



Community Benefits Incentive Discount

City Council Public Hearing

February 18, 2026



BACKGROUND – COMMUNITY BENEFITS INCENTIVE DISCOUNT(CBID)

- CBID adopted in 1996
 - 30 percent discount on monthly electric charges
 - Qualifications include 501(c)(3) status and CDBG recipient status within past 2 years
- To encourage development and continued operation of organizations providing wide spectrum of direct benefits to the community
- Never anticipated to be fiscally neutral or positive
- Approximately 14 entities currently receiving discount
 - 5 ineligible under current criteria
- Cost = less than \$30,000 annually

CURRENT SITUATION

- City Council received presentation in October 2025 regarding eligibility and funding source challenges
- Direction provided to staff to change funding source to Public Benefits and amend applicable rate schedules (G1 and G2) in Lodi Municipal Code to:
 - Clarify criteria to meet new funding source requirements for low-income assistance
 - Broaden criteria to meet intent of assisting organizations providing direct benefits to the community

PROPOSED ORDINANCE CHANGES

- Removal of requirement regarding CDBG recipient status
- Proof of IRS recognized 501(c)(3) status
- Certification that non-profit serves low-income and/or disadvantaged community
 - At or below 60% of median income (consistent with other LEU income based programs)
 - Populations residing in DACs as determined by CalEnviroScreen
- Certification that non-profit is not barred/suspended from federal assistance programs
- Proof that eligible entity is in good standing with CA Secretary of State
- Annual eligibility review

TIMELINE

- February 2026 – Public Hearing / Introduction of Ordinance
- March 2026 – Ordinance Adoption
 - LEU will work with CDD staff to reach out to non-profits and community organizations – including existing discount recipients
 - LEU will conduct outreach accordingly
 - Post at Library, City Hall and Finance
 - Add information to website and social media
- April 2026 – Effective Date of Ordinance
 - LEU will begin accepting applications

NEXT STEPS AND RECOMMENDATION

- QUESTIONS
- OPEN PUBLIC HEARING AND RECEIVE COMMENT
- INTRODUCE ORDINANCE REVISING LODI MUNICIPAL CODE, SECTION 13.20.240 SCHEDULE G1—GENERAL SERVICE—GROUP 1 COMMERCIAL/INDUSTRIAL AND SECTION 13.20.250 SCHEDULE G2—GENERAL SERVICE—GROUP 2 COMMERCIAL/INDUSTRIAL