the Public About Affordable Housing

Affordable housing is seen negatively by many in the community; the perception is that affordable housing drives down property values, increases the demand for services, and facilitates criminal activity. The reality is that affordable housing helps police officers, firefighters, teachers, and other low- and moderate-wage workers live in Lodi. The City will:

- Provide information on the City's website regarding housing in Lodi that discusses typical wages for various jobs that are held in the city and the housing costs that each earner can afford; and
- Conduct a workshop on the issue of affordable housing, publicizing the event to neighborhood groups, community organizations, religious institutions, and others. Discuss affordable housing myths and the value that affordable housing can bring to a community, as well as important issues to consider.

Responsibility: Community Development Department

Time Frame: Continue to provide a newsletter and conduct at least two workshops during the Housing Element planning period.

Funding: General Fund

Objective: Provide information to the community about the benefits of affordable housing.

Program 4.5: Incentivize Affordable Housing Development

To incentivize the development of affordable housing opportunities, the City will study the possibility of providing certain benefits to developers who build affordable units such as expedition of the development review process and reduction in development impact fees. Program 3.1 describes modifications to the impact fee program to alleviate disincentives to multi-family housing construction. In addition, Program 1.2 calls for the exemption of affordable units from the growth management allocation process, which would eliminate the time and expense of the process.

As described in Program 1.5, the City will meet annually with private nonprofit and for-profit affordable housing providers and public agencies that are interested in constructing affordable housing (and keep in contact with them throughout the year), providing special needs housing or shelter, and/or providing supportive services for low-income and special needs residents. The purpose of the annual meetings will be to discuss priorities for lending City support for funding requests for affordable housing projects and programs during the subsequent 12 to 24 months. The City will assist applicants in the subdivision of land on larger sites as necessary to facilitate affordable housing development.

The Needs Assessment identified approximately 2,500 extremely low-income households in 2000. Senior housing has been prioritized due to a growing senior population. Female-headed households with children, large households, and farmworkers with families require multi-bedroom units, preferably in multifamily buildings that can provide usable common open space. The City will continue to assist nonprofit developers with site acquisition, allow multifamily housing by right in several zoning districts, and identify funding sources to facilitate development and rehabilitation. For single-person extremely low-income households, such as persons transitioning out of homelessness, seniors, or others who can be accommodated with efficiency units, Program 1.1 supports the modification of the Development Code to broaden the definition of boarding houses and the allowance of single-room occupancy units. The National Stabilization Program in particular will prioritize units for very low- and extremely low-income households.

Responsibility: Community Development Department, Planning Commission, City Council

Time Frame: Investigate possible incentives for facilitating the development of affordable housing and present findings to the City Council within one year of the adoption of this Housing Element. The Development Code and Growth Management Allocation Ordinance update will be completed within one year of the adoption of this Housing Element.

Funding: General Fund, National Stabilization Program and other federal sources (see also Program 1.5)

Objective: Facilitate the development of affordable housing opportunities in the city.

Program 4.6: Facilitate the Development of Project-Based Section 8 Units

The City will work with nonprofit developers to try and secure project-based Section 8 funding in order to develop and maintain affordable family and senior units in the city.

Responsibility: Community Development Department, Planning Commission, City Council

Time Frame: Hold a meeting and work with local nonprofits to secure project-based Section 8 funding within a year and a half of adoption of this Housing Element.

Funding: General Fund

Objective: Facilitate the development of affordable and senior housing opportunities in the city.

H-G5 Encourage residential energy efficiency and reduce residential energy use.

Program 5.1: Promote Energy Efficiency and Weatherization Improvements for Older Homes

The City will continue to promote energy conservation and weatherization improvements as eligible activities under the Lodi Housing Rehabilitation Program (Program 2.2). The City will post and distribute information on currently available weatherization and energy conservation programs operated by the City, nonprofit organizations, and utility companies through the City's website, the Community Development Department public counter, the Lodi Public Library, the LOEL Senior Center, and other public locations. The Conservation Element also promotes energy conservation and weatherization improvements to existing structures and public buildings.

Responsibility: Community Development Department

Time Frame: Current and ongoing, 2015–2023.

Funding: CDBG, HOME, public and private utilities, nonprofit organizations (such as the San Joaquin County Department of Aging, Lodi Electric Utility Department, and Pacific Gas and Electric)

Objective: Increase energy efficiency in older homes.

Program 5.2: Energy Conservation for New Homes

The City will enforce state requirements for energy conservation, including Title 24 of the California Code of Regulations (state building code standards), in new residential projects and encourage residential developers to employ additional energy conservation measures in the design of new residential developments. In addition, the Community Design and Livability Element addresses green building and construction techniques.

Responsibility: Community Development Department

Time Frame: Current and ongoing, 2015–2023, as part of review of planning and building permit applications.

Funding: Permit fees

Objective: Increase energy efficiency in the design and construction of new homes.

Program 5.3: Encourage Use of Solar Devices Through Voluntary Incentives Program (see Program C-P40 in the Conservation Element)

4.3 QUANTIFIED OBJECTIVES

The City of Lodi has established quantified objectives for several program categories to provide measurable standards for monitoring and evaluating program achievements. Quantified objectives have been established for accommodating the City's share of San Joaquin County's regional housing needs, new housing construction, housing rehabilitation, and the preservation of existing affordable housing. The quantified objectives represent the target goal based on the needs, resources (including, land and financing), constraints, policies, and programs identified in this element. The quantified objectives for the City's share of regional housing needs and housing construction differ because the housing construction objective is based on the City's estimate of the number homes that can actually be constructed and at each household income level.

Table 4-1: Quantified Objectives

	Housing Units, by Income					
Objective Type	*Extremely Low*	*Very Low*	*Low*	*Moderate*	*Above Moderate*	*Total*
Accommodate Regional Share[1]	248	249	331	333	770	3,891
New Construction[2]	0	40	40	333	1,509	1,922
Homebuyer Assistance	0	2	10	10	0	24
Housing Rehabilitation[3]	50	200	250	250	0	750
Conservation of Rental Housing[4]	0	0	0	0	0	0

1. *Quantified objectives are for the 2014-2023 San Joaquin County Regional Housing Needs Allocation*
2. *Quantified objectives are based on anticipated market rate housing production (for moderate- and above moderate-income) and availability of financial resources to assist in the construction of very low- and low-income housing. The proposed Eden Housing senior development, expected to be financed by CDBG and HOME funds, is included in the extremely low- and very low-income household categories.*
3. *Based on historic rate of code enforcement and housing rehabilitation and anticipated availability of state and federal funding between 2014 and 2023. Based on funding potential from CDBG, HOME, and CalHOME.*
4. *Currently, no at-risk housing units have been identified that meet conservation requirements.*

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A. Accomplishments

A.1 OVERVIEW

The success of the updated Housing Element is dependent to a great extent on a useful examination of the policies and implementation programs included in the previously adopted Housing Element. The evaluation identifies programs that have been successful in achieving housing objectives and addressing local needs, as well as programs that require modifications to address objectives in the updated Housing Element. State law (California Government Code Section 65588 (a)) requires each jurisdiction review its housing element as frequently as appropriate to evaluate:

- The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal;
- The effectiveness of the housing element in attainment of the community's housing goals and objectives; and
- The progress of the jurisdiction in implementing the housing element.

According to the California Department of Housing and Community Development (HCD), "Housing Element Questions and Answers: a Guide to the Preparation of Housing Elements," the review is a three-step process:

- Review the results of the previous element's goals, objectives, policies, and programs. The results should be quantified where possible (e.g., the number of units rehabilitated), but may be qualitative where necessary (e.g., mitigation of governmental constraints).
- Compare what was projected or planned in the previous element to what was actually achieved. Analyze the significant differences between them. Determine where the previous housing element met, exceeded, or fell short of what was anticipated.
- Based on the above analysis, describe how the goals, objectives, policies, and programs in the updated element are being changed or adjusted to incorporate what has been learned from the results of the previous element.

A.2 CONSTRUCTION ACHIEVEMENTS

Table A-1 summarizes accomplishments during the 2007–2014 period. At that time, the City's total RHNA projected by the San Joaquin Council of Governments was 3,891 units. Actual construction, was 344 units. Some of the "above moderate" units may actually be affordable to low-income households—given the decline in housing prices in the city—even though they were not subsidized. Although the RHNA targets were not achieved in actual construction, the City made available a sufficient number of appropriate housing sites in each income category to meet RHNA requirements. This is documented in the General Plan update Land Use Element, which describes potential for low-, medium-, and high-density residential developments, as well as mixed-use residential units totaling 4,4,00 units. Moreover, several large development projects, including a variety of density levels and unit types, were approved during the planning period at high densities, but without subsidies. Due

to the local, regional, and statewide housing and lending market constriction, these projects have not necessarily moved into the construction phase.

Table A-1: Housing Units Produced and Needs Met, by Income (2007–2014)

	Units, by Income Category				
	Extremely/ Very Low	*Low*	*Moderate*	*Above Moderate*	*Total*
Regional Housing Needs Allocation	497	331	333	770	1,931
Less Units Constructed	0	3	7	334	344
Less Development Projects	275	280	906	2,001	3,462
Less Vacant Land	532	403	63	114	1,112
Less Underutilized Land	194	104	16	8	322
Surplus	**504**	**459**	**659**	**1,687**	**3,309**

Source: Lodi Housing Element 2015

A.3 PROGRAM EVALUATION

This section summarizes achievements for each program in the 2007–2014 Housing Element. Programs are organized within relevant Housing Element goals.

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
Program 1.1: Revise Zoning Ordinance Within one year of adoption of the Housing Element, the City will bring the Zoning Ordinance into conformance with the General Plan. The City shall revise Title 17 of the Lodi Municipal Code (Zoning Ordinance) to reduce barriers to, and provide incentives for, the construction and conservation of a variety of housing types, including Medium, High-Density, and affordable housing consistent with the policies and programs of this Element. Revisions to Title 17 will include, but not be limited to, the following:	*Responsibility: Community Development Department, Planning Commission, City Council*	*Time Frame: Complete Zoning Ordinance amendments as part of the new unified development code within one year of adoption of this Housing Element and interim zoning regulations within one month of adoption of this element.*	*Objective: Reduce regulatory barriers to the provision of housing.* *Accomplishments:*	
• The addition of a chapter that provides for density bonuses and other incentives for projects that include 5% very-low-income housing, 10% low-income housing, 10% median-income housing, and senior housing (even if none of the units are income restricted), in compliance with Sections 65915–65918 of the California Government Code. The maximum density bonus granted is 35%. The City shall work with the San Joaquin County Housing Authority in developing procedures and guidelines for establishing income eligibility for the "reserved" units and for maintaining the "reserved" units as affordable units for at least 30 years. The City shall seek Housing Authority administration of the reserved units. The City shall establish a program to publicize the availability of the density bonus program through the City's website, program information at the Community Development Department public counter, and pre-development meetings with housing providers (such as the housing unit allocation stage). The City shall encourage prospective housing developers to use the density bonus program at pre-development meetings.			*While the City has established density bonuses, it has not established a program with the Housing Authority for administration of "reserve" units.*	*Modify and continue*
• Conformance with California Government Code sections 65852.3 and 65852.7, which require that manufactured homes in single-family zones on permanent foundations be permitted under the same standards as site-built homes (with limited exceptions).			*The City permits manufactured homes on permanent foundations under the same standards as site-built homes.*	*Delete*
• The City will continue to allow, by right, the development of emergency shelters in areas zoned C-M or C-2 (or their equivalent under the updated Development Code). These zones typically have good transit and services access, and allow both commercial and			*The City amended the Development Code to allow emergency shelters in areas zoned the equivalent of C-M or C-2 zones by right.*	*Delete*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
residential development. The sites inventory identified 2.5 acres designated Downtown Mixed Use (which is consistent with the C-2 zone as described below) that could be used for emergency shelters. These sites could accommodate the estimated 94 homeless, including separate shelters for individual adults and families.				
• Addition of definitions for transitional and supportive housing as well as clarification that they are treated the same as other residential uses in residential zones. This is intended to help support housing options for extremely-low income households and others in need of additional services.			*The City amended the Development Code to allow transitional and supportive housing in all zones permitting residential.*	*Delete*
• Addition of a definition of Farmworker housing that does not conflict with State law definitions for employee housing (beginning with California Health and Safety Code Section 17000) and specification of the zoning districts and standards under which such housing will be permitted. The City will also designate residential and commercial zones in which Farmworker housing will be permitted. Such zones will be selected, in part, based on the availability of vacant land or sites with re-use potential. In implementing this program, the City will treat permanent housing for Farmworkers who live in Lodi year-round the same as other permanent housing (single-family, multi-family, manufactured homes, etc.) The City will permit seasonal or migrant Farmworker housing in a similar fashion to group homes with respect to the zones and conditions for approval. Farmworker housing will be permitted by right in any zone in which agriculture is a primary permitted use.			*The City added the definition of farmworker housing and has designated zoning districts in which it is allowed.*	*Delete*
• Clarification of residential care facility definition and standards. Create a definition for "residential care facility" that is broad and encompasses facilities that care for a range of clients. The City will specify that all such facilities with six or fewer residents are permitted in residential zoning districts. The City will also designate zoning districts in which facilities of seven or more persons will be permitted through a Use Permit and standards for such facilities. In addition, to comply with State law, the Zoning Ordinance will be clarified to explicitly prohibit the overconcentration of residential care facilities (facilities should be at least 300 feet apart).			*The City has added a definition and standards for "residential care facilities."* *The City has not yet added a definition for "group residential."*	*Delete* *Continue*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
• Amend the Zoning Ordinance to include a definition for "group residential" that includes all living situations with shared living quarters without separate kitchen or bathroom facilities for each room or unit, including boarding houses, dormitories, and SROs.			*Now under Chapter 17.32 of the Development Code, the standards require 1 covered space per one-bedroom unit, 2 spaces per two-bedroom unit (1 must be covered), plus 1 uncovered guest space for each 5 units.*	*Delete*
• Revision of off-street parking requirements (Chapter 17.60) to reduce standards to: 1 covered space/1-bedroom and two covered spaces/2-bedroom as well as one uncovered space for guests for every three units.				
• Revision of standards for second dwelling units to allow the conversion of accessory buildings to second units (as well as allowing detached second units, in general) subject to compliance with all other zoning and parking standards, an appropriate minimum lot size for detached second units (640 square feet), and architectural compatibility with the main dwelling unit. The City will permit second dwelling units through an administrative permit process (i.e. ministerial and by right; not requiring a Use Permit) in compliance with State law (California Government Code section 65852.2).			*The City now allows second dwelling units by right.*	*Delete*
• Specification of procedures for requesting reasonable accommodations for persons with disabilities that allow for administrative (ministerial) approval of accessible features. Create explanatory handouts for those wishing to request reasonable accommodations.			*The City is in the process of adopting a reasonable accommodation ordinance.*	*Delete*
• Completion of other significant revisions that will facilitate residential development and allow for greater design flexibility, such as:				*Delete*
– Revised zoning districts consistent with the new land use designations in the Land Use Element);			*The City's zoning districts now match the General Plan land use designations.*	
New Low Density Residential designation that allows for the development of single-family detached, two-family and three-family homes up to the General Plan Land Use Density of eight units per acre;			*The City created a new Low Density Residential designation.*	*Delete*
– Provision for a variety of housing types in residential zones including care facilities, shelters and live/work projects;			*The City's residential zones allow the variety of housing types listed.*	*Delete*
– New Group Residential definition that will cover all group living			*The City has yet to add a definition for "group residential."*	*Continue*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
situations with shared living quarters and without separate kitchens or bathrooms for each room or unit (for example: dormitories, fraternities, single room occupancy (SRO) units). – Single-family detached lot sizes as small as 5,000 square feet; – Minimum and maximum setbacks to match the desired General Plan intent and desired character for specific districts, with reduced—or potentially even no—front setbacks in pedestrian-oriented mixed-use districts. – No Use Permit requirements to build multi-family dwelling within the Medium or High density designations			*The City permits low and medium density as small as 5,000 square feet and high density as small as 4,000 square feet.* *The City's setback requirements match the General Plan.* *Multi-family is allowed by right within medium- and high-density designations.*	*Delete* *Delete*
• Until the Zoning Ordinance is comprehensively updated to be consistent with the recently adopted General Plan, the City will adopt and administer interim zoning regulations to ensure General Plan consistency in development review. The following matrix, which will be incorporated into the interim regulations, describes what development regulations will apply in General Plan land use designations that permit residential development by right.			*This program is no longer necessary.*	*Delete*

General Plan Land Use Classification	*Residential Density (du/ac) (from the General Plan)*	*Corresponding Zoning District (other development standards)*
Low-Density Residential	2–8	R-LD
Medium-Density Residential	8–20	R-MD
High-Density	15–35	R-HD
Downtown Mixed Use	8–35	C-2
Mixed Use Corridor	2–35	C-1
Mixed Use Center	8–35	C-1

Ensure that densities established in the General Plan are not unduly limited by the interim regulations; where interim regulations may get in the way of a project attaining the General Plan-desired densities, update the regulations so that they are not a constraint.

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
Program 1.2: Revise Growth Management Program *The City will revise its growth management program to exempt housing units affordable to very-low- or low-income households with long-term affordability restrictions. The City will also monitor the program to ensure that it does not represent a constraint to multi-family and affordable housing for all income groups. The program should be evaluated for cumulative effects of all development application requirements and costs by the end of the planning period.*	*Responsibility: Community Development Department*	*Time Frame: Revise Growth Management Program within a year of adoption of this Housing Element and evaluate implementation by the end of the planning period.*	*Objective: Expedite the residential development approval process for affordable housing.* *Accomplishments:* *The Growth Management Plan exempts only senior citizen housing. Further amendment will need to be made to include affordable housing units.*	*Continue*
Program 1.3: Personal Security Standards *The City will continue to implement design standards applicable to all new residential projects with the objective of improving the personal security of residents and discouraging criminal activity. Design standards will address issues such as the placement of landscaping, accessory buildings, and accessory structures in a manner that does not impede the City's ability to conduct neighborhood police patrols and observe potential criminal activity; lighting and other security measures for residents, and the use of materials that facilitate the removal of graffiti and/or increase resistance to vandalism.*	*Responsibility: Community Development Department*	*Time Frame: Current and ongoing (2007–2014)*	*Objective: Reduce the susceptibility of residential properties and neighborhoods to criminal activity and increase residents' perception of personal safety.* *Accomplishments:* *There is no reference to personal security standards in the current Development Code. This City plans to continue this program.*	*Continue*
Program 1.4: Land Inventory *The City shall maintain a current inventory of vacant, residentially zoned parcels and a list of approved residential projects, and shall make this information available to the public and developers, including information on underutilized sites within the downtown area with residential or mixed-use development potential. The City shall update the inventory and list at least annually.* *To maintain adequate sites throughout the planning period to accommodate the City's RHNA, pursuant to Government Code Section 65863, the City will monitor available residential capacity and evaluate development applications, particularly in non-residential and/or mixed use zones. Should an approval of development result in a reduction of capacity below the residential capacity needed to accommodate the remaining need for lower-*	*Responsibility: Community Development Department*	*Time Frame: Maintain a current land vacant residentially zoned land. Ongoing.*	*Objective: Increase the potential for infill development, thereby reducing the need to prematurely annex land and convert agricultural land to urban use.* *Accomplishments:* *The City maintained the land inventory throughout the planning period.*	*Continue*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
income households, the City will identify and zone sufficient sites to accommodate the shortfall to ensure that the "no net loss" provision is upheld (i.e. if any units that had been designated for subsidized housing are developed as market rate, then an equal number of units must be designated in their stead). *The inventory update of infill sites should focus on opportunity sites along Mixed Use Corridors, in the Downtown Mixed Use designation and residential areas Downtown, as identified in the Land Use Element. The City promotes the land inventory and the availability of each update through the City's website, a notice at the Community Development Permit Counter, and a press release subsequent to each update.*				
Program 1.5: Pursue State and Federal Funds in Support of Housing Construction *The City will continue to pursue available and appropriate state and federal funding sources to support efforts to construct housing meeting the needs of low-and moderate-income households, to assist persons with rent payments required for existing housing units, to provide supportive services, and to provide on- and off-site improvements and public facilities, in support of affordable housing projects. The City takes the following actions in pursuit of State and federal funding:*	*Responsibility: Community Development Department*	*Time Frame: For Action a., annual meetings, 2007–2014; for Action b., quarterly each year, depending on funding deadlines for specific state and federal programs, 2007–2014; for Action c., semiannual review and assessment of funding opportunities based on (1) funding cycles and eligible activities for various state and federal programs, (2) projects and programs proposed to the City for state*	*Objective: 20 extremely low-, 50 very low-, and 50 low-income housing units.* *Accomplishments:* *The City continues to pursue state and federal funding for the development of affordable housing.*	*Continue*
a. Meet annually with private nonprofit and for-profit affordable housing providers and public agencies that are interested in constructing affordable housing (and keep in contact with them throughout the year), providing special needs housing or shelter, and/or providing supportive services for low-income and special needs residents. The purpose of the annual meetings will be to discuss priorities for lending City support for funding requests for affordable housing projects and programs during the subsequent 12 to 24 months. The City will promote these annual meetings through direct notices to private and public entities that have provided housing or supportive services in Lodi, or that expressed an interest in doing so, in the past.			*The City met annually throughout the planning period with private nonprofit and for-profit affordable housing providers and public agencies that are interested in constructing affordable housing.*	
b. Provide support to other entities (nonprofit organizations, for-profit affordable housing providers, and public agencies) that apply directly for			*The City continued to provide support as*	

