

**LODI CITY COUNCIL  
SHIRTSLEEVE SESSION  
CARNEGIE FORUM, 305 WEST PINE STREET  
TUESDAY, FEBRUARY 23, 2016**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, February 23, 2016, commencing at 7:03 a.m.

Present: Council Member Mounce, Council Member Nakanishi, Mayor Pro Tempore Kuehne, and Mayor Chandler

Absent: Council Member Johnson

Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

B. Topic(s)

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

Neighborhood Services Manager Joseph Wood provided a PowerPoint presentation regarding the 2016/17 Community Development Block Grant (CDBG) Program and 2014-2018 Consolidated Plan. Specific topics of discussion included the 2015/17 Annual Action Plan, process, Community-Based Organization (CBO) applicants, public service cap, primary goals, review of Years 1 and 2, planning for Year 3, opportunities to make progress, and schedule.

In response to Council Member Mounce, Mr. Wood confirmed that all funds for graffiti abatement were used in the target area, i.e. low-income neighborhoods. Council Member Mounce stated this program has been instrumental in battling graffiti on the east side and she does not want to see the program eliminated or reduced. Mr. Wood stated that Public Works has assured him that the loss of graffiti abatement funding, which instead went toward funding the full-time Gang Reduction, Intervention, and Prevention (GRIP) position, would not negatively impact the graffiti abatement program.

In response to Council Member Mounce, Mr. Wood reviewed the primary goals of the CDBG Program, stating that it is a requirement that they be followed. Council Member Mounce stated there was a time, prior to the implementation of the 60 percent and 40 percent split for City projects and CBO projects respectively, that Council did not adhere to the goals, adding that the funds were used for different purposes, which negatively affected the east side of town.

Council Member Mounce pointed out that Senator de Leon proposed an initiative that would designate funds from the 1 percent millionaire tax for homeless housing and mental health services, and she suggested Mr. Wood look into the legislation. She stated that the League of California Cities supports this bill as it meets one of its 2016 strategic goals relating to affordable housing. Mr. Wood added that it is likely the Tienda Drive senior housing project may be awarded Mental Health Services Act funding.

In response to Council Member Mounce, Mr. Wood stated that the proposed Salvation Army transitional housing project will be located at 4 West Vine Street, on the corner of Vine and Sacramento Streets, and would accommodate roughly six residents. This project is in the initial stages, and he assured that the effort will include outreach to the neighborhood. Council Member Mounce requested that, if neighbors have concerns about the project, she be given an opportunity to speak to them as she has had a positive experience with transitional housing and apartment complexes in her neighborhood.

In response to Council Member Nakanishi, Mr. Wood explained that transitional housing is short-

term shelter for those transitioning out of emergency shelters and ultimately into a permanent, stable housing environment on their own. City Manager Schwabauer added that State law preempted cities from regulating transitional housing out of residential areas. With regard to group homes, Mr. Schwabauer explained that the residents are typically those with mental disabilities or other issues who will never transition out of the home. For that reason, group homes have broader terms than transitional homes.

Council Member Mounce pointed out that transitional housing must go through strict State licensing requirements and that any complaints would be handled by the State.

Mayor Chandler questioned if the Salvation Army project would be supervised and administered by its staff, to which Mr. Wood stated that he was uncertain as the project is still in the early stages. Mr. Schwabauer stated he believed it would be similar to the Shelter with 24/7 on-site supervision.

In response to Council Member Mounce, Mr. Wood stated that \$325,000 in CDBG funding was set aside for Public Works infrastructure projects, but those efforts will not be underway for another year, which puts the funding in jeopardy as the State Department of Housing and Urban Development (HUD) views a remaining balance of more than 1.5 times the allocation as a timeliness issue. It was determined that the reasonable solution was to put those CDBG funds toward affordable housing activities and designate Public Works funds to handle infrastructure projects. Council Member Mounce stressed that those projects not be forgotten because the City must continue to invest in east side infrastructure. At the request of Mr. Schwabauer, Mr. Wood listed the upcoming Public Works infrastructure improvement projects: the north/south alley between School and Sacramento Streets, which runs behind Grace and Mercy Charitable Foundation; the remaining alleys on the east side; and Americans with Disabilities Act improvements at Hutchins Street Square, as well as along Cherokee Lane.

In response to Myrna Wetzel, Mr. Wood explained that, to the best of his knowledge, a "HUD house" is likely a foreclosed property in which the note was held by HUD versus a bank. Mr. Schwabauer added that this is not a term used by the City and agreed that it likely relates to subsidized housing by HUD, in which it is attempting to re-sell the home to recover the affordable housing loan. He further explained that Fannie Mae and Freddy Mac loans are different because they are backed by the Federal government.

In further response to Ms. Wetzel, Mr. Schwabauer reported back regarding her question from the last Shirtsleeve Session that the City does have a rebate program on rain barrels and he provided her with the necessary paperwork.

Captain Martin Ross with the Lodi Salvation Army thanked Council for considering its request for CDBG funding for the third year of its tutoring and mentoring program, adding that the new Business Manager will represent the Army at the March 16, 2016 public hearing. With regard to the affordable housing project, Captain Ross stated that the Lodi Salvation Army Advisory Board approved the concept and that Headquarters is equally excited about the project. He anticipated that the project will be complete in late 2016 or early 2017. He invited Council to attend the Lodi Salvation Army annual dinner on March 21, 2016, at which he, along with Pat Patrick with the Chamber of Commerce and John Ledbetter with the Lodi Community Foundation, will make a presentation on workforce development. Captain Ross provided a general overview of the presentation, which will highlight the Job Corps, Association of Builders and Contractors, Pacific Coast Producers, and Lodi Memorial Hospital. He further stated that Bethel Church is sponsoring a duplex and a family has been placed in the living quarters, adding that businesses, government, industries, and churches are another source to consider for housing purposes. Captain Ross announced that the Love Lodi event will take place on April 9 and t-shirts are on sale for \$5.

In response to Council Member Mounce, Captain Ross stated that, through the homeless fairs, he discovered that participants in adult rehabilitation programs are age-exempt from many of the restrictions of the Job Corps because it is recognized that they are typically a more mature group of individuals who are eager to re-join the workforce. He explained there are obligations on those placed in transitional housing: some are required to pay a small fee, while the

Bethel Church program requires the resident save 30 percent of income.

In response to Mayor Chandler, Captain Ross stated that multiple individuals will reside at the transitional housing project to self-monitor the site and residents will be required to complete a thorough program and meet set criteria before moving in. Additionally, drug testing will be conducted three times a week versus once or twice a week.

Dale Gillespie, LOEL Foundation board member, expressed support for the LOEL's CDBG request for its Meals on Wheels Program. The kitchen remodel took a combined effort of the LOEL board, donations, San Joaquin County, and City to come to fruition. LOEL feeds 100 seniors daily, and the kitchen is utilized five to six days each week. The goal is to implement a Meals on Wheels Program for serving of hot meals three days a week that would collaborate with the County's program, which provides frozen meals to seniors. Mr. Gillespie anticipates that the program would begin no later than April 1, 2016.

In response to Council Member Nakanishi, Mr. Wood stated that the alleys would be improved as part of Public Works infrastructure projects and that those that cannot be completed would be done with CDBG funding. The Lodi Improvement Committee identified the alley he mentioned previously, but there are four to five more that need improvements. In further response, Mr. Wood stated that few cities have alleys, but Lodi is doing well with infrastructure and capital improvements in the target area.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 8:01 a.m.

ATTEST:

Jennifer M. Ferraiolo  
City Clerk