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
state or federal funds. Examples of support to be provided by the City include: 1) expedited processing of planning permits that are needed before an applicant can submit a state or federal funding request or receive funds; 2) providing information to complete a funding request (such as demographic, housing, or economic statistics in support of an application); and 3) letters of support for projects or programs that the City has approved (including preliminary or conceptual approval). This can help support organizations such as Central Valley Low Income Housing Corporation and the Loel Foundation which provide services to extremely-low income households.		*or federal funding, and (3) City staff capacity to prepare funding requests.*	*applications were brought forward.*	
c. Apply directly for State and federal funding under programs in which the City must be the applicant.			*The City applied for state and federal funds.*	
In pursuing State and federal funding, and working with other private and public entities to provide affordable housing, the City seeks to increase the availability of housing and supportive services to the most vulnerable population groups and those with the greatest unmet needs, such as very-low-income and frail seniors, persons with disabilities who cannot live independently, farmworkers and their families, low-income large families, and single-parent households, particularly those with small children.				
Program 1.6: Encourage Efficient Use of Land for Residential Development *The City encourages the efficient use of land for residential development while reducing the premature conversion of agricultural land to urban use. The City uses the following approaches:* • *The General Plan Growth Management and Infrastructure Element guides contiguous development through the identification of three expansion phases: The third phase includes Urban Reserve designations that define future growth areas if initial phases are built out. (See the Growth Management and Infrastructure Element for details.)* • *In response to the City's dual goals of preserving agricultural land/open space and supporting employment in the agriculture industry, the City will develop an agricultural conservation program that establishes a mitigation fee to protect and conserve agricultural lands. The fee will be*	*Responsibility: Community Development Department, Planning Commission, City Council*	*Time Frame: Require fee payment as mitigation, ongoing (2007–2014); enforce Urban Reserve designation and contiguity requirements when this Housing Element is adopted.*	*Objective: Preserve agricultural land and reduce the amount of land needed to meet future urban growth needs.* *Accomplishments:* *The City continues to preserve agricultural land and reduce the amount of land needed to meet urban growth needs.*	*Continue*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
assessed for acreage converted from agricultural to urban use, and used for conservation easements, fee title acquisition, research, education and capital improvement projects that benefit agriculture. (Program details and priority areas are described in the Conservation Element, Policy C-P7.) Notably, all conservation areas are outside the City's current Sphere of Influence and future growth areas as delineated in the current Land Use Element and therefore would not affect any housing sites listed in the inventory herein. The program will be developed with community input following buildout of phase 1 of the General Plan. During development of the program, the City and community members should consider how to exempt or reduce the fee for High Density and/or affordable housing projects. • *The City has adopted the San Joaquin County Multi-Species Conservation and Open-Space Plan (SJMSCP), a habitat conservation plan that seeks to protect agriculture, open space, habitat, and wildlife, in order to address the impacts of urban development and conservation of open space land. This allows project applicants to mitigate open space conversions and satisfy CEQA requirements by paying an in-lieu fee, dedicating land, purchasing credits from a mitigation bank or proposing an alternative plan consistent with SJMSCP goals.*				
Program 1.7: Provide Rental Assistance *The City shall continue to support the San Joaquin County Housing Authority in its administration of the Housing Choice Voucher rental assistance program (formerly called Section 8 Program). The City's support will include distribution of program information at the Community Development public counter, distribution of program information to rental property owners as part of the City's code enforcement activities, annual meetings with representatives of the Housing Authority to discuss actions the City can take to encourage greater participation in the Voucher Program by rental property owners, and creation and maintenance of a link to the Housing Authority's website on the City's web site.*	*Responsibility:* *Community Development Department*	*Time Frame:* *Distribution of Housing Choice Voucher Program information, current and ongoing, 2007–2014; create website link to Housing Authority website within six months of adoption of this Housing Element, maintain*	*Objective: Increase rental property owner awareness of, and participation in, rental assistance programs.* *Accomplishments:* *The City continues to work with the Housing Authority on the Housing Choice Voucher program. The City has not yet provided a link on its website. The City will be updating its website in the next two years and a link will be available at that time.*	*Continue*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
		link thereafter, 2009–2014.		
Program 1.8: Focus on Neighborhood Improvement Initiatives *The City will continue to designate a staff position, Neighborhood Services Manager (NSM), within the Community Development Department to focus on the implementation of housing and neighborhood improvement programs. Among the duties of the NSM are to:* • *Develop programs and plans to produce housing, especially affordable housing, by means of new construction, rehabilitation or acquisition;* • *Implement neighborhood improvement programs on a city-wide basis and develop neighborhood improvement strategies;* • *Ensure compliance with federal and State laws and regulations and consistency with local objectives and community requirements;* • *Prepare a variety of reports on housing preservation and development, neighborhood improvement and code enforcement, and other related City activities; and* • *Manage programs for housing rehabilitation, first-time buyer and code enforcement. Through 2009, the City operated both housing rehabilitation and first-time homebuyer programs through the Urban County CDBG/HOME Program. Since 2000, a total of 71 low-income households have been assisted. Beginning in 2010, Lodi turned to the State of California HOME Program to fund the first-time homebuyer program and has been awarded $800,000 to do so.* *The Lodi Police Department is responsible for enforcing City codes and ordinances pertaining to neighborhood maintenance; the NSM is tasked with coordinating activities with the code enforcement supervisor and staff within the Police Department.*	*Responsibility: Community Development Department; Police Department*	*Time Frame: Current and ongoing, 2007–2014*	*Objective: Improve the City's ability to focus on the implementation of housing and neighborhood improvement programs.* *Accomplishments:* *The City continues to focus on the implementation of housing and neighborhood improvement programs.* *The Housing Rehabilitation Program is likely to be funded through CDBG during the current Consolidated Plan period (2014–18). FTHB Program funding has not been utilized due to limited availability of housing within the allowed price limits.*	*Continue*
Program 1.9: Annex Land to Accommodate Future Housing Needs as Necessary *The City will pursue annexation of land outside the existing Sphere of Influence to conform to the development needs for Phase 1, 2, and 3. Subsequent phases should be annexed only as current phases meet*	*Responsibility: Community Development Department, Planning*	*Time Frame: Pursue discussions with property owners about annexation, as*	*Objective: Increase the City's residential development capacity to accommodate its share of the region's future housing construction needs.* *Accomplishments:*	*Continue*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
development capacity thresholds, as described in the Growth Management and Infrastructure Element. South of Harney Lane, an area which would require annexation, 338 acres have been identified for Low-Density Residential; nearly 100 acres for Medium- and High-Density Residential, and 28 acres for the residential component of Mixed Use Center. Given the backlog of unused housing allocations, recently approved development projects, and available sites within the current City limits, the City does not need to annex land to meet current housing needs. Nevertheless, the City will initiate the process with property owners by the end of the planning period.	*Commission, City Council*	*appropriate according to housing needs, but no later than the end of the planning period in 2014.*	*Annexation was not needed in the planning period to meet the City's RHNA.*	
Program 1.10: Provide Homebuyer Assistance *The City will continue to implement a first-time homebuyer down payment assistance program. The City will continue to participate with the Housing Authority in a countywide consortium for the issuance of mortgage revenue bonds or mortgage credit certificates to assist first-time homebuyers. The City will promote the program by providing information at the Community Development Department's public counter and by providing a link to the program on the City's web site. The City's Neighborhood Services Manager will contact real estate agents active in Lodi to identify opportunities for program participation.*	*Responsibility: Community Development Department*	*Time Frame: Current and ongoing, 2007–2014; provide website link and information at the public counter within one year of adoption of this Housing Element; Neighborhood Services Manager to meet with local realtors within one year of adoption of this Housing Element.*	*Objective: 24 homebuyers: 4 very low-, 10 low-, and 10 moderate-income housing units.* *Accomplishments:* *The FTHB Program funding was not utilized due to limited availability of housing within the allowed price limits. The City continues to provide information at a kiosk and on the Community Development webpage.*	*Continue*
Program 1.11: Promote the City's Multi-family Housing Development Standards *The City will promote its multi-family development standards through the Community Development Department's link to the City's website, information brochures available at the Community Development Department, pre-application meetings, and a notice to the local*	*Responsibility: Community Development Department*	*Time Frame: Current and ongoing (2007–2014); information is currently available on the City's website and*	*Objective: Increase awareness of the City's multi-family development standards.* *Accomplishments:* *The City continues to promote its multi-family development standards through the City's website, information brochures available at*	*Continue*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
homebuilder's, realtor's, and contractor's associations.		*at the public permit counter. The City also encourages pre-application meetings. These practices will continue indefinitely. A notice of the City's multi-family development standards will be distributed to industry organizations within six months of the adoption of this Housing Element.*	*the Community Development Department, pre-application meetings, and a notice to the local homebuilders, realtors, and contractors associations.*	
Program 1.12: Subdividing Large Sites for Lower Income Households *To assist the development of housing for lower income households on larger sites (more than 10 acres), the City will facilitate land divisions, lot line adjustments, and specific plans resulting in parcels sizes that enable multifamily developments affordable to lower income households. The City will work with property owners and non-profit developers to target and market the availability of sites with the best potential for development. In addition, the City will offer the following incentives for the development of affordable housing including but not limited to:* • *Streamlining and expediting the approval process for land division for projects that include affordable housing units,* • *Deferral or waiver of fees related to the subdivision for projects*	*Responsibility: Community Development Department*	*Time Frame: Determine appropriate incentives within one year of adoption. Provide incentive throughout planning period, as projects are submitted to the Planning Division.*	*Objective: Facilitate parcel sizes that that are developable for multi-family affordable housing and consistent with recommendations/requirements of state, federal, and local financing programs.* *Accomplishments:* *The City was not approached to assist with facilitating land divisions.*	*Continue*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
affordable to lower income households, • *Technical assistance to acquire funding.*				
H-G1 Encourage the maintenance, improvement, and rehabilitation of existing housing stock and residential neighborhoods, particularly in the Eastside area. ***Program 2.1: Evaluate Applications for the Demolition of Residential Structures*** *The City shall implement policies and procedures for evaluating applications for demolition of residential structures. This evaluation shall consider the implications of the demolition with respect to the retention of affordable housing. If demolitions are deemed to result in a reduction of the amount of affordable housing in Lodi, the City shall require the proponent of the demolition to cooperate with the City in providing relocation assistance to displaced residents and in determining the means for replacing demolished units. The City will provide information regarding its policies and procedures on the City's website and at the Community Development Department's public counter.* *The City will determine the most appropriate method of implementing this program through a review of past demolition permits and conditions.*	*Responsibility: Community Development Department*	*Time Frame: Complete review within six month of adoption of this Housing Element; implement new review procedures within one year of adoption of this Housing Element, ongoing thereafter, based on proposals.*	*Objective: Maintain or replace existing affordable housing.* *Accomplishments:* *The City has not yet implemented this program.*	*Continue*
Program 2.2: Assist the Eastside Area with Housing Rehabilitation and Code Enforcement *The City will continue to combine code enforcement and housing rehabilitation assistance, targeted to the Eastside area. Code enforcement falls under the purview of the Lodi Police Department, while the Neighborhood Services Manager (NSM) is responsible for coordinating rehabilitation efforts. The NSM will promote its program through the Lodi Improvement Committee, a neighborhood organization that provides direct outreach to area residents and property owners, by providing information at the Community Development Department's public counter, and through a link to the program on the City's website. The NSM will work with the Committee to continue marketing the program to Eastside area residents and property owners.*	*Responsibility: Community Development Department*	*Time Frame: Current and ongoing, 2007–2014*	*Objective: Improvement of 750 units (including private investment to correct code violations) over the planning period of this Housing Element: 250 extremely low/very low-, 250 low-, and 250 moderate-income.* *Accomplishments:* *The Housing Rehabilitation Program is likely to be funded through CDBG during the current Consolidated Plan period (2014–18).*	*Continue*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
Program 2.3: Implement Property Maintenance and Management Standards *The City will continue to implement standards for private property maintenance (Chapter 15.30 of the Municipal Code) to 1) control or eliminate conditions that are detrimental to health, safety, and welfare; 2) preserve the quality of life and alleviate certain socioeconomic problems created by physical deterioration of property; and 3) protect property values and further certain aesthetic considerations for the general welfare of all residents of the City of Lodi.*	*Responsibility: Police Department (code enforcement); Community Development Department, Neighborhood Services Division (implementation)*	*Time Frame: Code enforcement on both complaint and proactive basis; Current and ongoing, 2007–2014*	*Objective: Eliminate substandard building and property conditions.* *Accomplishments:* *The City's Code Enforcement staff continues to respond to complaints related to property maintenance and substandard housing.*	*Continue*
Program 2.4: Conduct a Housing Condition Survey *The City will conduct a housing survey to document its efforts at improving housing conditions and to identify future areas and housing types for targeting its code enforcement, housing rehabilitation assistance, and neighborhood improvement efforts.*	*Responsibility: Community Development Department*	*Time Frame: Complete survey and report to City Council within one and a half years of adoption of this Housing Element.*	*Objective: Document housing conditions and establish priorities for future code enforcement, housing rehabilitation assistance, and neighborhood improvement efforts.* *Accomplishments:* *The City has not yet completed a housing condition survey.*	*Continue*
Program 2.5: Preserve Affordable Rental Housing *There are currently no affordable units at-risk of converting to market rate in Lodi. However, if in the future units become at-risk, the City would coordinate a meeting or series of meetings between the Housing Authority, local nonprofits, and the owner (or owner's representative) to discuss the owner's intentions to remain or opt out of the federal Housing Choice Voucher (Section 8) Program and future plans for the property. If the owner intends to convert the apartments to market rate housing or sell the property, Lodi will seek to facilitate the acquisition of the property by a nonprofit or other entity to preserve the rental units as affordable housing. The City would not take part directly in negotiations regarding the property, but would apply for State or federal funding on behalf of an interested nonprofit entity, if necessary, to protect the affordability of the rental units. Lodi would request that the property owner provide evidence that it has complied with State and federal regulations regarding notice to tenants and*	*Responsibility: Community Development Department*	*Time Frame: Implement this program as necessary.*	*Objective: To preserve affordable rental housing units.* *Accomplishments:* *The City does not have any units at risk of converting to market rate.*	*Continue*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
other procedural matters related to conversion and contact HUD, if necessary, to verify compliance with notice requirements.				
Program 2.6: Target the Eastside Area for Use of Funds for Public Improvements *The City will continue to target a portion of its annual CDBG allocation for public improvements in the Eastside area in support of its housing rehabilitation and neighborhood improvement activities. The General Plan Land Use Diagram identifies the Eastside Area for Medium and High Density Residential, acknowledging opportunities for redevelopment and reinvestment through density increases. Public investment is intended to stimulate private investment in order to preserve the character of the neighborhood and introduce new housing, while also improving streetscapes and connections to downtown. In addition, the City will continue the practice of including conditions in developer agreements of major projects to pay for rehabilitation of housing units. Funds can be specifically directed toward units for extremely-low and very-low income households and supportive housing providers, and will be negotiated on a case by case basis.*	*Responsibility: Community Development Department, Planning Commission, City Council*	*Time Frame: Annual CDBG allocation, maintain zoning, 2007–2014*	*Objective: Preserve and improve the Eastside area.* *Accomplishments:* *The City has allocated a significant amount of CDBG and other funding for public improvements in the Eastside area and will continue this through the current planning period.*	*Continue*
H-G2 Ensure the provision of adequate public facilities and services to support existing and future residential development. ***Program 3.1: Collect Development Impact Fees and Enforce Improvement Requirements*** *The City will continue to collect a unified development impact fee to pay for off-site public facilities and services needed for residential development and require that residential developers continue to provide on-site infrastructure to serve their projects. The City shall continue to charge fees that reflect the actual cost of service provided to housing units anticipated by this Element. Prior to the issuance of building permits, the City will require evidence that the developer has paid the required school impacts fees.* *The City will review and adjust its fee formula, particularly for multi-family dwelling units in the Medium and High Density Residential and Mixed Use General Plan land use designations. Per unit and per acre fees should be reasonable, in order to encourage the development of higher density affordable housing units while corresponding with the estimated public*	*Responsibility: Community Development Department, Planning Commission, City Council*	*Time Frame: Submit proposed fee schedule adjustment to Planning Commission within six months of adoption of this Housing Element.*	*Objective: Reduce impact fees for multi-family projects based on actual project densities.* *Accomplishments:* *The City continues to collect a unified development impact fee to pay for off-site public facilities and services needed for residential development. Fees were reduced by approximately 66% to help encourage development. This reduction will be in effect at least through 2019.*	*Continue*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
facility and service impact for the specific project being proposed. The review and adjustment is anticipated to result in a reduction of fees for some multi-family projects. Utilities, streets, parks, and emergency services improvements should be developed consistently with infrastructure improvements and planning efforts identified in the appropriate in the Growth Management and Infrastructure; Transportation; and, Parks, Recreation, and Open Space elements.				
Program 3.2: Assure Adequate Public Services for Residential Development *The City will continue to use its growth management program to ensure that the pace of development is consistent with the City's, and other public facility and service providers' abilities to provide public facilities and services and maintain minimum facility and service standards for the entire community. The City will contact other public facility and service providers annually during the housing unit allocation process to insure that these agencies can serve the increased number of housing units to be allocated.*	*Responsibility: Community Development Department, Planning Commission, City Council*	*Time Frame: Annually during housing allocation process, 2007–2014*	*Objective: Provide public facilities and services meeting minimum City standards.* *Accomplishments:* *The City continues to use its growth management program to ensure that the pace of development is consistent with the City's goals.*	*Continue*
Program 3.3: Use of CDBG Funds *The City will continue to use CDBG funds to upgrade public facilities and services in older neighborhoods. (See Program 1.8 for implementation.)*			*The City continues to use CDBG funds to upgrade public facilities and services in neighborhoods.*	*Continue*
Program 3.4: Provide Park and Recreation Facilities *(See General Plan Policy P-P20)*				
Program 3.5: Support Transit Facilities and Transit-Oriented Development *To coordinate the availability of public transit as Lodi develops and to support transit-oriented development (TOD) on infill sites and properties with re-use potential, the City shall:* *a) Insure the continued construction of transit facilities, facilitate adequate transit service and lower the cost of living within the community, with funding to be paid from traffic impact fees, State, and federal funding sources, and "Measure K" sales tax funds.* *b) Determine whether areas with infill/reuse potential (see Program 1.4) qualify as infill opportunity zones. The City shall designate qualified areas*	*Responsibility: Community Development Department, Planning Commission, City Council*	*Time Frame: For Action a., annually, prior to the adoption of a City budget, 2007–2014; for Action b., within one year of adoption of this Housing Element, designate infill opportunities within a year and a*	*Objective: Increase housing opportunities near transit facilities and encourage forms of travel other than private vehicles. All income groups will be targeted for TOD housing. However, extremely-low and very low-income households that may rely on transit as their primary transportation mode should be prioritized.* *Accomplishments:* *Ongoing. The City developed the Transit-Oriented Development Design Guidelines in*	*Continue*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
that are appropriately located for higher density residential and mixed-use developments in such zones, near transit facilities. *c) If adopted under action "b," promote development opportunities in infill zones through a link on the City's website, an information bulletin to be distributed to property owners within these zones, and developers and business organizations in Lodi, and one or more meetings with business and community organizations to explain the benefits and implications of infill zone designation for development opportunities.* *d) Use the City's adopted Transit-Oriented Development Design Guidelines to develop TOD in Lodi's Downtown, establishing a framework for infill development and public improvements, such as streets and open spaces.*		*half and identify and adopt zoning amendments that are needed and appropriate to develop within infill opportunity zones within two years of adoption of this Housing Element; for Action c., within two years of adoption of this Housing Element, conduct one or more community meetings within two and a half years of adoption of this Housing Element; for Action d., ongoing.*	*2008 and it was incorporated into the new Development Code in 2013.*	

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
H-G3 Promote equal opportunity to secure safe, sanitary, and affordable housing for all members of the community regardless of race, sex, or other discriminatory factors. ***Program 4.1: Promote Fair Housing Services*** *The City shall promote equal housing opportunity for all persons in compliance with State and federal laws by continuing to provide funding for the operation of the City's Affirmative Fair Housing Program. Under the program, the City provides information to the public on State and federal fair laws, provides referrals to county, State, and federal agencies for investigation of fair housing complaints, and provides financial support to Stockton/San Joaquin Community Housing Resource Board (CHRB), which provides landlord-tenant mediation services. From 2005–2010, the City provided approximately $20,000 to the CHRB for fair housing purposes.* *The City will collaborate with CHRB to promote fair housing information and resources at an annual community event. Lodi will promote fair housing activities and resources by providing links through its website to nonprofit, county, state, and federal agencies; providing fair housing information at the Community Development Department public counter; designating a point of contact within the Department to handle fair housing inquiries; and distributing fair housing information at public locations in the City (such as the Lodi Public Library and the LOEL Senior Center).*	*Responsibility: Community Development Department*	*Time Frame: Current and ongoing, 2007–2014; annual community event for display of air housing information within one year of adoption of this Housing Element; fair housing links will be provided on the City's website within six months of adoption of this Housing Element.*	*Objective: Provide information on fair housing law to the public and support landlord-tenant mediation services.* *Accomplishments:* *SJFH provided fair housing services to approximately 285 people each year from 2010 to 2015.*	*Continue*
Program 4.2: Regulate Condominium Conversion *The City currently regulates the conversion of rental housing to condominium or stock cooperative ownership to reduce the displacement of extremely low-, very low-, low-, and moderate-income households (See Title 15 of the Lodi Municipal Code). However, the regulations need to be expanded and strengthened. The City should amend Title 15 to ensure that:* *1. Residential condominium conversion projects are consistent with the Housing Element of the General Plan and State law;* *2. Converted dwellings meet certain safety, quality and appearance standards;* *3. Purchasers of converted dwelling units are fully informed as to the*	*Responsibility: Community Development Department, Planning Commission, City Council*	*Time Frame: Amendment of Title 15 will occur within two years of the adoption of this Housing Element.*	*Objective: Minimize the impact of displacement of very low-, low-, and moderate-income households and ensure the safety of converted units.* *Accomplishments:* *The City amended Title 15 in 2013.*	*Continue*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
physical condition of the structure and facilities; *4. Tenants are provided with notice of the conversion, relocation benefits and the opportunity to purchase the residential units being converted; and* *5. The City maintains a supply of affordable housing.*				
Program 4.3: Pursue Regional Solutions to Homeless Needs *The City shall continue to support regional solutions to homelessness through its collaboration with the Salvation Army. Over the past five years, Lodi has contributed $418,798 to the Salvation Army for the expansion or improvement of its facilities. The City is also open to the possibility of providing funds to other nonprofit organizations. The City shall also support San Joaquin County in implementing the Ten Year Plan to End Homelessness and continue to have a City representative serve on the Board of the Emergency Food and Shelter Program.*	*Responsibility: Community Development Department, Planning Commission, City Council*	*Time Frame: Current and ongoing, 2007–2014; annual review of applications by nonprofit organizations for use of City's share of CDBG funds*	*Objective: Provide regional solutions to homelessness through assistance to nonprofit organizations and the County who work on solutions to end homelessness in the region.* *Accomplishments:* *The City continues to provide CDBG funding to agencies and organizations that provide shelter and supportive services to the homeless community.* *In 2015, a Committee on Homelessness was formed with representatives from service providers, agencies, and organizations to evaluate current conditions within Lodi and work to develop goals and strategies to address the issues. That effort resulted in a Report on Homelessness which was adopted by the City Council in September 2015.*	*Continue*
Program 4.4: Educate the Public About Affordable Housing *Affordable housing is seen negatively by many in the community; the perception is that affordable housing drives down property values, increases the demand for services, and facilitates criminal activity. The reality is that affordable housing helps police officers, fire fighters, teachers, and other low- and moderate-wage workers live in the Lodi. The City will:* *• Put together a newsletter on housing in Lodi that discusses typical wages for various jobs that are held in the city and the housing costs that each earner can afford; and* *• Conduct a workshop on the issue of affordable housing, publicizing the event to neighborhood groups, community organizations, religious*	*Responsibility: Community Development Department*	*Time Frame: Newsletter and workshop will occur within two years of adoption of this Housing Element.*	*Objective: Provide information to the community about the benefits of affordable housing.* *Accomplishments:* *The Neighborhood Service Manager has conducted extensive outreach in the community to educate the public, especially the local minority population, about affordable housing.* *Several workshops were held in 2013 as part of the development of the CDBG*	*Continue*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
institutions, and others. Discuss affordable housing myths and the value that affordable housing can bring to a community, as well as important issues to consider.			*Consolidated Plan for 2014–2018.* *That process brought about civic engagement from Lodi's low-income minority community that has not been experienced before. The majority of the housing needs, goals, and objectives identified for the Consolidated Plan came from that outreach to the minority community.*	
Program 4.5: Incentivize Affordable Housing Development *To incentivize the development of affordable housing opportunities, the City will study the possibility of providing certain benefits to developers who build affordable units such as expedition of the development review process and reduction in development impact fees. Program 3.1 describes modifications to the impact fee program to alleviate disincentives to multi-family housing construction. In addition, Program 1.2 calls for the exemption of affordable units from the growth management allocation process, which would eliminate the time and expense of the process.* *As described in Program 1.5, the City will meet annually with private nonprofit and for-profit affordable housing providers and public agencies that are interested in constructing affordable housing (and keep in contact with them throughout the year), providing special needs housing or shelter, and/or providing supportive services for low-income and special needs residents. The purpose of the annual meetings will be to discuss priorities for lending City support for funding requests for affordable housing projects and programs during the subsequent 12 to 24 months. The City will assist applicants in the subdivision of land on larger sites as necessary to facilitate affordable housing development.* *The Needs Assessment identified approximately 2,500 Extremely-Low Income households in 2000. Senior housing has been prioritized due to a growing senior population. Female-headed households with children, large households, and farmworkers with families require multi-bedroom units, preferably in multi-family buildings that can provide usable common open space. The City will continue to assist non-profit developers with site*	*Responsibility: Community Development Department, Planning Commission, City Council*	*Time Frame: Investigate possible incentives for facilitating the development of affordable housing and present findings to City Council within one year of the adoption of this Housing Element. The Zoning Ordinance and Growth Management Ordinance update will be completed within one year of the adoption of this Housing Element.*	*Objective: Facilitate the development of affordable housing opportunities in the city.* *Accomplishments:* *The City continues to work with Eden Housing toward the development of an 80-unit senior housing project.*	*Continue*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
acquisition, allow multi-family housing by right in several zoning districts, and identify funding sources to facilitate development and rehabilitation. For single-person Extremely-Low Income households, such as persons transitioning out of homelessness, seniors, or others that can be accommodated with efficiency units, Program 1.1 supports the modification of the Zoning Ordinance to broaden the definition of boarding houses and the allowance of SROs. The National Stabilization Program in particular, will prioritize units for Very-Low and Extremely-Low Income households.				
Program 4.6: Facilitate the Development of Project-Based Section 8 Units. *The City will work with nonprofit developers to try and secure project-based Section 8 funding in order to develop and maintain affordable family and senior units in the city.*	*Responsibility: Community Development Department, Planning Commission, City Council*	*Time Frame: Hold a meeting and work with local nonprofits to secure project-based Section 8 funding within a year and a half of adoption of this Housing Element.*	*Objective: Facilitate the development of affordable and senior housing opportunities in the city.* *Accomplishments:* *The Housing Authority has been reluctant to provide project-based vouchers for the 80-unit senior project.*	*Continue*
H-G4 Encourage residential energy efficiency and reduce residential energy use. ***Program 5.1: Promote Energy Efficiency and Weatherization Improvements for Older Homes*** *The City shall continue to promote energy conservation and weatherization improvements as eligible activities under the Lodi Housing Rehabilitation Program (Program 2.2). The City will post and distribute information on currently available weatherization and energy conservation programs operated by the City, nonprofit organizations, and utility companies through the Lodi website, the Community Development Department public counter, the Lodi Public Library, the LOEL Senior Center, and other public locations. The Conservation Element also promotes energy conservation and weatherization improvements to existing structures and public buildings.*	*Responsibility: Community Development Department*	*Time Frame: Current and ongoing, 2007–2014*	*Objective: Increase energy efficiency in older homes.* *Accomplishments:* *The City continues to promote weatherization and energy efficiency programs available through other agencies and organizations.* *The City has provided CDBG funding to the Housing Authority of San Joaquin County for weatherization and energy efficiency improvements at a 5-unit apartment complex that the Authority owns and operates.*	*Continue*

Program	*Responsibility*	*Time Frame*	*Accomplishments*	*Continue/Modify/ Delete*
Program 5.2: Energy Conservation for New Homes *The City shall enforce State requirements for energy conservation, including Title 24 of the California Code or Regulations (State building code standards), in new residential projects and encourage residential developers to employ additional energy conservation measures in the design of new residential developments. In addition, the Community Design & Livability Element addresses green building and construction techniques.*	*Responsibility:* *Community Development Department*	*Time Frame:* *Current and ongoing, 2007–2014 as part of review of planning and building permit applications*	*Objective: Increase energy efficiency in the design and construction of new homes.* *Accomplishments:* *The City continues to enforce State requirements for energy conservation in new residential projects and encourages residential developers to employ additional energy conservation measures in the design of new residential developments.*	*Continue*
Program 5.3: Encourage Use of Solar Devices Through Voluntary Incentives Program *(see Program C-P40 in the Conservation Element)*				

RESOLUTION NO. 2015-____

A RESOLUTION OF THE LODI CITY COUNCIL
DIRECTING STAFF TO FILE THE 2015 – 2023
DRAFT HOUSING ELEMENT WITH THE
DEPARTMENT OF HOUSING AND COMMUNITY
DEVELOPMENT FOR REVIEW

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WHEREAS, California Government Code Section 65300 et. seq., mandates that the City of Lodi adopt a comprehensive General Plan to provide guidance and direction for development activities in the City; and

WHEREAS, Government Code Sections 65580-65589 set forth the statutory requirements for the Housing Element; and

WHEREAS, the Housing Element is one of seven (7) required elements of the General Plan; and

WHEREAS, Government Code Section 65588(b) requires that the Housing Element be comprehensively updated every five (5) years; and

WHEREAS, the City adopted its current Housing Element in 2011; and

WHEREAS, the Housing Element serves as the data and policy document guiding overall improvements and development of housing and contains a profile and analysis of the City's demographics, housing characteristics, and existing and future housing needs; an analysis of constraints to housing production and maintenance, such as market, governmental, and environmental factors affecting the City's ability to meet identified housing needs; an identification of resources to meet housing needs, including vacant or underutilized land for new construction, as well as financial and administrative resources available for housing; and the City's housing strategy to address identified housing needs, including an assessment of past accomplishments, and a formulation for housing goals, policies, and programs; and

WHEREAS, Government Code Section 65583 requires that the City identify adequate sites to accommodate housing for all economic segments of the population, based upon the Regional Housing Needs Assessment provided by the Southern California Association of Governments; and

WHEREAS, the City's Community Development Department has initiated and caused to be prepared a proposed Housing Element for the period from 2015-2023; and

WHEREAS, the Community Development Department staff held a stakeholder group meeting and public workshop on June 25, 2015, to solicit public input on the proposed draft Housing Element for 2015-2023; and

WHEREAS, the Planning Commission, after conducting a public hearing and consideration of all public comment, recommended the draft 2015-2023 Housing Element be forwarded to the City Council for approval to be submitted to the Department of Housing and Community Development for review; and

WHEREAS, the 2015–2023 Draft Housing Element was available for public inspection and review in the office of the City Clerk for more than ten days prior to the date of this Public Hearing.

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lodi as follows:

1. The proposed draft 2015-2023 Housing Element ensures and maintains internal consistency with all of the objectives, policies, general land uses, programs, and actions of the General Plan. The proposed Housing Element update for the 2015-2023 planning period have been designed to be consistent with State Housing Law, the Regional Housing Needs Assessment for local agencies under the jurisdiction of the San Joaquin Council of Governments (SJCOG), and to be internally consistent with the other elements of the Lodi General Plan.

2. The proposed draft 2015-2023 Housing Element would not be detrimental to the public convenience, safety or general welfare of the City. The draft Housing Element is compatible with the nature, condition, and development of existing uses, buildings and structures and the proposed Housing Element update will not adversely affect the existing or planned uses, buildings, or structures. The proposed Housing Element update includes specific programs that provide opportunities for affordable housing through the identification of appropriate sites and density as required by the State, make provision for emergency and transitional housing, and establish reasonable accommodations to improve constraints in housing for persons with disabilities. The proposed revisions will not expose people to an increased risk of negative health or public safety impacts and are consistent with the environmental analysis indicating the impacts related to the health, safety and general welfare of the community will not be detrimental as a result of the project.

3. The proposed draft 2015-2023 Housing Element is in compliance with the provisions of the California Environmental Quality Act (CEQA). The City prepared Lodi General Plan 2010 and adopted General Plan EIR 2010 (SCH#2009022075). The proposed Housing Element is an implementation of the General Plan 2010 and the General Plan EIR (SCH#2009022075) is the project's Environmental Document. Having been so included, all General Plan level environmental effects were of necessity, therein addressed. City of Lodi General Plan 2010, City of Lodi General Plan Final Environmental Impact Report, February 2010 and City of Lodi General Plan Draft Environmental Impact Report, November 2009 are available for review at the City of Lodi, Community Development Department, located at 221 West Pine Street, California, 95240. The documents are also available online at http://www.lodi.gov/community_development/index.html

4. Hereby directs staff to file the 2015–2023 Draft Housing Element with the Department of Housing and Community Development for Review.

Dated: November 18, 2015

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I hereby certify that Resolution No. 2015-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 18, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAIOLO
City Clerk

AGENDA ITEM C-18

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Revising Debt Management Policy

MEETING DATE: November 18, 2015

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Adopt resolution revising Debt Management Policy.

BACKGROUND INFORMATION: A comprehensive debt policy is the foundation of a well-managed debt program, setting forth parameters for issuing and administering debt. Adherence to a debt policy is viewed positively by rating agencies and helps ensure sound debt decisions are made.

The Government Finance Officers Association (GFOA) recommends that state and local governments adopt comprehensive debt management policies and suggests that any debt policy be reviewed periodically and updated if necessary.

Council approved the existing Debt Management Policy in November 2012.

Since the adoption of City Debt Management Policy, the Securities and Exchange Commission (SEC) has completed its Municipal Continuing Disclosure Cooperation (MCDC) initiative. As a result of this initiative, staff is bringing forward revisions to the Debt Management Policy to address certain issues raised in response to the MCDC initiative and to address other concerns raised by rating agencies during reviews of their ratings.

Section 9 of the revised policy addresses disclosure and training responsibilities that were not explicitly included in the prior policy and are directly related to the MCDC initiative. Revisions in Section 3 specifying goals for debt limits within various fund types are in response to comments raised by rating agencies during their annual review of their ratings. The revision in Section 5 specifies a minimum benefit to be obtained during a refinancing and provides a guideline for staff and Council when evaluating refunding opportunities. Additionally, minor grammatical corrections have also been included.

Attached is a redline version of the revised policy for your review and adoption.

FISCAL IMPACT: No direct fiscal impact at this time.

FUNDING AVAILABLE: Not applicable.

_____
Jordan Ayers
Deputy City Manager

Attachments

APPROVED: _____
Stephen Schwabauer, City Manager

City of Lodi

Debt Management Policy

Adopted November 7, 2012
Revised November 18, 2015

Section 1 – Introduction

The purpose of this Debt Management Policy (Policy) is to establish guidelines for the issuance and management of the City's debt. While the City prefers to finance projects on **a** pay-as-you-go basis, in the event debt is necessary, this Policy confirms the commitment of the Council, management, staff, advisors and other decision makers to adhere to sound financial management practices, including full and timely repayment of borrowings, achieving the lowest possible cost of capital within prudent risk parameters.

Priorities of the Policy are:

1. Achieve the lowest cost of capital;
2. Maintain a prudent level of financial risk;
3. Preserve future financial flexibility;
4. Maintain full and complete financial disclosure and reporting;
5. Obtain highest practical credit ratings and good investor relations; and
6. Ensure compliance with state and federal laws and regulations.

The Policy shall govern, except as otherwise covered by the Investment Policy, the issuance and management of all debt and lease financings funded from the capital markets (including private placement and bank loans), including the selection and management of related financial services and products and investment of bond and lease proceeds. While adherence to this policy is required in applicable circumstances, it is recognized that changes in the capital markets, agency programs and other unforeseen circumstances may from time to time produce situations that are not covered by this policy and will require modifications or exceptions to achieve policy goals. In these cases, management flexibility is appropriate, provided specific authorization from the City Manager and the City Council is obtained.

Section 2 - Responsibilities

The City's debt program for all City funds shall be operated in conformance with applicable federal, state and other legal requirements, including the Lodi Municipal Code.

Responsibility for managing and coordinating all activities related to the structure, issuance and administration of all long- and short-term debt obligations shall rest with the Deputy City Manager/Internal Services Director.

No debt obligations shall be presented to the City Council for their authorization without the joint assessment and recommendation of the City Manager, Deputy City Manager/ Internal Services Director and the City Attorney. Departments planning debt-financed capital programs or equipment acquisitions shall work closely with the City Manager, Deputy City Manager/Internal Services Director and City Attorney to provide information and otherwise ~~to~~ facilitate the issuance and on-going administration of debt.

The Deputy City Manager/Internal Services Director shall be responsible for maintaining good communication with rating agencies, investors and other debt related service providers about the City's financial condition and will follow a policy of full disclosure.

The Deputy City Manager/Internal Services Director shall conduct an annual review of this Policy and bring forward to the City Council any amendments deemed necessary and appropriate.

Section 3 – Debt Considerations

The City will evaluate the need for debt financing a project compared to a pay-as-you-go financing methodology. The City prefers to fund projects on a pay-as-you-go basis.

A. Factors favoring a pay-as-you-go methodology include:
   a. Current projected revenues and fund balances available are sufficient to fund the project.
   b. Long-term total costs are lower due to the avoidance of interest expense.
   c. Existing debt capacity is insufficient to absorb the additional debt without adverse impact to credit ratings.
   d. Market conditions are unfavorable or present difficulties in marketing.

B. Factors favoring debt financing include:
   a. Current and projected revenues available for debt service are sufficient and reliable so that financings can be marketed with investment grade credit ratings.
   b. Market conditions present favorable interest rates and demand for the City financings.
   c. A project is mandated by state or federal requirements, and current resources are insufficient or unavailable to fully fund the project.
   d. The project is immediately required to meet or relieve capacity needs or emergency conditions and current resources are insufficient or unavailable.
   ~~d.~~**e. The savings from the project are sufficient to pay for the debt service costs.**

The City will review debt limits in conjunction with any proposed financing.

It is the City's goal to limit debt service costs in the General Fund to no more than 8 percent of revenues, including transfers.

It is the City's goal to maintain debt service coverage ratios for enterprise funded debt at least 0.50% greater than the coverage ratio specified in the bond covenants for each issue.

Section 4 – Debt Term

The City Council recognizes that any new debt obligation will have an impact on the long-term affordability of all outstanding debt and any future planned debt, as well as budgetary impacts associated with the maintenance and operating costs of debt-financed facilities.

A. Term of Debt – Debt will be structured for the shortest period possible, consistent with a fair allocation of costs to current and future beneficiaries or users. Debt shall not be issued for a term that exceeds the useful life of the debt-financed asset.

B. Debt Repayment – Typically, the City desires level debt service payments over the term of the debt. However, the cost of capital, financial risk, current economic conditions, future financial flexibility, credit ratings and available cash flow will be evaluated to determine the most appropriate method of debt amortization for each debt issue. Notwithstanding the above, back loading of debt service will be evaluated as the circumstances dictate. Back loading occurs when debt service payments are lower in the initial years of a debt term and higher toward the later years of a debt term.

Section 5 - Debt Issuance

The City has the capacity to issue long- and short-term debt and to refund any outstanding debt. The following section details the purposes of debt issuance, the method of sale for such debt and the practices for obtaining professional assistance in the debt issuance process.

A. Long-term Debt – Long-term debt may be used to finance the acquisition or improvement of land, infrastructure, facilities, or equipment for which it is appropriate to spread the costs of such over more than one budget year. Long-term debt may be used to fund capitalized interest, cost of issuance, required reserves and any other financing related costs that may be legally capitalized. Long-term debt shall not be used to fund City operating costs.

B. Short-term Debt - Short-term debt will be considered as an interim source of funding in anticipation of long-term debt. Short-term debt may be issued for any purpose for which long-term debt may be issued, including capitalized interest and financing-related costs.

   Short-term debt is also appropriate to address legitimate short-term cash flow requirements during a given fiscal year to fund the operating costs of the City to provide necessary public services. The City will not engage in short-term borrowing solely for the purpose of generating investment income.

C. Refunding - Refunding opportunities will be identified by periodic reviews of outstanding debt obligations. Refunding will be considered when there is a net economic benefit from the refunding **of at least five percent on a net present value basis**. Non-economic refunding may be undertaken to achieve City objectives

relating to changes in covenants, call provisions, operational flexibility, tax status, issuer, or other non-economic factors related to the debt.

D. Method of Sale – Debt is typically issued under either a competitive sale or a negotiated sale. The City shall have the flexibility to determine which method of sale is appropriate for each debt issuance. Determination of the appropriate method of sale will rest collectively with the City Manager, Deputy City Manager/Internal Services and City Attorney.

E. Private Placement - The City may determine that private placement of debt is most appropriate. Use of private placement will be considered collectively by the City Manager, Deputy City Manager/Internal Services and City Attorney.

F. Pooled Financing – The City may also consider use of pooled financing as a method of accessing the capital markets. Use of pooled financing will be evaluated collectively by the City Manager, Deputy City Manager/Internal Services and City Attorney on a case-by-case basis.

G. Selection of Financing Professionals – Selection of financing professionals (financial advisor, underwriter, bond counsel, disclosure counsel, trustee, etc.) shall generally be on a competitive basis; however, the City Manager is authorized to select financing professionals on a sole source basis. Selection shall balance service (experience, professional reputation and capabilities) with costs. Once selected, the Financial Advisor may assist the City with selecting the rest of the members of the financing team.

Section 6 – Debt Structure

A. Credit Ratings - The City seeks to obtain and maintain the highest possible credit ratings when issuing debt. The City will seek credit ratings from at least one of the three major ratings agencies on all debt, as appropriate. Ratings from multiple rating agencies may be sought for a single debt issue, based upon the market conditions at the time of the issuance.

B. Fixed-rate and Variable-rate Debt - The City prefers to issue fixed-rate debt. Variable-rate debt may be used, if market conditions warrant at the time of issuance. It is acknowledged that variable-rate debt passes an unknown obligation onto future budget cycles.

C. Derivatives - Derivative products may have application with regard to certain City borrowing programs. The City Manager, Deputy City Manager/Internal Services Director and City Attorney will evaluate the use of derivative products on a case-by-case basis.

D. Call Provisions – The timing for when bonds are callable varies and is determined at the time of pricing such bonds. The City's preferred structure is to negotiate for optional redemption at par in order to maintain flexibility in the future.

E. Credit Enhancements – The City may use credit enhancements (letters of credit, bond insurance, surety bonds, etc.) when such credit enhancements prove to be cost-effective. The City will consider the use of credit enhancements on a case-by-case basis.

Section 7 - Interfund Borrowings

The City may borrow internally from other funds with temporary cash surpluses to meet short-term cash needs in lieu of issuing debt. The fund(s) from which the money is borrowed shall be repaid with interest at the average earnings rate of the City investment pool. Interfund borrowing extending for more than one year will be brought to Council for approval.

Section 8 - Debt Administration

The Deputy City Manager/Internal Services Director shall be responsible for administering the City's debt management program. To that end, this position shall:

A. Comply with all reporting requirements within the bond documents**;**

B. Review all outstanding debt for refunding opportunities**;**

C. Maintain positive working relationships with rating agencies and other financial professionals**;**

D. Review and recommend appropriate structures for all new debt issuances**; and**

E. Ensure compliance with the Investment Policy and bond documents regarding investing bond proceeds**.**

Section 9 – Disclosure

The Deputy City Manager/Internal Services Director shall be the Disclosure Coordinator of the City (the Disclosure Coordinator).

The Disclosure Coordinator shall review any Official Statement prepared in connection with any debt issuance by the City in order to ensure that there are no misstatements or omissions of material information in any sections that contain descriptions of information prepared by the City.

In connection with the review of the Official Statement, the Disclosure Coordinator shall consult with third parties, including outside professionals assisting the City, and all members of City staff, to the extent that the Disclosure Coordinator concludes they should be consulted so that the Official Statement will include all 'material' information (as defined for purposes of federal securities law).

As part of the review process, the Disclosure Coordinator shall submit all Official Statements to the City Council for approval.

The approval of an Official Statement by the City Council shall be placed on the agenda as a Regular Calendar item and shall not be approved as a consent item. The City Council shall undertake such review as deemed necessary by the City Council, following consultation with the Disclosure Coordinator, to fulfill the City Council's responsibilities under applicable federal and state securities laws. In this regard, the Disclosure Coordinator shall consult with the City's disclosure counsel to the extent the Disclosure Coordinator considers appropriate.

Under the continuing disclosure undertakings that the City has entered into in connection with its debt offerings, the City is required each year to file annual reports with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system in accordance with such undertakings. Such annual reports are required to include certain updated financial and operating information, and the City's audited financial statements.

The City is also required under its continuing disclosure undertakings to file notices of certain events with EMMA.

The Disclosure Coordinator is responsible for establishing a system (which may involve the retention of one or more consultants) by which:

A. the City will make the annual filings required by its continuing disclosure undertakings on a complete and timely basis, and

B. the City will file notices of enumerated events on a timely basis.

Whenever the City makes statements or releases information relating to its finances to the public that are reasonably expected to reach investors and the trading markets, the City is obligated to ensure that such statements and information are complete, true, and accurate in all material respects.

The Disclosure Coordinator shall ensure that the members of the City staff involved in the initial or continuing disclosure process and the City Council are properly trained to understand and perform their responsibilities.

The Disclosure Coordinator shall arrange for disclosure training sessions conducted by the City's disclosure counsel. Such training sessions shall include education on disclosure practices, the City's disclosure obligations under applicable federal and

state securities laws and the disclosure responsibilities and potential liabilities of members of the City's staff and members of the City Council. Such training sessions may be conducted using a recorded presentation.

RESOLUTION NO. 2015-____

A RESOLUTION OF THE LODI CITY
COUNCIL REVISING THE CITY OF LODI
DEBT MANAGEMENT POLICY

==========

WHEREAS, the City Council adopted Resolution No. 2012-178 approving the City of Lodi Debt Management Policy on November 7, 2012; and

WHEREAS, the Government Finance Officers of America recommends that such policies be reviewed periodically and revised as necessary; and

WHEREAS, the Securities and Exchange Commission has completed its Municipal Continuing Disclosure Cooperation (MCDC) initiative; and

WHEREAS, the revised policy addresses issues raised as a result of the MCDC initiative and comments from rating agencies, as well as staff recommendations.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby adopt revisions to the Debt Management Policy to be effective immediately; and

BE IT FURTHER RESOLVED that this Resolution supersedes all other prior Resolutions concerning the City of Lodi's Debt Management Policy, including but not limited to Resolution No. 2012-178.

Dated: November 18, 2015

==========

I hereby certify that Resolution No. 2015-____as passed and adopted by the City Council of the City of Lodi in a regular meeting held November 18, 2015, by the following votes:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAIOLO
City Clerk

AGENDA ITEM C-19

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Approve Hutchins Street Square North Parking Lot Tree Removal

MEETING DATE: November 18, 2015

PREPARED BY: Parks, Recreation and Cultural Services Director

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RECOMMENDED ACTION: Approve Hutchins Street Square north parking lot tree removal.

BACKGROUND INFORMATION: The 11 ornamental pear trees in the middle of the Hutchins Street Square north parking lot are a nuisance due to their fruit drop in the fall. They also are unhealthy, suffering from mistletoe, fungal infections and several are showing signs of a fire blight infestation. They also are planted on top of irrigation pipes, a water main and communication lines owned by AT&T.

Hutchins Street Square visitors complain each year about the fruit that falls and sticks to their cars, requiring frequent visits to car washes. The fruit on the ground can be tracked on shoes into the building and, with new carpet being installed in the coming months, will only increase maintenance costs. The maintenance crew from United Cerebral Palsy spends hours removing the fruit drop from the parking lot, taking time away from their normal duties.

As fire blight is beginning to move through the trees' canopy, the trees will be subject to disfiguring pruning if they are to be saved. Staff and the Hutchins Street Square Foundation requests the trees be removed, with their removal mitigated by planting the same number or more trees at the Square and in other City parks. In the median (approximately 7 feet wide), the trees and grass will likely be replaced with low-maintenance and low-water plants, as mowing and edging results in frequent damage to sprinkler heads that requires repairs. Unlike trees, the roots of selected plants will not damage curbing or lift asphalt pavement.

Most of the trees can be removed by City staff, although some may require a contractor's services, as well as stump-grinding.

Pictures of the trees and falling fruit are attached.

FISCAL IMPACT: If removed by staff, additional cost will be minimal, and anticipated cost of a contractor's services is not expected to exceed $2,500. The cost of removing the trees will be offset in future years by lower maintenance costs at Hutchins Street Square, as well as reduced vehicle wash expense by our customers.

APPROVED: _____

Stephen Schwabauer, City Manager

FUNDING AVAILABLE: 20071402 (Hutchins Street Square maintenance).

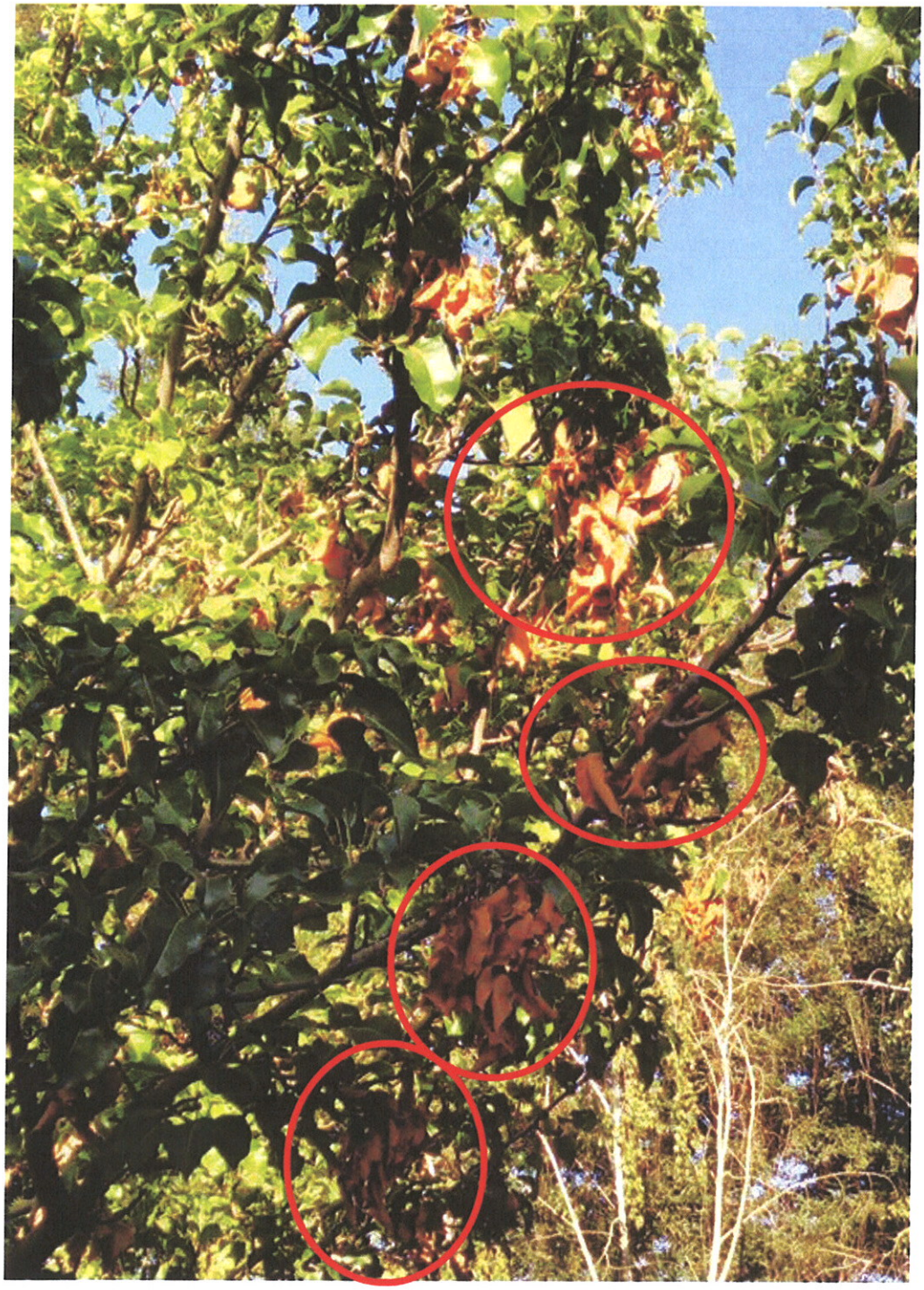
_____
Jordan Ayers
Deputy City Manager/Internal Services Director

_____
Jeff Hood
Parks, Recreation and Cultural Services Director

JH:tl

cc: City Attorney

Hutchins Street Square ornamental pear trees



Fire blight disease

Fruit drop

Fungal disease

Mistletoe

From:	Steve Dutra
To:	Jeff Hood
Cc:	Billy Gonzalez
Subject:	RE: Tree fungus
Date:	Wednesday, October 28, 2015 12:41:29 PM
Attachments:	Wood Decay Fungi in Landscape Trees Management Guidelines--UC IPM.htm

---

This could be many things but my guess is a wood decay fungi, Ganoderma applanatum (artist conk). This may have been caused by a past maintenance injury. All of the existing Pear trees in this median island have several issues. Fire Blight, trunk wounds, and fungi. The trees are abnormally thin in the canopy. Additionally, we all know of the negative fruit from these Pears. I strongly suggest we start planning a removal and or a replanting project. Maybe plant new trees between the existing. We will also unfortunately encounter utilities, light standards and other site situations that will drive our potential placement of new trees.
Let me know how I or Tree Lodi can further assist.

-----Original Message-----
From: Jeff Hood
Sent: Tuesday, October 27, 2015 10:05 AM
To: Steve Dutra
Subject: Tree fungus

Hi, Steve, do you know what type of fungus this is? At base of an ornamental pear in the parking lot median at Hutchins.

HUTCHINS STREET SQUARE FOUNDATION

John Ledbetter
Chairman

Jeffrey Kirst
Vice-Chairman

Bradley Alderson
Secretary

Daphne Felde
Treasurer

Dennis Bennett
Bob Colarossi
Josh Elson
Meghan Lange
Josh Newfield
Benae Schmidt
Cathy Wetmore

Senior Advisors
Stewart Adams
Bruce Burlington
Julia Gillespie
Charlene Lange
Chuck Simpson

Jeff Hood
City of Lodi Liaison

Lodi City Council
221 W. Pine Street
Lodi, CA. 95240

Dear Lodi City Council, October 27, 2015

The Hutchins Street Square Foundation would like to address the issue of the parking lot trees at Hutchins Street Square with the City Council. While we value the need for trees on property, we are concerned about the trees running down the middle of the parking lot that drop fruit. For several months out of each year, the fruit drops onto the cars of guests, visitors, customers and employees. The trees also blanket the entire parking lot ground with the fruit.

As you know, the Foundation has partnered with the City of Lodi to purchase and design new carpet for an aging Hutchins Street Square. With the installation of new carpet at Hutchins Street Square in the coming months, we hope we can address this issue in a timely manner. We hope to prevent the new carpet from being ruined from the fruit sticking to guests shoes and staining the carpet. The Foundation supports the removal of the ornamental pear trees.

The Foundation is grateful to have such a positive working relationship with the City of Lodi and its leaders. Should you have any questions please contact John Ledbetter or contact the Foundation office.

Gratefully,

John K. Ledbetter, Chairman
Hutchins Street Square Foundation
JKL/sml

Hutchins and Oak Streets ❑ P. O. Box 2278 ❑ Lodi, CA 95241-2278 ❑ 209.366-1222
FAX 209.366-1222 ❑ E-mail: hssfoundation@gmail.com
❑ www.HutchinsStreetSquare.com

AGENDA ITEM C-20

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Receive Annual Americans with Disabilities Act (ADA) Committee Report

MEETING DATE: November 18, 2015

PREPARED BY: Community Development Director

RECOMMENDED ACTION: Receive annual report from City's Americans with Disabilities Act (ADA) Committee.

BACKGROUND INFORMATION: The Americans with Disabilities Act (ADA), adopted in 1990, is a comprehensive piece of federal legislation prohibiting discrimination and guarantees people with disabilities the same opportunities as everyone else to participate in the mainstream of American life, which includes the right to enjoy employment opportunities, to purchases goods and services, and to participate in state and local government programs and services.

Similar to the ADA, Section 504 of the Rehabilitation Act of 1973 is a federal law that protects qualified individuals from discrimination based on their disabilities. The nondiscrimination requirements of the law apply to employers and organizations that receive financial assistance from any federal department or agency, including the U.S. Department of Housing and Urban Development (HUD) and the Federal Transportation Administration (FTA).

Section 504 forbids organizations and employers from excluding or denying individuals with disabilities an equal opportunity to receive program benefits and services. It defines the rights of individuals with disabilities to participate in, and have access to, program benefits and services.

Included in these regulations is the requirement to provide and/or allow for effective communication, to make information and communication accessible to people with hearing, sensory, motor and cognitive disabilities so that they can participate equally in City programs, services and activities.

COMPLIANCE REVIEWS

Compliance reviews from both HUD and California Department of Transportation (Caltrans) identified specific actions that needed to be taken in order to fully comply with ADA Regulations and requirements. Over the last 16 months, City staff has been working to address each of the issues identified through those compliance reviews and has provided both Caltrans and HUD with the required periodic compliance reports.

In order to better coordinate the compliance activities, the City's ADA Committee was reinstated and a Citizen Advisory Panel was created and tasked with the review of the accessibility of city services, programs, facilities and employment.

APPROVED: _____
Stephen Schwabauer, City Manager

The ADA Committee reviews relevant City policies, guidelines, procedures, reports and State and federal legislation and reports back to the Citizen Advisory Panel three to four times per year and to the City Council for an annual report.

ADA Committee

- Joseph Wood, Neighborhood Services Manager – City ADA/Section 504 Coordinator
- Janice Magdich, City Attorney
- Jennifer Robison, City Clerk
- Jeff Hood, Director - Parks, Recreation and Cultural Services
- Charlie Swimley, City Engineer/Deputy Public Works Director
- Joseph Wood, Community Development – Neighborhood Services
- Adele Post, Human Resources Manager
- Dennis Canright, Community Development – Building Official
- Julia Tyack, Public Works – Transit
- Matthew Casson/Benjamin Buecher, Information Systems Division

The Citizen Advisory Panel acts as a liaison to community groups, non-profits, governmental agencies, and individuals in addressing disability issues related to the City of Lodi and assists with the City's efforts to achieve greater awareness of the ADA throughout the community. The ADA Committee and the Citizen Advisory Panel will make recommendations to the Lodi City Council with regard to legislative policy and compliance with the ADA.

Citizen Advisory Panel

- Tracy Williams, LOEL Center
- Angelica Shear, Valley Mountain Regional Center
- Hy Cohen, Community Center for the Blind
- Dena Hernandez, Local Board of State Council on Developmental Disabilities
- Anna Hjalmer, Community Representative

ACCOMPLISHMENTS

Over the past year, the City has made the following accomplishments in regards to ADA compliance:

- Conducted self-evaluations of City programs and services to ensure they are accessible to people with disabilities.
- Conducted self-evaluations of a majority of City facilities to identify accessibility issues that will be addressed through the Transition Plan.
- Incorporated an ADA/Reasonable Accommodation presentation into the required Discrimination/Harassment Prevention training for managers and supervisors to ensure that that our employees are aware of the City's policies and procedures pertaining to the ADA and the requirement to provide reasonable accommodation/access to public programs and services.
- Revised City policies, procedures, documents, notices and materials to ensure compliance with applicable ADA/Section 504 and fair housing/equal opportunity rules and regulations.
- Developed an on-line complaint/grievance program that also provides for the tracking and reporting of complaints/grievances received.
- Purchased equipment to allow for effective communication with all members of the community at public meetings.
- Successfully mediated an ADA Complaint that was filed through the U.S. Department of Justice – Civil Rights Division.

REMAINING GOALS

Our overall goal for 2015 was to have a draft of a comprehensive Transition Plan available for review by August 1, 2015, and to have brought that to the City Council for adoption in October 2015. Due to staffing limitations and the volume of work needed to complete that task, the self-evaluation of facilities has taken much longer than expected. Our goal is now to have a draft of the Transition Plan available for public review and comment on November 16, 2015 and bring that to the City Council for adoption on December 16, 2015.

In addition to the completion and adoption of the Transition Plan later in this year, our goals for the next year include the following:

- Expanding outreach and education to all departments to raise awareness of applicable ADA/Section 504 rules and regulations and providing guidance and reference materials on some of the more common accessibility/reasonable accommodation issues that they may encounter.
- Obtaining certification as an ADA/Section 504 Coordinator.
- Conducting regularly scheduled quarterly public meetings with the Citizen Advisory Panel to track progress with timelines established in the ADA Transition Plan.
- Continue to work with HUD and Caltrans to document our efforts to maintain compliance with the ADA/Section 504 rules and regulations.
- Bring an annual ADA Report and update of the ADA Transition Plan to the City Council in October 2016.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Stephen Schwabauer
Community Development Director

AGENDA ITEM C-21

CITY OF LODI
COUNCIL COMMUNICATION

AGENDA TITLE: Receive Update on Emergency Condition at White Slough Water Pollution Control Facility Digesters No. 1 and No. 2

MEETING DATE: November 18, 2015

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Receive update on emergency condition at White Slough Water Pollution Control Facility Digesters No. 1 and No. 2.

BACKGROUND INFORMATION: White Slough Water Pollution Control Facility (WSWPCF) has four covered anaerobic digesters that serve the purpose of breaking down sewage sludge that enters the plant. On July 16, 2014, Council declared an emergency condition in response to concurrent roof failures on Digesters No. 1 and No. 2. Public contract code requires Council to review the emergency action at its next regularly-scheduled meeting and each regularly-scheduled meeting thereafter until the emergency is terminated.

The completed Digester No. 2 became operational on April 6, 2015.

The construction work to repair Digester No. 1 cover is complete. The digester was expected to become operational by August 27, 2015. Prior to commissioning, the contractor performed a leak test on the digester structure using clear water. The test determined a number of very small, non-structural leaks in the digester wall that must be repaired. The appropriate leak repair methods have been determined and the work is underway. The estimated cost to perform the leak repairs is $120,000. Expenditures to date for the repair of both digesters is $2,450,000. The total cost, including the leak repairs to Digester No. 1, will not exceed the original appropriation of $3,100,000.

The procurement and construction schedule reflecting project milestones is provided below. It is expected that the leak repairs will be completed by January of 2016.

Project Definition Meeting	July 21, 2014
Issue Final Contract Documents	August 1, 2014
Receive GMP Proposals	August 20, 2014
Issue Notice to Proceed	September 15, 2014
Complete Digester No. 2 Improvements	April 2, 2015
Complete Digester No. 1 Improvements	August 27, 2015
Digester No. 1 Leak Repairs	December 1, 2015
Digester No. 1 Back in Service	January 1, 2016

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

F. Wally Sandelin
Public Works Director

Prepared by Charlie Swimley, City Engineer / Deputy Public Works Director
FWS/CES/tb
cc: Associate Civil Engineer Nathan
Charlie Swimley, City Engineer / Deputy Public Works Director
Wastewater Plant Superintendent
Construction Project Manager

APPROVED: _____
Stephen Schwabauer, City Manager

AGENDA ITEM I-01

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Approving a Retiree Health Savings Account for Affected Members of the Lodi Police Dispatchers Association and Appropriating Funds in the amount of ($76,900)

MEETING DATE: November 18, 2015

SUBMITTED BY: Human Resources

RECOMMENDED ACTION: Adopt resolution approving a Retiree Health Savings Account for affected members of the Lodi Police Dispatchers Association and appropriating funds in the amount of $76,900.

BACKGROUND INFORMATION: Members of the Lodi Police Dispatchers Association (LPDA) and representatives from the City successfully negotiated a successor Memorandum of Understanding (MOU), covering January 2015 through December 31, 2017, approved by Council on May 20, 2015.

Representatives from the City and the LPDA identified a resolution to the dispute regarding the eligibility date for the sick leave conversion benefit program referenced in the 2007-2011 MOU, which was the establishment of a Retiree Health Savings Account (RHSA) for the six LPDA members hired into the unit between July 9, 1994 and November 8, 2004. The City agreed to allocate $75,000 to be distributed on a pro-rated basis, and effective with the first full pay period in January 2016 to contribute one percent of the employees' base bi-weekly salary, each pay period, into the RHSA until such time as the employee retires, resigns or separates employment with the City of Lodi.

Staff reviewed and analyzed the available Retirement Health Savings programs offered by the City's deferred compensation vendors; ICMA Retirement Corporation (ICMA-RC), MassMutual, and Nationwide, and recommends that the City enter into agreement with ICMA-RC to establish a Vantagecare Retirement Health Savings Program. Staff recommends Vantagecare program in part because of lower account fees and the variety of investment options available to the program participants.

Staff recommends that the Council approve the agreement to establish a Vantagecare Retiree Health Savings Program with ICMA-RC and to appropriate funds.

FISCAL IMPACT: Total cost of the Retiree Health Savings program for FY 2015/16 is $76,900 composed of the negotiated settlement amount of $75,000 and $1,900 representing the one percent City contribution. Annual on-going costs of the City contribution is approximately $3,800. An appropriation is necessary for the FY 2015/16 costs.

FUNDING AVAILABLE: Funding for this item for FY 2015/16 will be provided by funds in excess of the General Fund reserve target established by Council. Funding for future years will be included in each year's budget.

_____
Adele Post, Human Resources Manager

_____
Jordan Ayers, Deputy City Manager

APPROVED: _____
Stephen Schwabauer, City Manager

VANTAGECARE RETIREMENT HEALTH SAVINGS (RHS)
ADOPTION AGREEMENT

Plan Number: 8 03592

Select as applicable: ☐ Standalone RHS ☐ Integrated RHS ☐ Amendment to Existing Plan ☑ New Plan

I. Employer Name: City of Lodi State: CA

II. The Employer hereby attests that it is a unit of a state or local government or an agency or instrumentality of one or more units of a state or local government.

III. Plan Dates:

A. Plan Effective Date December 1, 2015

B. Plan Year: Enter the annual accounting period for the RHS program. January 1 - December 31

IV. The Employer intends to utilize the Trust to fund only welfare benefits pursuant to the following welfare benefit plan(s) established by the Employer: City of Lodi

V. Eligible Groups, Participation and Participant Eligibility Requirements

A. Eligible Groups

The following group or groups of Employees are eligible to participate in the Employer's welfare benefits plan identified in Section IV. (check all applicable boxes):

☐ All Employees

☐ All Full-Time Employees

☐ Non-Union Employees

☐ Public Safety Employees – Police

☐ Public Safety Employees – Firefighters

☐ General Employees

☐ Collectively-Bargained Employees (Specify unit(s)) _____

☑ Other (specify group(s)) Dispatcher/Jailers hired between July 9, 1994 and November 8, 2004

The Employee group(s) specified must correspond to a group(s) of the same designation that is defined in the statutes, ordinances, rules, regulations, personnel manuals or other documents or provisions in effect in the state or locality of the Employer.

B. Participation

Mandatory Participation: All Employees in the covered group(s) are required to participate in the Plan and shall receive contributions pursuant to Section VI.

If the Employer's underlying welfare benefit plan is in whole or part a non-collectively bargained plan that allows reimbursement for medical expenses other than insurance premiums, the nondiscrimination requirements of Internal Revenue Code (IRC) Section 105(h) will apply. These rules may impose taxation on the benefits received by highly compensated individuals if the Plan discriminates in favor of highly compensated individuals in terms of eligibility or benefits. The Employer should discuss these rules with appropriate counsel.

C. Participant Eligibility Requirements

1. Minimum service: The minimum period of service required for participation is N/A (write N/A if no minimum service is required).
2. Minimum age: The minimum age required for eligibility to participate is N/A (write N/A if no minimum age is required).

VI. Contribution Sources and Amounts

A. Definition of Earnings

The definition of Earnings will apply to all RHS Contribution Features that reference "Earnings", including Direct Employer Contributions (Section VI.B.1.) and Mandatory Employee Compensation Contributions (Section VI.B.2.).

Definition of earnings: base pay

B. Direct Employer Contributions and Mandatory Contributions

1. Direct Employer Contributions

The Employer shall contribute on behalf of each Participant

- ☑ 1 % of Earnings*
- ☐ $ _____ each Plan Year
- ☐ A discretionary amount to be determined each Plan Year
- ☑ Other (describe): See Attachment A

2. Mandatory Employee Compensation Contributions

The Employer will make mandatory contributions of Employee compensation as follows:

- ☐ Reduction in Salary - ____ % of Earnings or $ _____ will be contributed for the Plan Year.
- ☐ Decreased Merit or Pay Plan Adjustment - All or a portion of the Employees' annual merit or pay plan adjustment will be contributed as follows:

An Employee shall not have the right to discontinue or vary the rate of Mandatory Contributions of Employee Compensation.

3. Mandatory Employee Leave Contributions

The Employer will make mandatory contributions of accrued leave as follows (provide formula for determining Mandatory Employee Leave contributions):

- ☐ Accrued Sick Leave _____
- ☐ Accrued Vacation Leave _____
- ☐ Other (specify type of leave) Accrued _____ Leave

An Employee shall not have the right to discontinue or vary the rate of mandatory leave contributions.

** Non-collectively bargained plans that reimburse medical expenses other than insurance premiums should consult their benefits counsel regarding welfare plan nondiscrimination rules if the employer elects to make contributions based on a percentage of earnings.*

C. Limits on Total Contributions (check one box)

The total contribution by the Employer on behalf of each Participant (including Direct Employer and Mandatory Employee Contributions) for each Plan Year shall not exceed the following limit(s) below. Limits on individual contribution types are defined within the appropriate section above.

☑ There is no Plan-defined limit on the percentage or dollar amount of earnings that may be contributed.

☐ _____ % of earnings

Definition of earnings: ☐ Same as Section VI.A. ☐ Other

☐ $ _____for the Plan year.

VII. Vesting for Direct Employer Contributions

A. Vesting Schedule (check one box)

☑ The account is 100% vested at all times.

☐ The following vesting schedule shall apply to Direct Employer Contributions as outlined in Section VI.B.1.:

Years of Service Completed	Vesting Percentage
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%

B. The account will become 100% vested upon the death, disability, retirement*, or attainment of benefit eligibility (as outlined in Section IX) by a Participant.

*Definition of retirement includes a separation from service component and is further defined by (check one):

☐ The primary retirement plan of the Employer

☑ Separation from service

☐ Other _____

C. Any period of service by a Participant prior to a rehire of the Participant by the Employer shall not count toward the vesting schedule outlined in A above.

VIII. Forfeiture Provisions

If a Participant separates from service prior to full vesting, non-vested funds in the Participant's account shall be forfeited in accordance with the box checked under this section.

Upon the death of a participant, surviving spouse, and all surviving eligible dependents (as outlined in Section XI), funds remaining in the Participant's account shall be revert to the Trust in accordance with the box checked under this section.

If a Participant permanently opts out and waives future reimbursements, as allowed under IRS Notice 2013-54, all funds in the Participant's account at the time of waiver shall be forfeited in accordance with the box checked under this section.*

☐ Remain in the Trust to be reallocated among all remaining Employees participating in the Plan as Direct Employer Contributions for the next and succeeding contribution cycle(s).

☐ Remain in the Trust to be reallocated on an equal dollar basis among all Plan Participants.

☑ Remain in the Trust to be reallocated among all Plan Participants based upon Participant account balances.

☐ Revert to the Employer.

IX. Eligibility Requirements to Receive Medical Benefit Payments from the VantageCare Retirement Health Savings Program

A. A Participant is eligible to receive benefits:

☐ At retirement only (also complete Section B.)
Definition of retirement:

☐ Same as Section VII.B.

☐ Other _____

_____

☑ At separation from service with the following restrictions

☑ No restrictions

☐ Other _____

_____

B. Termination prior to general benefit eligibility: In case where the general benefit eligibility as outlined in Section IX.A includes a retirement component, a Participant who separates from service of the Employer prior to retirement will be eligible to receive benefits:

☑ Immediately upon separation from service

☐ Other _____

_____

C. A Participant that becomes totally and permanently disabled

☐ **as defined by the Social Security Administration**

☑ **as defined by the Employer's primary retirement plan**

☐ **other** _____

will become immediately eligible to receive medical benefit payments from his/her account under the Employer's welfare benefits plan.

D. Upon the death of the Participant, benefits shall become payable as outlined in Section XI.

**If the Employer's RHS Program does not limit eligibility to participants who have separated from service, the employer will be required to provide further direction to ICMA-RC regarding the treatment of possible contributions that are required to be made following the participant's waiver.*

X. Permissible Medical Benefit Payments

Benefits eligible for reimbursement consist of:

- ☑ All Medical Expenses eligible under IRC Section 213 other than (i) direct long-term care expenses, and (ii) expenses for medicines or drugs which are not prescribed drugs (other than insulin).
- ☐ The following Medical Expenses eligible under IRC Section 213 other than (i) direct long-term care expenses, and (ii) expenses for medicines or drugs which are not prescribed drugs (other than insulin). Select only the expenses you wish to cover under the Employer's welfare benefits plan:
  - ☐ Medical Insurance Premiums
  - ☐ Medical Out-of-Pocket Expenses*
  - ☐ Medicare Part B Insurance Premiums
  - ☐ Medicare Part D Insurance Premiums
  - ☐ Medicare Supplemental Insurance Premiums
  - ☐ Prescription Drug Insurance Premiums
  - ☐ COBRA Insurance Premiums
  - ☐ Dental Insurance Premiums
  - ☐ Dental Out-of-Pocket Expenses*
  - ☐ Vision Insurance Premiums
  - ☐ Vision Out-of-Pocket Expenses*
  - ☐ Qualified Long-Term Care Insurance Premiums
  - ☐ Non-Prescription medications allowed under IRS guidance*
  - ☐ Other qualifying medical expenses (describe)*

* *Non-collectively bargained plans that reimburse medical expenses other than insurance premiums should consult their benefits counsel regarding welfare plan nondiscrimination rules if the employer elects to make contributions based on a percentage of earnings.*

XI. Benefits After the Death of the Participant

In the event of a Participant's death, the following shall apply:

A. Surviving Spouse and/or Surviving Dependents

Upon the death of a participant, the surviving spouse and/or surviving eligible dependents (as defined in Section XII.D.) of the deceased Participant are immediately eligible to maintain the Participant's RHS account and utilizing the remaining balance to fund eligible medical benefits specified in Section X above.

Upon notification of a Participant's death, the Participant's account balance will be transferred into Dreyfus Cash Management fund** (or another fund selected by the Employer). The account balance may be reallocated by the surviving spouse or dependents.

** *An investment in the Dreyfus Cash Management money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at $1.00 per share, it is possible to lose money by investing in the fund. Investors should consider the investment objectives, risks, charges, and expenses of the fund carefully before investing. You may visit us at www.icmarc.org or call 800-669-7400 to obtain a prospectus that contains this and other information about the fund. Read the prospectus carefully before investing.*

If a Participant's account balance has not been fully utilized upon the death of the eligible spouse, the account balance may continue to be utilized to pay benefits of eligible dependents. Upon the death of all eligible dependents, the account will revert in accordance with the Employer's election under Section VIII of the *VantageCare RHS Adoption Agreement*.

B. No Surviving Spouse or Surviving Dependents

If there are no living spouse or dependents at the time of death of the Participant, the account will revert in accordance with the Employer's election under Section VIII of the *VantageCare RHS Adoption Agreement.*

XII. The Plan will operate according to the following provisions:

A. Employer Responsibilities

1. The Employer will submit all VantageCare Retirement Health Savings Plan contribution data via electronic submission.
2. The Employer will submit all VantageCare Retirement Health Savings Plan Participant status updates or personal information updates via electronic submission. This includes but is not limited to termination notification, benefit eligibility, and vesting notification.

B. Participant account administration and asset-based fees will be paid through the redemption of Participant account shares, unless agreed upon otherwise in the Administrative Services Agreement.

C. Assignment of benefits is not permitted. Benefits will be paid only to the Participant, his/her Survivors, the Employer, or an insurance provider (as allowed by the claims administrator). Payments to a third-party payee (e.g., medical service provider) are not permitted with the exception of reimbursement to the Employer or insurance provider (as allowed by the claims administrator).

D. An eligible dependent is (a) the Participant's lawful spouse, (b) the Participant's child under the age of 27, as defined by IRC Section 152(f)(1) and Internal Revenue Service Notice 2010-38, or (c) any other individual who is a person described in IRC Section 152(a), as clarified by Internal Revenue Service Notice 2004-79.

E. The Employer will be responsible for withholding, reporting and remitting any applicable taxes for payments which are deemed to be discriminatory under IRC Section 105(h), as outlined in the *VantageCare Retirement Health Savings Employer Manual.*

XIII. Employer Acknowledgements

A. The Employer hereby acknowledges it understands that failure to properly fill out this *VantageCare Retirement Health Savings Adoption Agreement* may result in the loss of tax exemption of the Trust and/or loss of tax-deferred status for Employer contributions.

B. ☑ Check this box if you are including supporting documents that include plan provisions.

EMPLOYER SIGNATURE

By:_____ Date: _____

Title: City Manager

Attest:_____ Date: _____

Title: City Clerk

Approved as to form _____
City Attorney

Vantagecare Retirement Health Savings (RHS) Adoption Agreement
Plan Number 803592, City of Lodi
Attachment A

VI. Contribution Sources and Amounts

B. Other

Initial lump sum contribution of $75,000.00 to be distributed amongst the six (6) Dispatcher/Jailer employees in the Dispatch Unit that were hired between July 9, 1994 and November 8, 2014, as listed in section 21.7 of the Lodi Police Dispatcher Association Memorandum of Understanding (MOU), effective January 1, 2015 – December 31, 2017. The $75,000.00 will be distributed on a pro-rated amount based on the individual employee's sick leave accrual at the time the MOU was adopted. Beginning the first full pay period in 2016, the City shall contribute one percent (1%) of the employee's base bi-weekly salary each pay period.

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VantageCare Retirement Health Savings Program Implementation Data Form – Page 1 of 3

Instructions to Employer: Provide necessary information to establish your plan properly.
Please contact your New Business Analyst at 800-326-7272, if you have any questions.

ICMA-RC Use Only: Employer # 03592

General Information	1. (902) Employer's Full Name: City of Lodi 2. (924) Street Address: PO Box 3006 (925) _____ 3. (918) City: Lodi (919) State: CA (920) Zip Code: 95241 4. (633) Primary Contact: Adele Post 5. (634) Primary Contact Title: Human Resources Manager 6. (631) Primary Contact Telephone #: (209) 333-6704 7. (632) Fax #: (209) 333-6816 8. (PT00) E-mail Address: hrdept@lodi.gov *This email will be used to provide an electronic copy of your plan summary.* 9. (882) Employer's Federal Tax Identification Number: 946000361 10. # of Employees: 369 11. # of Employees Eligible for Plan Participation: 6 12. # of Employees Eligible to Receive Medical Benefits upon plan implementation: 6
Plan Implementation Information	13. (611) Contribution Information: (Note: * = default) a. Frequency: (check one): ☑ (0) Bi-weekly* ☐ (4) Monthly ☐ (8) Semi-quarterly ☐ (1) Weekly ☐ (5) Semi-Monthly ☐ (9) Bi-annually ☐ (2) Semi-weekly ☐ (6) Bi-quarterly ☐ (10) Annually ☐ (3) Bi-monthly ☐ (7) Quarterly ☐ (11) Semi-annually ☐ ( ) Other: _____ b. Deposit Medium: (624) ☐ Check * ☐ Wire ☑ EFT c. Data Medium: EZLink Required to participate in RHS Plan d. First Contribution Date Following Implementation: 12/01/2015

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VantageCare Retirement Health Savings Program
Implementation Data Form – Page 2 of 3

Default Investment Option	The default fund will be used if a participant does not provide valid allocation instructions. If you do not make an election in this section, the Milestone Fund with the target date closest to a participant's 60th birthday will be used as your plan's default option. You may select the "Alternative Default" option if you would like to use a fund (or funds) other than the Milestone Funds as your plan's default option. Please see ICMA-RC's Standard Plan Fund Lineup at www.icmarc.org to complete this section. Note: Prior to selecting the "Alternative Default" option, employers should carefully review the Department of Labor's final regulations on qualified default investment alternatives (QDIAs). More information is available online at www.dol.gov or www.icmarc.org/ppa. Default Fund for Investment Allocations (Select one option): ☑ The Milestone Funds (Default) with a target retirement age of: ☑ Age 60 (Default) ☐ Age _____ (Input the Target Retirement Age to be used for your plan) ☐ Alternative Default _____ (Input the fund name that will be used as the plan's default investment option)
Claims Contact Information Please indicate alternate addresses in Comments Section	If item #14-17 and 19 are left blank, the Primary Contact in #4 will receive mailings. Complete item #18. 14. PT01 Contact Signature: Adele Post (200) Contact Name: Adele Post (210) Contact Title: Human Resources Manager (420) Telephone: (206) 333-6704 (421) Fax: (209) 333-6816 15. PT08 Contact Signature: C. Gonzales (200) Contact Name: Cristina Gonzales (210) Contact Title: Management Analyst (420) Telephone: (206) 333-6704 (421) Fax: (209) 333-6816 16. PT09 Contact Signature: _____ (200) Contact Name: _____ (210) Contact Title: _____ (420) Telephone: ( ) _____ (421) Fax: ( ) _____
Contribution Contact Information	17. PT02 (200) Contact Name: Ruby Paiste (210) Contact Title: Finance Manager (420) Telephone: (206) 333-2591 (421) Fax: ( ) _____

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VantageCare Retirement Health Savings Program
Implementation Data Form – Page 3 of 3

Trustee Contact Information	18. PT10 (200) Trustee Name: City of Lodi (210) Trustee Title: Deputy City Manager (215) Trustee: Jordan Ayers (310) Trustee Address: P.O. Box 3006 (305) Street 221 West Pine Street (320) City Lodi (325) State CA (330) Zip 95241 (401) Y/N (402) Y/N (420) Telephone: (209) 333-6700 (421) Fax: (____) _____
Billing (Fees) Contact Information	19. PT06 (200) Contact Name: Adele Post (210) Contact Title: Human Resources Manager (420) Telephone: (209) 333-6704 (421) Fax: (209) 333-6816
Comments: (Alternate Addresses for #14-19)	
Internal Use Only	641 _____ 912 _____ 608 _____ 074 _____

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EZ Link

EZLINK ACCESS FORM — PAGE 1 OF 2

Plan Name: City of Lodi
Plan Number(s): 03592

(All plan numbers must be listed to avoid processing delays.)

1 Primary Contact Information

Primary Contact Name: Adele Post
Primary Contact Title: Human Resources Manager
Email Address: apost@lodi.gov
Daytime Phone Number: (209) 333 - 6704

2 EZLink User Information

Select One: ☑ **Add New User ID** ☐ **Update User ID** _____ ☐ **Remove User ID**

Name: Adele Post
Title: Human Resources Manager
Email Address: apost@lodi.gov
Daytime Phone Number: (209) 333 - 6704

Access Options *(You must select either yes or no for each access option):*

Balance Inquiry	☑ Yes	☐ No	File Transfer	☑ Yes	☐ No
Enrollments/Rehire	☑ Yes	☐ No	Participant Data Transfers	☑ Yes	☐ No
Participant Changes	☑ Yes	☐ No			

Select One: ☐ **Add New User ID** ☐ **Update User ID** _____ ☐ **Remove User ID**

Name: Cristina Gonzales
Title: Management Analyst
Email Address: cgonzales@lodi.gov
Daytime Phone Number: (209) 333 - 6704

Access Options *(You must select either yes or no for each access option):*

Balance Inquiry	☑ Yes	☐ No	File Transfer	☑ Yes	☐ No
Enrollments/Rehire	☑ Yes	☐ No	Participant Data Transfers	☑ Yes	☐ No
Participant Changes	☑ Yes	☐ No			

Select One: ☐ **Add New User ID** ☐ **Update User ID** _____ ☐ **Remove User ID**

Name: _____
Title: _____
Email Address: _____
Daytime Phone Number: (___) ___ - ____

Access Options *(You must select either yes or no for each access option):*

Balance Inquiry	☐ Yes	☐ No	File Transfer	☐ Yes	☐ No
Enrollments/Rehire	☐ Yes	☐ No	Participant Data Transfers	☐ Yes	☐ No
Participant Changes	☐ Yes	☐ No			

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EZLink

EZLINK ACCESS FORM — PAGE 2 OF 2

3
EZLink User Information *(continued)*

Select One: ❒ **Add New User ID** ❒ **Update User ID** _____ ❒ **Remove User ID**

Name: _____

Title: _____

Email Address: _____

Daytime Phone Number: (___ ___ ___) ___ ___ ___ - ___ ___ ___ ___

Access Options *(You must select either yes or no for each access option):*

Balance Inquiry	❒ Yes	❒ No	File Transfer	❒ Yes	❒ No
Enrollments/Rehire	❒ Yes	❒ No	Participant Data Transfers	❒ Yes	❒ No
Participant Changes	❒ Yes	❒ No			

Select One: ❒ **Add New User ID** ❒ **Update User ID** _____ ❒ **Remove User ID**

Name: _____

Title: _____

Email Address: _____

Daytime Phone Number: (___ ___ ___) ___ ___ ___ - ___ ___ ___ ___

Access Options *(You must select either yes or no for each access option):*

Balance Inquiry	❒ Yes	❒ No	File Transfer	❒ Yes	❒ No
Enrollments/Rehire	❒ Yes	❒ No	Participant Data Transfers	❒ Yes	❒ No
Participant Changes	❒ Yes	❒ No			

4
Primary Contact Approval

ICMA-RC considers participant information to be highly confidential, and we go to great lengths to avoid breaching that confidentiality. For this reason, ICMA-RC cannot be responsible for (i) negligent or intentional misuse of the password by the municipality's officers, employees, agents or contractors, (ii) a breach of confidentiality that may occur as a result of such negligent or intentional misuse of the password, or (iii) a breach of confidentiality that may occur as a proximate result of the municipality's access to the participant database. If the municipality uses EZLink online transaction processing, please remember to review all financial information you have entered for your participants, as ICMA-RC is not responsible for incorrect data transmitted by the municipality. ICMA-RC recommends that you encourage all participants to review confirmations for accuracy. **EZLink User IDs that have not been used within a consecutive eighteen month period will be systematically deleted to further protect the security of your plan and participant data.**

ICMA-RC's website is normally available 24 hours a day, seven days a week. However, service availability is not guaranteed. Neither ICMA-RC or its affiliates, the VantageTrust Company, nor The Vantagepoint Funds will be responsible for any loss (or forgone gain) you may incur as a result of service being unavailable.

Please signify your agreement to these terms by signing in the space indicated below. We will provide you with User ID(s) and Password(s) to begin using EZLink. Should you have questions, please call our EZLink Team at 1-800-326-7272.

Agreed: _____ Date: _____

Print your name: Adele Post

For ICMA-RC Internal Use Only:

EZLink Primary _____ NBS _____ EZLink QA _____ Data Security _____

ICMARC
Building Retirement Security

DECLARATION OF TRUST OF THE

City of Lodi

NAME OF EMPLOYER

INTEGRAL PART TRUST

22872-0115-1276

DECLARATION OF TRUST OF THE

City of Lodi

(NAME OF EMPLOYER)

INTEGRAL PART TRUST

Declaration of Trust made as of the 18th day of November, 20 15, by and between the City of Lodi (Name of Employer), California (State) a Public Agency (Type of Entity) (hereinafter referred to as the "Employer") and Deputy City Manager (Name or Title of Trustee) or its designee (hereinafter referred to as the "Trustee").

RECITALS

WHEREAS, the Employer is a political subdivision of the State of California (State) exempt from federal income tax under the Internal Revenue Code of 1986; and

WHEREAS, the Employer provides for the security and welfare of its eligible employees (hereinafter referred to as "Participants"), their Spouses and Dependents by the maintenance of one or more post-retirement welfare benefit plans, programs or arrangements which provide for life, sickness, medical, disability, severance and other similar benefits through insurance and self-funded reimbursement plans (collectively the "Plan"); and

WHEREAS, it is an essential function and integral part of the exempt activities of the Employer to assist Participants, their Spouses and Dependents by making contributions to and accumulating assets in the trust, a segregated fund, for post-retirement welfare benefits under the Plan; and

WHEREAS, the authority to conduct the general operation and administration of the Plan is vested in the Employer or its designee, who has the authority and shall be subject to the duties with respect to the trust specified in this sample Declaration of Trust; and

WHEREAS, the Employer wishes to establish this trust to hold assets and income of the Plan for the exclusive benefit of Plan Participants, their Spouses and Dependents;

NOW, THEREFORE, the parties hereto do hereby establish this trust, by executing the sample

Declaration of Trust of the City of Lodi (Name of Employer) Integral Part Trust (hereinafter referred to as the "Trust"), and agree that the following constitute the sample Declaration of Trust (hereinafter referred to as the "Declaration"):

ARTICLE I

Definitions

1.1 Definitions. For the purposes of this Declaration, the following terms shall have the respective meanings set forth below unless otherwise expressly provided.

(a) **"Account"** means the individual recordkeeping account maintained under the Plan to record the interest of a Participant in the Plan in accordance with Section 7.3.

(b) **"Administrator"** means the Employer or the entity designated by the Employer to carry out administrative services as are necessary to implement the Plan.

(c) **"Beneficiary"** means the Spouse and Dependents, who will receive any benefits payable hereunder in the event of the Participant's death. In the case where there is no Spouse or Dependents, any amount of contributions, plus accrued earnings thereon, remaining in the Account must revert in accordance with the Employer's election under Section VIII of the VantageCare RHS Adoption Agreement.

(d) **"Code"** means the Internal Revenue Code of 1986, as amended from time to time.

(e) **"Dependent"** means (a) the Participant's lawful spouse, (b) the Participant's child under the age of 27, as defined by IRC Section 152(f)(1) and Internal Revenue Service Notice 2010-38, or (c) any other individual who is a person described in IRC Section 152(a), as clarified by Internal Revenue Service Notice 2004-79.

(f) **"Investment Fund"** means any separate investment option or vehicle selected by the Employer in which all or a portion of the Trust assets may be separately invested as herein provided. The Trustee shall not be required to select any Investment Fund.

(g) **"Nonforfeitable Interest"** means the interest of the Participant or the Participant's Spouse and Dependent (whichever is applicable) in the percentage of Participant's Employer's contribution which has vested pursuant to the vesting schedule specified in the Employer's Plan. A Participant shall, at all times, have a one hundred percent (100%) Nonforfeitable Interest in the Participant's own contributions.

(h) **"Spouse"** means the Participant's lawful spouse as determined under the laws of the jurisdiction in which the Participant was married.

(i) **"Trust"** means the trust established by this Declaration.

(j) **"Trustee"** means the Employer or the person or persons appointed by the Employer to serve in that capacity.

ARTICLE II

Establishment of Trust

2.1 The Trust is hereby established as of the date set forth above for the exclusive benefit of Participants, their Spouses and Dependents.

ARTICLE III

Construction

3.1 This Trust and its validity, construction and effect shall be governed by the laws of the State of California.

3.2 Pronouns and other similar words used herein in the masculine gender shall be read as the feminine gender where appropriate, and the singular form of words shall be read as the plural where appropriate.

3.3 If any provision of this Trust shall be held illegal or invalid for any reason, such determination shall not affect the remaining provisions, and such provisions shall be construed to effectuate the purpose of this Trust.

ARTICLE IV

Benefits

4.1 **Benefits.** This Trust may provide benefits to the Participant, the Participant's Spouse and Dependents pursuant to the terms of the Plan.

4.2 **Form of Benefits.** This Trust may reimburse the Participant, his Spouse and Dependents for insurance premiums or other payments expended for permissible benefits described under the Plan. This trust may reimburse the Employer, or the Administrator for insurance premiums.

ARTICLE V

General Duties

5.1 It shall be the duty of the Trustee to hold title to assets held in respect of the Plan in the Trustee's name as directed by the Employer or its designees in writing. The Trustee shall not be under any duty to compute the amount of contributions to be paid by the Employer or to take any steps to collect such amounts as may be due to be held in trust under the Plan. The Trustee shall not be responsible for the custody, investment, safekeeping or disposition of any assets comprising the Trust, to the extent such functions are performed by the Employer or the Administrator, or both.

5.2 It shall be the duty of the Employer, subject to the provisions of the Plan, to pay over to the Administrator or other person designated hereunder from time to time the Employer's contributions and Participants' contributions under the Plan and to inform the Trustee in writing as to the identity and value of the assets titled in the Trustee's name hereunder and to keep accurate books and records with respect to the Participants of the Plan.

ARTICLE VI

Investments

6.1 The Employer may appoint one or more investment managers to manage and control all or part of the assets of the Trust and the Employer shall notify the Trustee in writing of any such appointment.

6.2 The Trustee shall not have any discretion or authority with regard to the investment of the Trust and shall act solely as a directed Trustee of the assets of which it holds title. To the extent directed by the Employer (or Participants or their Spouses and Dependents to the extent provided herein) the Trustee is authorized and empowered with the following powers, rights and duties, each of which the Trustee shall exercise in a nondiscretionary manner:

(a) To cause stocks, bonds, securities, or other investments to be registered in its name as Trustee or in the name of a nominee, or to take and keep the same unregistered;

(b) To employ such agents and legal counsel as it deems advisable or proper in connection with its duties and to pay such agents and legal counsel a reasonable fee. The Trustee shall not be liable for the acts of such agents and counsel or for the acts done in good faith and in reliance upon the advice of such agents and legal counsel, provided it has used reasonable care in selecting such agents and legal counsel;

(c) To exercise where applicable and appropriate any rights of ownership in any contracts of insurance in which any part of the Trust may be invested and to pay the premiums thereon; and

(d) At the direction of the Employer (or Participants, their Spouses, their Dependents, or the investment manager, as the case may be) to sell, write options on, convey or transfer, invest and reinvest any part thereof in each and every kind of property, whether real, personal or mixed, tangible or intangible, whether income or non-income producing and wherever situated, including but not limited to, time deposits (including time deposits in the Trustee or its affiliates, or any successor thereto, if the deposits bear a reasonable rate of interest), shares of common and preferred stock, mortgages, bonds, leases, notes, debentures, equipment or collateral trust certificates, rights, warrants, convertible or exchangeable securities and other corporate, individual or government securities or obligations, annuity, retirement or other insurance contracts, mutual funds (including funds for which the Trustee or its affiliates serve as investment advisor, custodian or in a similar or related capacity), or in units of any other common, collective or commingled trust fund.

6.3 Notwithstanding anything to the contrary herein, the assets of the Plan shall be held by the Trustee as title holder only. Persons holding custody or possession of assets titled to the Trust shall include the Employer, the Administrator, the investment manager, and any agents and subagents, but not the Trustee. The Trustee shall not be responsible or liable for any loss or expense which may arise from or result from compliance with any direction from the Employer, the Administrator, the investment manager, or such agents to take title to any assets nor shall the Trustee be responsible or liable for any loss or expense which may result from the Trustee's refusal or failure to comply with any direction to hold title, except if the same shall involve or result from the Trustee's negligence or intentional misconduct. The Trustee may refuse to comply with any direction from the Employer, the Administrator, the investment manager, or such agents in the event that the Trustee, in its sole and absolute discretion, deems such direction illegal.

6.4 The Employer hereby indemnifies and holds the Trustee harmless from any and all actions, claims, demands, liabilities, losses, damages or reasonable expenses of whatsoever kind and nature in connection with or arising out of (i) any action taken or omitted in good faith by the Trustee in accordance with the directions of the Employer or its agents and subagents hereunder, or (ii) any disbursements of any part of the Trust made by the Trustee in accordance with the directions of the Employer, or (iii) any action taken by or omitted in good faith by the Trustee with respect to an investment managed by an investment manager in accordance with any direction of the investment manager or any inaction with respect to any such investment in the absence of directions from the investment manager. Notwithstanding anything to the contrary herein, the Employer shall have no responsibility to the Trustee under the foregoing indemnification if the Trustee fails negligently, intentionally or recklessly to perform any of the duties undertaken by it under the provisions of this Trust.

6.5 Notwithstanding anything to the contrary herein, the Employer or, if so designated by the Employer, the Administrator and the investment manager or another agent of the Employer, will be responsible for valuing all assets so acquired for all purposes of the Trust and of holding, investing, trading and disposing of the same. The Employer will indemnify and hold the Trustee harmless against any and all claims, actions, demands, liabilities, losses, damages, or expenses of whatsoever kind and nature, which arise from or are related to any use of such valuation by the Trustee or holding, trading, or disposition of such assets.

6.6 The Trustee shall and hereby does indemnify and hold harmless the Employer from any and all actions, claims, demands, liabilities, losses, damages and reasonable expenses of whatsoever kind and nature in connection with or arising out of (a) the Trustee's failure to follow the directions of the Employer, the Administrator, the investment manager, or agents thereof, except as permitted by the last sentence of Section 6.3 above; (b) any disbursements made without the direction of the Employer, the Administrator, the investment manager or agents thereof; and (c) the Trustee's negligence, willful misconduct, or recklessness with respect to the Trustee's duties under this Declaration.

ARTICLE VII

Contributions

7.1 **Employer Contributions.** The Employer shall contribute to the Trust such amounts as specified in the Plan or by resolution.

7.2 **Accrued Leave.** Contributions up to an amount equal to the value of accrued sick leave, vacation leave, or other type of accrued leave, as permitted under the Plan. The Employer's Plan must provide a formula for determining the value of the Participant's contribution of accrued leave. The Employer's Plan must contain a forfeiture provision that will prevent Participants from receiving the accrued leave in cash in lieu of a contribution to the Trust.

7.3 **Accounts.** Employer contributions, including mandatory Participant contributions, and contributions of accrued leave, all investment income and realized and unrealized gains and losses, and forfeitures allocable thereto will be deposited into an Account in the name of the Participant for the exclusive benefit of the Participant, his Spouse and Dependents. The assets in each Participant's Account may be invested in Investment Funds as directed by the Participant (or, after the Participant's death, by the Spouse or Dependents) or the Employer, as required under the Plan, from among the Investment Funds selected by the Employer.

7.4 **Receipt of Contributions.** The Employer or, if so designated by the Employer, the Administrator or investment manager or another agent of the Employer, shall receive all contributions paid or delivered to it hereunder and shall hold, invest, reinvest and administer such contributions pursuant to this Declaration, without distinction between principal and income. The Trustee shall not be responsible for the calculation or collection of any contribution under the Plan, but shall hold title to property received in respect of the Plan in the Trustee's name as directed by the Employer or its designee pursuant to this Declaration.

7.5 No amount in any Account maintained under this Trust shall be subject to transfer, assignment, or alienation, whether voluntary or involuntary, in favor of any creditor, transferee, or assignee of the Employer, the Trustee, any Participant, his Spouse, or Dependent.

7.6 Upon the satisfaction of all liabilities under the Plan to provide such benefits, any amount of Employer contributions, plus accrued earnings thereon, remaining in such separate Accounts must, under the terms of the Plan, be returned to the Employer.

ARTICLE VIII

Other Plans

If the Employer hereafter adopts one or more other plans providing life, sickness, accident, medical, disability, severance, or other benefits and designates the Trust hereby created as part of such other plan, the Employer or, if so designated by the Employer, the Administrator or an investment manager or an-other agent of the Employer shall, subject to the terms of this Declaration, accept and hold hereunder contributions to such other plans. In that event (a) the Employer or, if so designated by the Employer, the Administrator or an investment manager or another agent of the Employer, may commingle for investment purposes the contributions received under such other plan or plans with the contributions previously received by the Trust, but the books and records of the Employer or, if so designated by the Employer, the Administrator or an investment manager or another agent of the Employer, shall at all times show the portion of the Trust Fund allocable to each plan; (b) the term "Plan" as used herein shall be deemed to refer separately to each other plan; and (c) the term "Employer" as used herein shall be deemed to refer to the person or group of persons which have been designated by the terms of such other plans as having the authority to control and manage the operation and administration of such other plan.

ARTICLE IX

Disbursements and Expenses

9.1 The Employer or its designee shall make such payments from the Trust at such time to such persons and in such amounts as shall be authorized by the provisions of the Plan provided, however, that no payment shall be made, either during the existence of or upon the discontinuance of the Plan (subject to Section 7.6), which would cause any part of the Trust to be used for or diverted to purposes other than the exclusive benefit of the Participants, their Spouses and Dependents pursuant to the provisions of the Plan.

9.2 All payments of benefits under the Plan shall be made exclusively from the assets of the Accounts of the Participants to whom or to whose Spouse or Dependents such payments are to be made, and no person shall be entitled to look to any other source for such payments.

9.3 The Employer, Trustee and Administrator may be reimbursed for expenses reasonably incurred by them in the administration of the Trust. All such expenses, including, without limitation, reasonable fees of accountants and legal counsel to the extent not otherwise reimbursed, shall constitute a charge against and shall be paid from the Trust upon the direction of the Employer.

ARTICLE X

Accounting

10.1 The Trustee shall not be required to keep accounts of the investments, receipts, disbursements, and other transactions of the Trust, except as necessary to perform its title-holding function hereunder. All accounts, books, and records relating thereto shall be maintained by the Employer or its designee.

10.2 As promptly as possible following the close of each year, the Trustee shall file with the Employer a written account setting forth assets titled to the Trust as reported to the Trustee by the Employer or its designee.

ARTICLE XI

Miscellaneous Provisions

11.1 Neither the Trustee nor any affiliate thereof shall be required to give any bond or to qualify before, be appointed by, or account to any court of law in the exercise of its powers hereunder.

11.2 No person transferring title or receiving a transfer of title from the Trustee shall be obligated to look to the propriety of the acts of the Trustee in connection therewith.

11.3 The Employer may engage the Trustee as its agent in the performance of any duties required of the Employer under the Plan, but such agency shall not be deemed to increase the responsibility or liability of the Trustee under this Declaration.

11.4 The Employer shall have the right at all reasonable times during the term of this Declaration and for three (3) years after the termination of this Declaration to examine, audit, inspect, review, extract information from, and copy all books, records, accounts, and other documents of the Trustee relating to this Declaration and the Trustees' performance hereunder.

ARTICLE XII

Amendment and Termination

12.1 The Employer reserves the right to alter, amend, or (subject to Section 9.1) terminate this Declaration at any time for any reason without the consent of the Trustee or any other person, provided that no amendment affecting the rights, duties, or responsibilities of the Trustee shall be adopted without the execution of the Trustee to the amendment. Any such amendment shall become effective as of the date provided in the amendment, if requiring the Trustee's execution, or on delivery of the amendment to the Trustee, if the Trustee's execution is not required.

12.2 Upon termination of this Declaration and upon the satisfaction of all liabilities under the Plan to provide such benefits, any amount of Employer contributions, plus accrued earnings thereon, remaining in such separate Accounts must, under the terms of the Plan, be returned to the Employer.

ARTICLE XIII

Successor Trustees

13.1 The Employer reserves the right to discharge the Trustee for any or no reason, at any time by giving ninety (90) days' advance written notice.

13.2 The Trustee reserves the right to resign at any time by giving ninety (90) days' advance written notice to the Employer.

13.3 In the event of discharge or resignation of the Trustee, the Employer may appoint a successor Trustee who shall succeed to all rights, duties, and responsibilities of the former Trustee under this Declaration, and the terminated Trustee shall be deemed discharged of all duties under this Declaration and responsibilities for the Trust.

ARTICLE XIV

Limited Effect of Plan and Trust

Neither the establishment of the Plan and the Trust or any modification thereof, the creation of any fund or account, nor the payment of any benefits, shall be construed as giving to any person covered under the Plan or other person any legal or equitable right against the Trustee, the Administrator, the Employer or any officer or employee thereof, except as may otherwise be expressly provided in the Plan or in this Declaration.

ARTICLE XV

Protective Clause

Neither the Administrator, the Employer, nor the Trustee shall be responsible for the validity of any contract of insurance or other arrangement maintained in connection with the Plan, or for the failure on the part of the insurer or provider to make payments provided by such contract, or for the action of any per-son which may delay payment or render a contract void or unenforceable in whole or in part.

IN WITNESS WHEREOF, the Employer and the Trustee have executed this Declaration by their respective duly authorized officers, as of the date first hereinabove mentioned.

EMPLOYER:

By: _____ Title: City Manager

TRUSTEE(S):

By: _____ Title: Deputy City Manager

By: _____ Title: _____

By: _____ Title: _____

Approved as to form _____
City Attorney

ICMARC
Building Retirement Security

City of Lodi

NAME OF EMPLOYER

RETIREE WELFARE BENEFITS PLAN

22872-0115-1277

ICMARC
Building Retirement Security

RETIREE WELFARE BENEFITS PLAN

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9.10 Gender and Number
9.11 Headings
9.12 Applicable Laws
9.13 Severability

City of Lodi

Name of Employer

RETIREE WELFARE BENEFITS PLAN

ARTICLE I

Preamble

THIS INSTRUMENT made and published by City of Lodi (hereinafter called "Employer") on the 18th day of November, 20 15, creates the City of Lodi Retiree Welfare Benefits Plan ("Plan"), as follows:

1.01 Establishment of Plan

The Employer named above hereby establishes a Retiree Welfare Benefits Plan as of the 18 day of November, 2015, 20 ___.

1.02 Purpose of Plan

This Plan has been established to reimburse the eligible Retirees of the Employer for medical and dental expenses incurred by them, their Spouses and Dependents through the Employer's VantageCare Retirement Health Savings (RHS) Program.

ARTICLE II

Definitions

The following words and phrases as used herein shall have the following meanings, unless a different meaning is plainly required by the context:

2.01 "Benefits" means any amounts paid to a Participant, Spouse or Dependents in the Plan as reimbursement for Eligible Medical and Dental Expenses incurred by the Participant during a Plan Year by him, his Spouse or his Dependents.

2.02 "Code" means the Internal Revenue Code of 1986, as amended.

2.03 "Dependent" means any individual who is a dependent of the Participant within the meaning of Code Sec. 152, as amplified by Internal Revenue Service Notice 2004-79, 2004-49 I.R.B.898 and Internal Revenue Service Notice 2010-38.

2.04 "Eligible Medical Expenses" means those expenses designated by the Employer as eligible for reimbursement in the VantageCare Retirement Health Savings Adoption Agreement.

2.05 "Employer" means the unit of state or local government creating this Plan, or any affiliate or successor thereof that likewise adopts this Plan.

2.06 "Entry Date" means the first day the Participant meets the eligibility requirements of Article III as of such Date.

2.07 "Participant" means any Retiree who has met the eligibility requirements set forth in Article III.

2.08 "Plan Administrator" means the Employer or other person appointed by the Employer who has the authority and responsibility to manage and direct the operation and administration of the Plan.

5.02 Claims for Benefits

No benefit shall be paid hereunder unless a Participant, his Spouse or Dependent has first submitted a written claim for benefits to the Plan Administrator on a form specified by the Plan Administrator, and pursuant to the procedures set out in Article VI, below. Upon receipt of a properly documented claim, the Plan Administrator shall pay the Participant, his Spouse or Dependent the benefits provided under this Plan as soon as is administratively feasible.

ARTICLE VI

Plan Administration

6.01 Allocation of Authority

The Employer shall control and manage the operation and Administration of the Plan. The Employer shall have the exclusive right to interpret the Plan and to decide all matters arising thereunder, including the right to remedy possible ambiguities, inconsistencies, or omissions. All determinations of the Employer with respect to any matter hereunder shall be conclusive and binding on all persons.

Without limiting the generality of the foregoing, the Employer shall have the following powers and duties:

a) To decide on questions concerning the Plan and the eligibility of any Employee to participate in the Plan, in accordance with the provisions of the Plan;

b) To determine the amount of benefits that shall be payable to any person in accordance with the provisions of the Plan; to inform the Plan Administrator, as appropriate, of the amount of such Benefits; and to provide a full and fair review to any Participant whose claim for benefits has been denied in whole or in part; and

c) To designate other persons to carry out any duty or power which would otherwise be a fiduciary responsibility of the Plan Administrator, under the terms of the Plan.

d) To require any person to furnish such reasonable information as it may request for the purpose of the proper administration of the Plan as a condition to receiving any benefits under the Plan;

e) To make and enforce such rules and regulations and prescribe the use of such forms as he shall deem necessary for the efficient administration of the Plan.

6.02 Provision for Third-Party Plan Service Providers

The Plan Administrator, subject to approval of the Employer, may employ the services of such persons as it may deem necessary or desirable in connection with operation of the Plan. The Plan Administrator, the Employer (and any person to whom it may delegate any duty or power in connection with the administration of the Plan), and all persons connected therewith may rely upon all tables, valuations, certificates, reports and opinions furnished by any duly appointed actuary, accountant, (including Employees who are actuaries or accountants), consultant, third party administration service provider, legal counsel, or other specialist, and they shall be fully protected in respect to any action taken or permitted in good faith in reliance thereon. All actions so taken or permitted shall be conclusive and binding as to all persons.

6.03 Several Fiduciary Liability

To the extent permitted by law, neither the Plan Administrator nor any other person shall incur any liability for any acts or for failure to act except for his own willful misconduct or willful breach of this Plan.

6.04 Compensation of Plan Administrator

Unless otherwise agreed to by the Employer, the Plan Administrator shall serve without compensation for services rendered in such capacity, but all reasonable expenses incurred in the performance of his duties shall be paid by the Employer.

6.05 Bonding

Unless otherwise determined by the Employer, or unless required by any Federal or State law, the Plan Administrator shall not be required to give any bond or other security in any jurisdiction in connection with the administration of this Plan.

6.06 Payment of Administrative Expenses

All reasonable expenses incurred in administering the Plan, including but not limited to administrative fees and expenses owing to any third party administrative service provider, actuary, consultant, accountant, attorney, specialist, or other person or organization that may be employed by the Plan Administrator in connection with the administration thereof, shall be paid by the Employer, provided, however that each Participant shall bear the monthly cost (if any) charged by a third party administrator for maintenance of his Benefit Account unless otherwise paid by the Employer.

6.07 Timeliness of Payment for Benefits

Payment for Benefits shall be made as soon as administratively feasible after the required forms and documentation have been received by the Plan Administrator.

6.08 Annual Statements

The Plan Administrator shall furnish each Participant with an annual statement of his medical expense reimbursement account within ninety (90) days after the close of each Plan Year.

ARTICLE VII

Claims Procedure

7.01 Procedure if Benefits are Denied Under the Plan

Any Participant, Spouse, Dependent, or his duly authorized representative may file a claim for a plan benefit to which the claimant believes that he is entitled. Such a claim must be in writing on a form provided by the Plan Administrator and delivered to the Plan Administrator, in person or by mail, postage paid. Within thirty (30) days after receipt of such claim, the Plan Administrator shall send to the claimant, by mail, postage prepaid, notice of the granting or denying, in whole or in part, of such claim, unless special circumstances require an extension of time for processing the claim. In no event may the extension exceed forty-five (45) days from the end of the initial period. If such extension is necessary, the claimant will be given a written notice to this effect prior to the expiration of the initial 30-day period. If such extension is necessary due to a failure of the Participant, Spouse or Dependent to submit the information necessary to decide the claim, the notice of extension shall describe the required information and the claimant shall be afforded at least forty-five (45) days from receipt of the notice within which to provide such information. The Plan Administrator shall have full discretion to deny or grant a claim in whole or in part. If notice of the denial of a claim is not furnished in accordance with this Section, the claim shall be deemed denied and the claimant shall be permitted to exercise his right to review pursuant to Sections 7.03 and 7.04.

7.02 Requirement for Written Notice of Claim Denial

The Plan Administrator shall provide, to every claimant who is denied a claim for benefits, written notice setting forth in a manner calculated to be understood by the claimant:

a) The specific reason or reasons for the denial;

b) Specific reference to pertinent Plan provisions, including references to the VantageCare Retirement Health Savings Adoption Agreement, on which the denial is based;

c) A description of any additional material of information necessary for the claimant to perfect the claim and an explanation of why such material is necessary, and

d) An explanation of the Plan's claim review procedure.

7.03 Right to Request Hearing on Benefit Denial

Within one-hundred eighty (180) days after the receipt by the claimant of written notification of the denial (in whole or in part) of his claim, the claimant or his duly authorized representative, upon written application to the Plan Administrator, in person or by certified mail, postage prepaid, may request a review of such denial, may review pertinent documents, and may submit issues and comments in writing.

7.04 Disposition of Disputed Claims

Upon its receipt of notice of a request for review, the Plan Administrator shall make a prompt decision on the review. The decision on review shall be written in a manner calculated to be understood by the claimant and shall include specific reasons for the decision and specific references to the pertinent plan provisions on which the decision is based. The decision on review shall be made not later than sixty (60) days after the Plan Administrator's receipt of a request for a review, unless special circumstances require an extension of time for processing, in which case a decision shall be rendered not later than one hundred-twenty (120) days after receipt of a request for review. If an extension is necessary, the claimant shall be given written notice of the extension prior to the expiration of the initial sixty (60) day period. If notice of the decision on the review is not furnished in accordance with this Section, the claim shall be deemed denied and the claimant shall be permitted to exercise his right to legal remedy pursuant to Section 7.05.

7.05 Preservation of Other Remedies

After exhaustion of the claims procedures provided under this Plan, nothing shall prevent any person from pursuing any other legal or equitable remedy otherwise available.

ARTICLE VIII

Amendment or Termination of Plan

8.01 Permanency

While the Employer fully expects that this Plan will continue indefinitely, due to unforeseen, future business contingencies, permanency of the Plan will be subject to the Employer's right to amend or terminate the Plan, as provided in Sections 8.02 and 8.03, below.

8.02 Employer's Right to Amend

The Employer reserves the right to amend the Plan at any time and from time-to-time, and retroactively if deemed necessary or appropriate to meet the requirements of the Code, or any similar provisions of subsequent revenue or other laws, or the rules and regulations in effect under any of such laws or to conform with governmental regulations or other policies, to modify or amend in whole or in part any or all of the provisions of the Plan.

8.03 Employer's Right to Terminate

The Employer reserves the right to discontinue or terminate the Plan at any time without prejudice.

ARTICLE IX

General Provisions

9.01 No Employment Rights Conferred

Neither this Plan nor any action taken with respect to it shall confer upon any person the right to be continued in the employment of the Employer.

9.02 Payments After Death of Participant

Any benefits otherwise payable to a Participant following the date of death of such Participant shall be paid as outlined in Section XI of the Employer's VantageCare Retirement Health Savings Plan Adoption Agreement.

9.03 Nonalienation of Benefits

No benefit under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt to do so shall be void. No benefit under the Plan shall in any manner be liable for or subject to the debts, contracts, liabilities, engagements or torts of any person. If any person entitled to benefits under the Plan becomes bankrupt or attempts to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge any benefit under the Plan, or if any attempt is made to subject any such benefit to the debts, contracts, liabilities, engagements or torts of the person entitled to any such benefit, except as specifically provided in the Plan, then such benefit shall cease and terminate in the discretion of the Plan Administrator, and he may hold or apply the same or any part thereof to the benefit of any dependent of such person, in such manner and proportion as he may deem proper.

9.04 Mental or Physical Incompetency

If the Plan Administrator determines that any person entitled to payments under the Plan is incompetent by reason of physical or mental disability, he may cause all payments thereafter becoming due to such person to be made to any other person for his benefit, without responsibility to follow the application of amounts so paid. Payments made pursuant to this Section shall completely discharge the Plan Administrator and the Employer.

9.05 Inability to Locate Payee

If the Plan Administrator is unable to make payment to any Participant or other person to whom a payment is due under the Plan because he cannot ascertain the identity or whereabouts of such Participant or other person after reasonable efforts have been made to identify or locate such person (including a notice of the payment so due mailed to the last known address of such Participant or other person as shown on the records of the Employer), such payment and all subsequent payments otherwise due to such Participant or other person shall be escheated under the laws of the State of the last known address of the Participant or other persons eligible for benefits.

9.06 Requirement of Proper Forms

All communications in connection with the Plan made by a Participant shall become effective only when duly executed on forms provided by and filed with the Plan Administrator.

9.07 Source of Payments

The Employer shall be the sole source of benefits under the Plan. No Employee, Spouse or Dependents shall have any right to, or interest in, any assets of the Employer upon termination of employment or otherwise, except as provided from time to time under the Plan, and then only to the extent of the benefits payable under the Plan to such Employee, Spouse or Dependents.

9.08 Tax Effects

Neither the Employer nor the Plan Administrator makes any warranty or other representation as to whether any payments received by a Participant, his Spouse or Dependents hereunder will be treated as includible in gross income for federal or state income tax purposes.

9.09 Multiple Functions

Any person or group of persons may serve in more than one fiduciary capacity with respect to the Plan.

9.10 Gender and Number

Masculine pronouns include the feminine as well as the neuter gender, and the singular shall include the plural, unless indicated otherwise by the context.

9.11 Headings

The Article and Section headings contained herein are for convenience of reference only, and shall not be construed as defining or limiting the matter contained thereunder.

9.12 Applicable Laws

The provisions of the Plan shall be construed, administered and enforced according to the laws of the State of California.

9.13 Severability

Should any part of this Plan subsequently be invalidated by a court of competent jurisdiction, the remainder thereof shall be given effect to the maximum extent possible.

IN WITNESS WHEREOF, we have executed this Plan Agreement the date and year first written above.

EMPLOYER

By: _____ Title: City Manager

Signature of Authorized Official

ATTEST (if applicable)

By: _____ Title: City Clerk

Signature of Attestor

Approved as to form _____

City Attorney

1. AA# _____
2. JV# _____

CITY OF LODI
APPROPRIATION ADJUSTMENT REQUEST

TO:	Internal Services Dept. - Budget Division		
3. FROM:	**Jordan Ayers, Deputy City Manager**	5. DATE:	**11/18/15**
4. DEPARTMENT/DIVISION:			

6. REQUEST ADJUSTMENT OF APPROPRIATION AS LISTED BELOW

	FUND #	ORG #	OBJ #	ACCOUNT TITLE	AMOUNT
A. SOURCE OF FINANCING	**100**		**32205**	**Fund Balance**	**$ 76,900.00**
B. USE OF FINANCING	**100**	**10031004**	**71031**	**Other Benefits**	**$ 76,900.00**

7. REQUEST IS MADE TO FUND THE FOLLOWING PROJECT NOT INCLUDED IN THE CURRENT BUDGET

Please provide a description of the project, the total cost of the project, as well as justification for the requested adjustment. If you need more space, use an additional sheet and attach to this form.

Increasing appropriations in Police Department to fnd one-time Retiree Health Savings Account deposit ($75,000) and one percent on-going contribution to account ($1,900)

If Council has authorized the appropriation adjustment, complete the following:

Meeting Date: **11/18/15** Res No: _____ Attach copy of resolution to this form.

Department Head Signature: _____

8. APPROVAL SIGNATURES

Deputy City Manager/Internal Services Manager Date

Submit completed form to the Budget Division with any required documentation.
Final approval will be provided in electronic copy format.

RESOLUTION NO. 2015-__

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING THE ESTABLISHMENT OF A RETIREE
HEALTH SAVINGS ACCOUNT FOR SIX LODI POLICE
DISPATCHERS ASSOCIATION EMPLOYEES HIRED
BETWEEN JULY 9, 1994 AND NOVEMBER 8, 2004
AND FURTHER APPROPRIATING FUNDS

==========

WHEREAS, the City Council approved revisions to the Memorandum of Understanding (MOU) with the Lodi Police Dispatchers Association (LPDA), January 1, 2015 through December 31, 2017, which included a resolution to a dispute regarding the eligibility date for the sick leave conversion benefit program referenced in the 2007-2011 MOU; and

WHEREAS, as a resolution, City agreed to establish a Retiree Health Savings Account and allocate $75,000 to be distributed on a pro-rated basis among six LPDA members hired into the LPDA unit between July 9, 1994 and November 8, 2004 (Maria Butterfield, Jeff Humphrey, Andrea Patterson, Tenneill Ramirez, Jennifer Root, and Kimberly Van Tassell), as soon as administratively possible; and

WHEREAS, City further agreed to contribute one percent (1%) of the employees' bi-weekly base salary each pay period, effective with the first full pay period in January 2016; and

WHEREAS, City has determined that the establishment of the Retiree Health Savings Account (the "Program") serves the above objectives; and

WHEREAS, staff reviewed Retiree Health Savings Accounts offered from each of the three providers under contract with the City for 457 Deferred Compensation Plans; and

WHEREAS, staff recommends ICMA's VantageCare Retirement Health Savings Program as the best option.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby adopt the ICMA Retirement Corporation's VantageCare Retirement Health Savings Program ("Program") through the Employer's Integral Part Trust ("Trust") and the Employer's Welfare Benefits Plan ("Plan") for the establishment of a Retiree Health Savings Account for the benefit of the above-named Dispatchers; and

BE IT FURTHER RESOLVED that the assets of the Plan shall be held in trust, with the City of Lodi serving as trustee for the exclusive benefit of Plan participants and their survivors, and the assets of the Plan shall not be diverted to any other purpose prior to the satisfaction of all liabilities of the Plan. The Employer has executed the Declaration of Trust of the City of Lodi Integral Part Trust in the form of the sample trust made available by the ICMA Retirement Corporation; and

BE IT FURTHER RESOLVED that the Deputy City Manager/Internal Services Director shall be the coordinator and contact for the Program and shall receive necessary reports and notices; and

BE IT FURTHER RESOLVED that the City Manager and Deputy City Manager/Internal Services Director are hereby authorized to execute all necessary forms and agreements to establish the Program through the Trust and the Plan; and

BE IT FURTHER RESOLVED that funds be appropriated as shown on the attached Appropriation Adjustment Request Form.

Date: November 18, 2015
==========

I hereby certify that Resolution No. 2015-____ was passed and adopted by the Lodi City Council in a regular meeting held November 18, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAIOLO
City Clerk

1. AA# _____
2. JV# _____

CITY OF LODI
APPROPRIATION ADJUSTMENT REQUEST

TO:	Internal Services Dept. - Budget Division		
3. FROM:	**Jordan Ayers, Deputy City Manager**	5. DATE:	**11/18/15**
4. DEPARTMENT/DIVISION:			

6. REQUEST ADJUSTMENT OF APPROPRIATION AS LISTED BELOW

	FUND #	ORG #	OBJ #	ACCOUNT TITLE	AMOUNT
A. SOURCE OF FINANCING	**100**		**32205**	**Fund Balance**	**$ 76,900.00**
B. USE OF FINANCING	**100**	**10031004**	**71031**	**Other Benefits**	**$ 76,900.00**

7. REQUEST IS MADE TO FUND THE FOLLOWING PROJECT NOT INCLUDED IN THE CURRENT BUDGET

Please provide a description of the project, the total cost of the project, as well as justification for the requested adjustment. If you need more space, use an additional sheet and attach to this form.

Increasing appropriations in Police Department to fnd one-time Retiree Health Savings Account deposit ($75,000) and one percent on-going contribution to account ($1,900)

If Council has authorized the appropriation adjustment, complete the following:

Meeting Date: **11/18/15** Res No: _____ Attach copy of resolution to this form.

Department Head Signature: _____

8. APPROVAL SIGNATURES

Deputy City Manager/Internal Services Manager Date

Submit completed form to the Budget Division with any required documentation.
Final approval will be provided in electronic copy format.

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution of Change Declaring Election Results and Introduce Ordinance to Reduce Special Taxes and Annual Index for Community Facilities District No. 2007-1

MEETING DATE: November 18, 2015

PREPARED BY: City Manager

RECOMMENDED ACTION: Adopt Resolution of Change Declaring Election Results, and introduce ordinance to reduce special taxes and annual index for Community Facilities District No. 2007-1.

BACKGROUND INFORMATION: Council gave staff direction to negotiate a reduction of the special taxes and annual index rate for Community Facilities District No. 2007-1 at its regular meeting on April 15, 2015.

Council directed staff to negotiate a waiver of the below described vested rights from the benefitted property owners to develop property under the current Impact Fee Program. On June 17, 2015, Council began the process of levying a reduced Special Tax by adopting a Resolution of Consideration. A public hearing on the matter was held on August 5, 2015. On August 19, 2015 Council adopted a resolution calling an election on the reduction of the special tax for November 17, 2015. The election was held, as scheduled, on November 17 and the City Clerk has canvassed the results. The requested action is that the Council adopt a resolution of change declaring election results, and conduct a first Reading of an ordinance to reduce special taxes and annual index for Community Facilities District No. 2007-1.

As discussed on April 15, 2015, the City of Lodi created a Community Facilities District ("CFD") for service in 2007 as a condition of its most recent annexations of Reynolds Ranch, and the Westside and Southwest Gateway Annexations. CFDs for service are relatively new in municipal finance. However, unlike CFDs for infrastructure, CFDs for service fund things such as landscaping and lighting, police and fire services, parks service and other items traditionally funded by the General Fund. At the time, the special tax was set at $600 per year for single family homes and $175 for multi-family units. The special tax is subject to annual indexing of the greater of the Consumer Price Index or 5 percent. The index is applied July 1 of each year. As such, the special tax is currently set at $804 per year and will be $844 per year by the time the first house is occupied.

Although total inflation from 2007 to date totals 13 percent (Bureau of Labor Statistics), the minimum inflation factor set by the approved formula has been 40 percent. Although a 5 percent minimum may have been reasonable upon the adoption of the CFD, it is generally understood that the economy did not perform as expected in 2008. It is also worth noting that

---

APPROVED: _____

Stephen Schwabauer, City Manager

the portion of homeowner's property taxes received by the City are approximately $400 per year, less than half of what these new homes will pay in CFD special taxes alone. It should be noted that Rose Gate homes are expected to be priced around $400,000 resulting in about $650 in municipally-directed property taxes. In light of the significant difference between inflation and the minimum escalator, staff believes it is appropriate for the City to consider the developer's request to reduce the special tax and the index rate.

Any recognition of the economic disadvantages faced by these projects would be incomplete without addressing the City's current Impact Fee program discounts. As Council is aware, the developers of these projects filed vesting tentative maps that, if extended, could allow many of the currently vested units to develop at $5,940 per unit instead of the program calculated $23,195. Van Ruiten Ranch has 200 vested single-family units plus 88 unvested high-density units; Reynolds Ranch has 227 vested single-family units plus 330 unvested high-density units and Rose Gate has 232 vested single-family units.

As Council recalls, the discount program was initiated to spur development for a three-year period. However, the vesting map process could substantially increase that time frame. As such, staff considers it fair to allow units to develop at the discount for limited period to recognize the original intent of the program. Staff negotiated a reduction in CFD special taxes to $500 per single-family unit and $145.83 per multi-family unit and an index reduction to 2 percent per year. Such a change would track the property owners' concurrent Proposition 13-based property tax increase and also manage to exchange CFD special taxes for the developers' waiver of any rights to the 60-percent discount for units that do not pull a building permit (and complete construction within six months) within a brief negotiated time frame.

The negotiated agreement for Council approval would give Rose Gate three years and Van Ruiten and Reynolds Ranch four years to pull permits under the discounted rate. Thereafter they would develop at then-current rates. The projects are staggered to reflect their relative term to commencement of construction.

The following items are recommended as part of this staff report:

1. The City Council consider adoption of a Resolution of Change Declaring the Results of the Election.
2. Conduct a first reading of an Ordinance Levying the Amended Tax.

If the above referenced steps are taken, the City Clerk must record an amendment to notice of special tax lien within 15 days of adoption of the Resolution of Change. The City Council will be asked to adopt an Ordinance at its next regularly scheduled meeting.

FISCAL IMPACT: Loss of $344 in CFD fees per year per home in the District, and reduction of annual indexing from CPI up to 5 percent to a flat 2 percent.

FUNDING AVAILABLE: Not applicable

_____

Stephen Schwabauer
City Manager

RESOLUTION NO. 2015-____

A RESOLUTION OF CHANGE OF THE LODI CITY COUNCIL DECLARING THE RESULTS OF THE SPECIAL ELECTION HELD ON NOVEMBER 17, 2015, WITHIN ZONE 1 OF COMMUNITY FACILITIES DISTRICT NO. 2007-1 (PUBLIC SERVICES)

==========

WHEREAS, the City Council on August 19, 2015, duly adopted Resolution No. 2015-144 (the "Resolution"), which ordered an election within Zone 1 of Community Facilities District No. 2007-1 (Public Services) (the "District") on the issue of reducing the special tax within Zone 1; and

WHEREAS, pursuant to the terms of the resolution, the special election was held on November 17, 2015, and the City Clerk has duly canvassed the returns of the election as required by the resolution and has filed with the City Council a statement of all votes cast at the election showing the whole number of votes cast in Zone 1 and the whole number of votes cast for and against the measure and also filed, attached to the statement, her certificate as to the correctness of the statement (the "Statement of Election Results"), which is attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lodi that:

1. Recitals. The foregoing recitals are true and correct.

2. Canvass. The canvass by the City Clerk as shown by the Statement of Election Results is hereby ratified, confirmed, approved, and entered upon the minutes of this meeting.

3. Measure. At the election, the following measure was submitted to the qualified electors of the District:

> Shall the City of Lodi Community Facilities District No. 2007-1 (Public Services) (the "District") be authorized to amend the special tax formula at the rate and apportioned, and levy the Revised Special Tax, all as described in Resolution No. 2015-89 adopted by the City Council on June 17, 2015, which is incorporated herein by reference, within the territory identified as Zone 1 as defined in the same Resolution?

4. Votes Cast; Election Results. The total number of votes cast in the District at the election was _____. The number of votes cast in favor of the measure was _____ and the number of votes cast against the measure was _____. More than two-thirds of all the votes cast at the election on the measure were in favor of the measure and the measure passed.

5. Notice of Amendment to Special Tax Lien. The City Clerk is hereby directed to record an Amendment to Notice of Special Tax Lien with the County Recorder of San Joaquin County, in accordance with the provisions of Section 3117.5 of the California Streets and Highways Code within fifteen (15) days of the adoption of this resolution.

Date: November 18, 2015

==========

I hereby certify that Resolution No. 2015-____was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 18, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

BOB JOHNSON
Mayor

ATTEST:

JENNIFER M. FERRAIOLO
City Clerk

APPROVED AS TO FORM:

JANICE D. MAGDICH
City Attorney

2015-___

EXHIBIT A

STATEMENT OF ELECTION RESULTS

I, Jennifer M. Ferraiolo, City Clerk of the City of Lodi (the "City"), hereby certify that:

1. On November 17, 2015, at City Hall, 221 West Pine Street, Lodi, California, 95240, I canvassed the returns of the election called for November 17, 2015, in Zone 1 of Community Facilities District No. 2007-1 (Public Services) on the following measure:

> Shall the City of Lodi Community Facilities District No. 2007-1 (Public Services) (the "District") be authorized to amend the special tax formula at the rate and apportioned, and levy the Revised Special Tax, all as described in Resolution No. 2015-89 adopted by the City Council on June 17, 2015, which is incorporated herein by reference, within the territory identified as Zone 1 as defined in the same Resolution?

2. The total number of qualified landowner votes eligible to be cast, the total number of votes actually cast at the election, and the total number of votes cast for and against the measure are set forth below. The totals as shown for and against the measure are full, true, and correct. More than two-thirds of all the votes cast at the election on the measure were in favor of the measure and the measure passed.

Qualified Landowner Votes	Votes Cast	YES	NO
523			

Dated: November 18, 2015

_____

Jennifer M. Ferraiolo
City Clerk, City of Lodi

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI LEVYING AND APPORTIONING A SPECIAL TAX IN ZONE 1 OF THE CITY OF LODI COMMUNITY FACILITIES DISTRICT NO. 2007-1 (PUBLIC SERVICES) AS PROVIDED IN RESOLUTION NO. 2015-89

==========

WHEREAS, the City Council (the "City Council") of the City of Lodi (the "City") has established Community Facilities District No. 2007-1 (Public Services) (the "District") pursuant to Resolution No. 2007-59 (the "Resolution of Formation"), duly adopted on April 11, 2007, for the purpose of providing for the financing of certain services in and for the City; and

WHEREAS, the City Council on June 17, 2015, duly adopted its Resolution No. 2015-89 (the "Resolution") (i) declaring its intention to amend the special tax formula within a portion of the District to be referred to as Zone 1 by reducing the special tax (the "Revised Special Tax") within Zone 1, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California, and Chapter 3.32 of the City Municipal Code, (ii) proposing to levy the Revised Special Tax therein for the purpose of financing certain services as described in the Resolution, and (iii) calling a public hearing on the questions of the establishment of Zone 1, the amendment to the special tax formula, and the levy of the Revised Special Tax within Zone 1; and

WHEREAS, at an election held in Zone 1 on November 17, 2015, the qualified electors of Zone 1 authorized the levy of the Revised Special Tax described in the Resolution.

NOW, THEREFORE, BE IT ENACTED by the City Council of the City of Lodi:

Section 1. Recitals. All of the above recitals are true and correct, and the Council so finds and determines.

Section 2. Levy of Revised Special Tax. Pursuant to Section 53340 of the Government Code of the State of California and Chapter 3.32 of the City Municipal Code, the Revised Special Tax is hereby levied at the maximum rates and apportioned in the manner specified in the Resolution within Zone 1.

Section 3. Collection of Special Tax. Pursuant to Section 53340 of the Government Code of the State of California, the Revised Special Tax shall be collected by the San Joaquin County Tax Collector in the same manner as ordinary *ad valorem* property taxes are collected and shall be subject to the same procedure, sale, and lien priority in case of delinquency as is provided for *ad valorem* taxes; provided, however, that the Revised Special Tax may alternately be billed directly and collected on a different schedule, such as on a monthly or other periodic basis, or in a different manner, if necessary, to meet the City's financial obligations.

Section 4. Claims for Refund. Claims for refund of the tax shall comply with the following and any additional procedures as established by the City Council:

(a) All claims shall be filed with the City Clerk no later than one year after the date the tax was paid. The claimant shall file the claim within this time period and the

claim shall be finally acted upon by the City Council as a prerequisite to bringing suit thereon.

(b) Pursuant to Government Code section 935(b), the claim shall be subject to the provisions of Government Code sections 945.6 and 946.

(c) The City Council shall act on a timely claim within the time period required by Government Code section 912.4.

(d) The procedure described in this Ordinance, and any additional procedures established by the City Council, shall be the exclusive claims procedure for claimants seeking a refund of the tax. The decision of the City Council shall be final.

Section 5. No Mandatory Duty of Care. This Ordinance is not intended to and shall not be construed or given effect in a manner that imposes upon the City or any officer or employee thereof a mandatory duty of care towards persons and property within or without the City, so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 6. Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable. This City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the ordinance be enforced.

Section 7. Effective Date and Publication. This ordinance shall take effect thirty (30) days after its adoption. In lieu of publication of the full text of the ordinance within fifteen (15) days after its passage, a summary of the ordinance may be published at least five (5) days prior to and fifteen (15) days after adoption by the City Council, and a certified copy shall be posted in the office of the City Clerk pursuant to Government Code section 36933(c)(1).

Approved this ____ day of _____, 2015

_____
BOB JOHNSON
Mayor

Attest:

_____
JENNIFER M. FERRAIOLO
City Clerk

State of California
County of San Joaquin, ss.

I, Jennifer M. Ferraiolo, City Clerk of the City of Lodi, do hereby certify that Ordinance No. ____ was introduced at a regular meeting of the City Council of the City of Lodi held November 18, 2015, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held _____, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

I further certify that Ordinance No. ____ was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

_____
JENNIFER M. FERRAIOLO
City Clerk

Approved as to Form:

By:_____
JANICE D. MAGDICH
City Attorney

AGENDA ITEM J-01

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Ordinance No. 1917 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Title 13 – Public Services – by Repealing and Re-Enacting Chapter 13.04, 'Service Generally,' and Chapter 13.08, 'Water Service,' in Their Entirety"

MEETING DATE: November 18, 2015

PREPARED BY: City Clerk

RECOMMENDED ACTION: Motion waiving reading in full and (following reading by title) adopting the attached Ordinance No. 1917.

BACKGROUND INFORMATION: Ordinance No. 1917 entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Title 13 – Public Services – by Repealing and Re-Enacting Chapter 13.04, 'Service Generally,' and Chapter 13.08, 'Water Service,' in Their Entirety" was introduced at the regular City Council meeting of November 4, 2015.

ADOPTION: With the exception of urgency ordinances, no ordinance may be passed within five days of its introduction. Two readings are therefore required – one to introduce and a second to adopt the ordinance. Ordinances may only be passed at a regular meeting or at an adjourned regular meeting; except for urgency ordinances, ordinances may not be passed at a special meeting. Id. All ordinances must be read in full either at the time of introduction or at the time of passage, unless a regular motion waiving further reading is adopted by a majority of all council persons present. ***Cal. Gov't Code § 36934***.

Ordinances take effect 30 days after their final passage. ***Cal. Gov't Code § 36937***.

This ordinance has been approved as to form by the City Attorney.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Jennifer M. Ferraiolo
City Clerk

JMF/PMF
Attachment

APPROVED: _____
Stephen Schwabauer, City Manager

N:\Administration\CLERK\Council\COUNCOM\Ordinance1.DOC

ORDINANCE NO. 1917

AN ORDINANCE OF THE LODI CITY COUNCIL AMENDING
LODI MUNICIPAL CODE TITLE 13 “PUBLIC SERVICES”
BY REPEALING AND REENACTING CHAPTER 13.04 –
“SERVICE GENERALLY” AND CHAPTER 13.08 –
“WATER SERVICE” IN THEIR ENTIRETY

==========

BE IT ORDAINED BY THE LODI CITY COUNCIL AS FOLLOWS:

SECTION 1. Lodi Municipal Code Chapter 13.04 “Service Generally” is hereby repealed and reenacted to read as follows:

CHAPTER 13.04 - SERVICE GENERALLY

Sections:

13.04.010 Definitions
13.04.020 Application for Service or Discontinuance.
13.04.025 Deposits.
13.04.030 Bill Payment and Delinquency.
13.04.040 Connections Generally.
13.04.050 Connection Charges.
13.04.060 Apartments, Condominiums and Flats.
13.04.070 Restriction or Interruption.
13.04.080 Connection or Reconnection by Plumbers.
13.04.090 Right of Access for Inspection.
13.04.100 Pipe and Facility Maintenance.
13.04.110 Service Only to Contracted Premises.
13.04.120 Bill Adjustment.
13.04.130 Low Income Adjustments.
13.04.140 Tampering with or Destruction of Utility Systems or Equipment.

13.04.010 Definitions.

For the purposes of this chapter, the following words and phrases when used in this chapter shall have the meanings respectively ascribed to them by this section:

A. "Delinquent bills" means all accounts that have not been paid to the city within twenty-six days after the issue date of the bill for the services provided for by this chapter.

B. "Director of Finance" means the person named from time to time by the City Manager to be in charge of the financial records and accounts of the city.

C. "Electric connection" means all wires, insulators, conduits, fuse blocks, fuses, and switches up to and including the meter used to connect the consumer's electric wiring to the city's electrical distribution system.

D. "Refuse collection service" means that service described in Chapter 13.16 relating to garbage.

E. "Sanitary sewer tap" means all connections, valves, pipes, and fittings used to connect the customer's sewer system to the city sewer mains.

F. "Service" means the supplying of water, electrical energy, the collection of solid waste refuse, and the disposal of sewage.

G. "Sewage disposal service" means that service provided for in Chapter 13.12 relating to sewers.

H. "Water tap" means the connection valves, pipes, and fittings used to connect the customer's water system to the city water mains.

13.04.020 Application for service or discontinuance.

All applications for service or discontinuance of service shall be made to, and on forms provided by, the Director of Finance. The Director of Finance shall issue all orders for services, changes, or discontinuances.

13.04.025 Deposits.

1. Services. A deposit for the furnishing or continuance of service may be required by the Director of Finance. Such deposit shall not exceed the estimated amount of charges for two months' service.

2. No United States Issued Identification. In addition to a deposit for services, the Director of Finance may require a deposit not to exceed the estimated amount of charges for two months' services of a customer who is unable to provide a United States issued identification.

3. Length of Deposit.

a. Deposits for services shall remain on the account until twelve consecutive billing periods have passed without late charges being assessed, unless the account is discontinued prior to such event. Return of deposit amounts shall be in the form of credit to the account, unless the account is discontinued, in which case the deposit shall be applied to the final billing and any excess shall be returned to the customer by check.

b. Deposits for no United States issued identification shall remain on the account until the account is discontinued, or until valid United States issued identification is provided. Return of deposit amounts shall be in the form of a credit to the account, unless the account is discontinued, in which case the deposit shall be applied to the final billing and any excess shall be returned to the customer by check. A non-U.S. identification deposit will not be required where at least one U.S. Identification exists on the account.

13.04.030 Bill payment and delinquency.

A. Payment. All bills for the services enumerated in this chapter are due and payable upon receipt thereof, at the finance division, Lodi, California, and become delinquent twenty-six days after the issue date of the bill.

B. Delinquency and Termination of Services. The Director of Finance shall send notice of delinquent bills, and if all delinquent charges for services are not paid within ten days after mailing this notice, then the Director of Finance may discontinue all service furnished to the customer by the city. Within this ten-day notice period, the Director of Finance shall provide a notice forty-eight hours prior to discontinuance of services. Termination of utility services shall be in accordance with Government Code section 54346.

1. In no event will water service be terminated for non-payment sooner than 120-days after the issue date of the bill or the accrual of delinquent utility charges in excess of $3,000, whichever occurs first. Forty-eight (48) hours prior to termination of water service, the account holder shall receive personal notification of the city's intent to terminate service; in the event the account holder cannot be located the property where service is provided will be posted with a notice of termination.

C. Appeal. Prior to any discontinuance of service furnished to the customer by the city, the customer may request the opportunity to be heard as to any adjustment or cancellation of any bill. The hearing shall be held before the Director of Finance or designee. In the event of a discontinuance of service, as provided in this subsection, the Director of Finance may require as a condition precedent to the resumption of service that the customer pay:

1. All amounts due and owing;

2. A disconnection/reconnection charge as determined by City Council Resolution, for each occasion that the city has to disconnect and/or reconnect service discontinued for nonpayment of utility services; and

3. A deposit in an amount not exceeding the estimated amount of charges for two months' service.

The Director of Finance or designee may waive delinquent amounts and negotiate a repayment schedule for up to three months (within any twelve-month period) when in the opinion of the Director of Finance or designee the customer can demonstrate financial hardship. No more than two repayment schedules may be allowed in any twelve-month period.

D. Closing Bills. Closing bills are due on the date on which service is discontinued.

E. Penalties. Delinquent bills shall be assessed penalties which will be set from time to time by City Council Resolution. The penalties may be waived by the Director of Finance when the customer can present evidence of financial hardship or convincing information that timely payment could not have been reasonably expected.

13.04.040 Connections generally.

No person except a duly authorized employee of the city shall make any water, electrical, or sewer service connection to the city supply lines. Alternatively, an Encroachment Permit may be issued for water and sewer connections to the city supply lines if the work is to be performed by a state licensed contractor under contract with the property owner. Water and sewer tapping includes bringing the supply lines to a point six inches inside the property line. Electrical connection includes the service drop and necessary meter. On all new and reconstructed buildings where water, sewer, and electrical connections are involved, the equipment and equipment locations must be approved by the inspecting authority.

A service charge will be charged to the applicant when trouble calls involve customer caused service interruptions. All costs of water tapping and sewer connections shall be borne by the applicant and shall be charged at actual cost to the city. However, a flat rate may be established by the provisions of Section 13.04.050 of this chapter.

13.04.050 Connection charges.

The Public Works Director may, with the approval of the Director of Finance, establish or change rates charged for water and sewer connections based on the average cost to the city for such connections made within the preceding six-month period.

13.04.060 Apartments and flats.

When more than one flat, apartment, building, or premises is supplied through one water tap, each occupant may pay his own water and sewage bill if flat rates apply. However, if at any time the water is used by an occupant and such fact is not reported to the city, the Director of Finance may require that the owner or the owners' agent-in-charge pay all the water and sewage charges applying to the flats, apartments, buildings, or premises being supplied through one tap.

13.04.070 Restriction or interruption.

The city reserves the right to limit the amount of water supplied to any customer or to different parts of the city should it appear necessary to do so, and shall not be liable for temporary discontinuance of any service while making repairs or replacements.

13.04.080 Connection or reconnection by plumbers.

No plumber shall leave water turned on at any newly erected building unless it is by consent of the city, nor shall he connect or reconnect any service found shut off at the service stop.

13.04.090 Right of access for inspection.

Authorized employees of the city shall have the right of access to any premises receiving any service named in this chapter at reasonable hours for the purposes of inspection.

13.04.100 Pipe and facility maintenance.

The owner or occupant of premises where city services are supplied shall keep all service pipes, valves, connections or other facilities used in connection with such supply in good repair at all times, and the city shall not be liable for damage sustained by reason of such owner or occupant's neglect.

13.04.110 Service only to contracted premises.

No person shall supply service to any premises other than the one to which the service contract applies.

13.04.120 Bill adjustment.

Application for the adjustment or cancellation of a bill any consumer believes to be inconsistent with the provisions of this code or other ordinances of this city relating to water, electric, refuse collection, and sewage services shall be made to the Director of Finance. Appeal from the decision of the Director of Finance may be made to the City Manager whose decision may, upon request, be subject to a final review by the City Council. Decisions of the City Council are final.

13.04.130 Low income adjustments.

The rates for residential refuse collection service, as they now exist or may hereafter be modified under this chapter, shall be reduced as established by Resolution for those residential accounts in the names of persons meeting the eligibility criteria for applicable electric service discounts as provided in this title. Proof of eligibility will be required by the city to qualify for the rate adjustments provided herein.

13.04.140 Tampering with or Destruction of Utility Systems or Equipment.

Damage or destruction to city utility equipment or systems, including water meters, water or sewer lines, electric meters, or electric lines or connections, in addition to the diversion of water to bypass a meter or energy theft diversion, are each punishable as a misdemeanor, in addition to any administrative fee or penalty which may be imposed under this code.

SECTION 2. Lodi Municipal Code Chapter 13.08 "Water Service" is hereby repealed and reenacted to read as follows:

CHAPTER 13.08 - WATER SERVICE

Sections:

Article I. Generally

13.08.010 Setting of Rates.
13.08.020 Rates Outside City.
13.08.030 Rates by Contract.
13.08.040 Commencement and End of Charges.
13.08.050 Metered Service.
13.08.055 Testing Water Meters.
13.08.060 Oversized Meter Development Impact Fee.
13.08.070 Tampering with City Property - Bypassing Meters.
13.08.080 Turning Off During Fires.
13.08.090 Billing Adjustments.

Article II. Main Extensions

13.08.100 Policy.
13.08.110 Application – Determination of Necessity.
13.08.120 Applicant's Obligation.
13.08.130 Mains to Extend Full Frontage.
13.08.140 Minimum Size.
13.08.150 Fire Hydrants.
13.08.160 Oversized Mains.

13.08.170 Testing of Approved Backflow Prevention Assemblies.
13.08.180 Maintenance and Repair of Approved Backflow Prevention Assemblies.

Article III. Water Conservation

13.08.220 Waste.
13.08.230 Defined.
13.08.240 Watering Days/Hours.
13.08.250 Enforcement Procedures.

13.08.260 Strict Application.
13.08.270 Appeals.
13.08.280 Violation—Infraction.
13.08.290 Emergency Water Conservation—Purpose.

Article I. – Generally

13.08.010 Setting of rates.

The schedule of water rates will be those established and adopted by the City Council from time to time by Resolution.

13.08.020 Rates outside city.

The city will not normally serve water outside the city limits. In those cases where it is authorized by the City Council, the rate shall be one hundred fifty percent of the rate for service inside the city limits.

13.08.030 Rates by contract.

In cases not provided for by this chapter, the rate may be fixed by special contract, as agreed upon by the Director of Finance and the Public Works Director on behalf of the city, and the water user involved. If such rates cannot be agreed upon, the city council shall fix and determine proper rates, and such determination shall be final.

13.08.040 Commencement and end of charges.

Water charges shall in all cases commence to accrue when water is turned on, at rates proportioned for the period from that date until the following last day of the billing period, as may be established by the city.

13.08.050 Metered service.

A. Meters will be required on all new residential, commercial, and industrial water services covered by the following conditions:

1. All new property annexations to the city requesting city water service;

2. All existing parcels which have had no previous city water service and city water service is requested;

3. When a parcel is split, water services to all parcels will be metered;

4. All parcels at which a single family dwelling(s) is being replaced by multiple family units or a nonresidential use;

5. At all parcels where off-site improvements are required;

6. When any water customer requests water service upsizing or relocating.

7. Meters and appurtenant facilities are the property of the city.

8. The city shall have the right of access to the customer's premises at all reasonable hours for any purpose related to the furnishing of water service

including, but not limited to, meter reading, testing, inspection construction, maintenance and repair of meter. Service may be refused or disconnected if permanent safe accessibility is not provided by the customer or property owner. Upon termination of service the city shall have the right of access to the service premises to shut off or remove the water meter and service.

9. Water meters shall only be installed on water services connected to the city owned water main, unless otherwise approved by the City Council.

B. Metered water service shall be installed on all existing residential, commercial, and industrial users when the Public Works Director determines the installation of metered water service to be in the best interest of the city. The property owner is required to pay the meter purchase charge based upon size as determined from time to time by City Council Resolution. City facilities are exempt from meter purchase charges.

C. Meters on existing commercial and industrial water services not covered under subsection A of this section shall be installed by the city at the city's expense. Meters and installation costs on all new water services and those covered in subsection A of this section shall be installed by the city, but shall be paid for by the property owner as determined by City Council Resolution.

13.08.55 Testing Water Meters.

A. Any metered customer may request in writing that the meter through which water is being furnished be examined and tested by the Public Works Department to determine whether the meter is registering accurately the amount of water that is being delivered through it. Upon receipt of such request, the department shall examine and test the meter. If the meter is found to register over three percent more water than actually passes through it, the customer’s water bill will be adjusted accordingly. If the meter is found to register a variance of three percent or less, no bill adjustment will be made. Meter testing will be performed at customer’s request, at no charge to the customer, not more than once every twelve months, if the variance is over three percent. If the variance is less than three percent, the customer will be charged a meter test fee, in an amount determined by City Council Resolution, on the customer’s utility bill.

B. If a customer requests more frequent meter testing, the customer’s request shall be accompanied by a deposit of an amount equal to the meter testing fee. Upon receipt of such request, the department shall examine and test the meter. If the meter is found to register over three percent more water than actually passes through it, the customer’s water bill will be adjusted accordingly and the meter test fee shall be returned, without interest. If the meter is found to register a variance of three percent or less, no billing adjustment will be made and the meter test fee will be retained by the city.

13.08.60 Oversized Meter Development Impact Fee.

A. For single family residential services that require automatic fire protection systems pursuant to state law, Lodi Municipal Code Chapters 15.04 or 15.40, the increased connection and meter size will not be assessed an additional fee associated with the fire protection system requirement. Connection fees and monthly service fees shall be based on the required service size as determined by the Uniform Plumbing Code without consideration for any fire protection system requirement.

B. For non-residential and multi-family water services that include or require automatic fire protection systems pursuant to Lodi Municipal Code section 15.20.160 or Chapter 15.40, the increased connection and meter size will not be assessed an additional fee associated with the fire protection system requirement. Connection fees and monthly service fees shall be based on the required service size as determined by the Uniform Plumbing Code without consideration for any fire protection system requirement.

13.08.70 Tampering with City Property – Bypassing Meters.

A. It is unlawful for any person not authorized by the city to do so to tamper with any gates, valves, service cocks, fire hydrants, meters or any of the city's property accessory or appurtenant to the water distribution system, to break the seal on any water meter, or to cause water to bypass any water meter.

B. If city confirms an illegal tampering, bypass or diversion of water at or from city facilities has occurred, the customer will be charged a tampering/bypass inspection fee in an amount to be determined from time to time by City Council Resolution. In addition to the tampering/bypass fee, violation of this section is punishable as a misdemeanor.

13.08.080 Turning off during fires.

In the case of fire or other emergency, when directed by the city all faucets, taps or other means of letting water run shall be turned off immediately by every owner or occupant and not opened until the fire is extinguished or the emergency resolved.

13.08.090 Billing adjustments.

When it is found that any charges for water service, meters, connections, installations, abandonments, tampering/bypass etc., have been incorrectly billed or that no billing has occurred, the city has the right to make adjustments as determined by the Public Works Director. Billings for undercharges or credits for overcharges shall be subject to the three-year limitation period found in the California Code of Civil Procedure, section 338.

Article II. Main Extensions

13.08.100 Policy.

The City Council is desirous of adopting a water main extension policy that is fair and equitable to all developing properties and that provides that the cost of extensions shall be distributed among subsequently developing properties connecting thereto.

13.08.110 Application—Determination of necessity.

A. Whenever a property owner is desirous of obtaining water service, an application shall be made to the Public Works Director for water service.

B. The Public Works Director shall determine the closest adequate water main and, if an extension is necessary, indicate the size of the main to be extended, and the limits of the extension.

13.08.120 Applicant's obligation.

Whenever the Public Works Director determines that a water main extension is necessary, the applicant will be required to install at his own expense the water main extension in accordance

with engineering plans furnished by applicant and approved by the Public Works Director. The plans shall be prepared in accordance with the current city design standards and this article.

13.08.130 Mains to extend full frontage.

In every case where a water main is to be tapped to serve a parcel, the same shall be extended the full frontage of the parcel, including any crossings required in the city master water plan.

13.08.140 Minimum size.

The minimum size water main shall have a nominal inside diameter of six inches except as approved by the Public Works Director in accordance with the city public improvement design standards. In areas zoned or master planned for commercial and industrial uses, the minimum size shall be eight inches in diameter. Larger size mains may be required as determined by the Public Works Director from the city master water plan.

13.08.150 Fire hydrants.

The installation of fire hydrants or provisions for fire hydrants shall be included in any main extension and the cost of such hydrants shall be paid for by the applicant. Fire hydrant location and type shall be as approved by the Fire Chief.

13.08.160 Oversized mains.

Whenever the city requires that a water main larger than eight inches in diameter be installed in order to serve additional property or to conform to the water master plan, the applicant may apply for reimbursement from the benefiting properties that are served by the oversized pipe. A reimbursement application for the difference in cost between the actual water main to be constructed and an eight-inch diameter water main may be obtained through the city. The reimbursement shall be made in accordance with section 17.62.050 of this code.

13.08.170 Testing of approved backflow prevention assemblies.

A. The customer is responsible for the cost of and scheduling arrangements for an annual testing and inspection of the approved backflow prevention assembly by the following method:

1. Testing by certified tester. Customers shall use a certified tester to inspect and test an approved backflow prevention assembly at least once per year. The results of the test shall be reported to the City within thirty (30) days of the completion of the test. Annual test results shall be due no later than September 30th of each calendar year.

B. Should a customer fail to comply with the annual testing procedure by September 30th, the City may arrange for testing of the assembly by a licensed contractor and the customer will be billed for the cost of such testing plus a fifteen (15%) percent administrative fee with his regular monthly water bill, which shall be due and payable in full within thirty (30) days of receipt of bill.

C. Assemblies which fail to pass inspection and testing by private certified testers shall be repaired and maintained in accordance with section 13.08.180 of this article. The customer shall bear the cost of repairs and additional testing if his device fails a test. The City reserves the right

to require more frequent testing or to perform additional testing by City personnel when, in the opinion of the Director, it is necessary for the protection of public health and safety.

13.08.180 Maintenance and repair of approved backflow prevention assemblies

A. The customer shall be responsible for the maintenance and repair of the approved backflow prevention assembly. The customer shall at all times maintain the assembly in proper working order as a condition of continued water service. If an approved backflow prevention assembly should fail to pass inspection and testing pursuant to section 13.08.170 of this article, the customer shall within thirty (30) days after written notification of results provide for the repair of the assembly by the following method:

1. Repair by private personnel. Backflow prevention assemblies shall be repaired by private personnel. Repairs and satisfactory re-testing of the assemblies by a certified tester shall be documented and submitted on an approved form to the City. Failure by the customer to repair an approved backflow prevention assembly within thirty (30) days of being notified by the City in writing shall result in the termination of water service.

B. Water service will be restored upon presentation of the approved form showing that the necessary repairs and successful re-testing have been done.

Article III. - Water Conservation

13.08.220 Waste.

The waste of water is prohibited and any waste shall make the person subject to the provisions of this article.

13.08.230 Defined.

"Waste of water" includes but is not limited to any of the following acts or omissions, whether willful or negligent:

A. Failure to repair or correct a controllable leak or discharge of water, excessive overspray, and/or low head fixture leakage that results in the flow of water to an impervious surface;

B. The watering of lawns, flower beds, landscaping, ornamental plants or gardens on days or at times other than those allowed in Section 13.08.240 of this article;

C. Washing of sidewalks, driveways, parking areas, tennis courts, patios, streets or other exterior paved areas or buildings except when required to remove any spillage of substances that may be a danger to public health or safety;

D. Washing with water any motor vehicles, trailers or movable equipment other than with a bucket and rinsing the vehicle or equipment by use of a hose for not more than three minutes;

E. Use of a hose without a positive shut off nozzle;

F. The excess watering of any area so that water flows into a gutter or any drainage area;

G. The unnecessary running of water in any residential, commercial or industrial establishment onto the floor, pavement, ground or into any drain or drainage area, with any equipment or in any way;

H. Watering of lawns or landscapes during or within 48 hours following a measurable rain.

I. Operation of a water fountain or other decorative water feature that does not use recirculated water.

13.08.240 Watering days/hours.

A. Days. The watering of lawns, flower beds, landscaping, ornamental plants or gardens throughout the year shall be allowed as follows:

1. Premises having odd numbered street addresses on Wednesday, Friday and Sunday;

2. Premises having even numbered street addresses on Tuesday, Thursday, and Saturday.

3. No watering will be allowed on Mondays.

B. Hours. Watering of lawns, flower beds, landscaping, ornamental plants or gardens shall not be allowed at any hour between the hours of ten a.m. and six p.m.

C. City owned Parks, due to their size and use patterns, are exempt only from the provisions of Section 13.08.240(A) and 13.08.240(B) of this code.

D. Upon city declaration of a local water shortage or a State of Emergency declared by the Governor concerning California's water supplies, the Public Works Director or designee may impose revised and/or additional water conservation measures on residential, commercial, and industrial water users. No person shall use, or cause to be used, city water in violation of such limitations. Violations of revised and/or additional conservation measures imposed under this section are punishable as a misdemeanor.

13.08.250 Enforcement procedures.

A. Whenever the city becomes aware of a waste of water, the city shall notify the person at the premises where the waste of water occurred by delivering an information sheet. The information sheet shall describe the waste of water in order that it be corrected, cured or abated immediately or within 72 hours. In addition, the information sheet may be given to any other person known to the city who is responsible for that waste of water or the correction thereof and may be delivered to the premises every time a waste of water occurs. Additionally, a written notice stating the date(s), time(s) and type(s) of water waste shall be delivered to the person who regularly receives the utility bill for the premises where the wasting occurred.

B. In the event of a second waste of water within a consecutive twelve month period, the city will send a written notice assessing a surcharge in an amount determined from time to time by City Council Resolution, and the surcharge shall be added to the next monthly utility bill for the property on which the waste of water occurred.

C. In the event of a third waste of water within twelve months of any previous waste of water, a written notice will be mailed assessing a surcharge in an amount determined from time

to time by City Council Resolution and the surcharge shall be added to the next monthly utility bill for the property on which the waste of water occurred..

D. In the event of a fourth waste of water within twelve months of any previous waste of water, a written notice will be mailed assessing a surcharge in an amount determined from time to time by City Council Resolution, and the surcharge shall be added to the next monthly utility bill for the property on which the waste of water occurred.

E. In the event of a fifth waste of water within twelve months of any previous waste of water, a written notice will be mailed assessing a surcharge in an amount determined from time to time by City Council Resolution, and the surcharge shall be added to the next monthly utility bill for the property on which the waste of water occurred. If the property is not already metered, the city may also require the owner or user to pay for the cost of installation of a water meter service as a prerequisite to continuing water service. The city may also install a flow restriction device on the water service and require the owner or user to pay for the costs of installation and/or removal.

F. In the event of any subsequent waste of water within twelve months of any previous waste of water, the city may disconnect a customer's water service for willful violations of restrictions in this chapter, in addition to assessing a surcharge in an amount to be determined from time to time by City Council Resolution. The property owner or user will be required to pay all outstanding utility charges, fees, penalties and surcharges, in addition to a reconnection charge in an amount to be determined from time to time by City Council Resolution, prior to reconnection of water services.

13.08.260 Strict application.

If the Public Works Director or designee determines the strict application of any of the provisions of this article may cause undue hardship or public health and safety risk, or if other special circumstances exist, the strict application of this article may be waived. Requests for relief under this article must be received by the city at least 24 hours prior to special circumstances. Special circumstances would include, but not be limited to: newly planted areas, newly seeded areas, washing down after cement work and pressure washing a building before painting. The decision of the Public Works Director may be appealed to the City Council as described in Section 13.08.270 of this article.

13.08.270 Appeals.

If the ruling made by the Public Works Director or designee is unsatisfactory to the person requesting consideration, the person may, file an appeal directed to the City Manager or designee, whose decision may, upon request be subject to final review by the City Council. The Public Works Director or designee's decision, action or determination shall remain in effect during such period of reconsideration except that any surcharges assessed under this article will be stayed until the City Council has made its decision. Decisions of the City Council are final.

13.08.280 Violation—Infraction.

In addition to the administrative enforcement procedures and surcharges set forth in this article, each violation of this article may be punishable as an infraction.

13.08.290 Emergency water conservation—Purpose.

The purpose of emergency water conservation is to assist meeting water pressure and/or supply demands when the water system cannot or may not be adequate and the failure to meet

such demands may result in harm to the water system and/or jeopardize the health and safety of the public. In addition, emergency water conservation serves to protect water supplies during drought conditions. The Public Works Director or designee shall determine the degree of emergency and determine what additional restrictions of water use or other appropriate actions must be taken to protect the water system, supply demands, and the citizens of Lodi.

SECTION 3. No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

SECTION 4. Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

SECTION 5. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

SECTION 6. Effective Date and Publication. This Ordinance shall take effect thirty (30) days after its adoption. In lieu of publication of the full text of the ordinance within fifteen (15) days after its passage, a summary of the ordinance may be published at least five (5) days prior to and fifteen (15) days after adoption by the City Council, and a certified copy shall be posted in the office of the City Clerk pursuant to Government Code section 36933(c)(1).

Approved this _____ day of _____, 2015

_____
BOB JOHNSON
MAYOR

ATTEST:

JENNIFER M. FERRAIOLO
City Clerk

State of California
County of San Joaquin, ss.

I, Jennifer M. Ferraiolo, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1917 was introduced at a regular meeting of the City Council of the City of Lodi held November 4, 2015, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held _____, 2015, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

I further certify that Ordinance No. 1917 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

JENNIFER M. FERRAIOLO
City Clerk

Approved as to Form:

JANICE D. MAGDICH
City Attorney