

Resolution No.

# STOCKTON CITY COUNCIL

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## RESOLUTION APPROVING THE AMENDMENT TO THE 2022 AFFORDABLE HOUSING LOAN PROGRAM ALLOCATION

The City of Stockton (City) has received funding from the U.S. Department of Housing and Urban Development (HUD) under the HOME Investment Partnerships Program, the American Rescue Plan Act (ARPA), and the Neighborhood Stabilization Program (NSP), as well as from the California Department of Housing and Community Development (HCD) under the Permanent Local Housing Allocation (PLHA) program; and

On December 17, 2021, the City issued a Notice of Funding Availability (NOFA) to notify interested parties of the availability of approximately \$10.4 million of funds for affordable housing projects, including permanent housing for the homeless, and \$515,916 of reallocated unutilized prior round NOFA funding; and

Seven applications were received and evaluated by City staff and an affordable housing consultant, who together prepared funding recommendations, listed on Exhibit 1, attached hereto and incorporated herein by this reference; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The City Council hereby approves the funding recommendations listed on Exhibit 1, incorporated by this reference, and the City Manager is authorized to adjust the source of funds among those projects listed on Exhibit 1.

2. The City Council hereby approves loans for seven (7) affordable housing developments, provided that, as a condition of funding, the borrower has demonstrated to the City Manager's, or designee's, satisfaction that project cash flow is forecasted to be positive for twenty years, that the annual net operating income will exceed debt service by 1.10, and that for each project, the funding commitments will expire after two years unless the developer has commenced construction:

- a. \$1,426,107 to Delta Community Developers Corp. (Housing Authority of the County of San Joaquin) for the 38-unit Sonora Square Apartment project;
- b. \$2,225,858 to Delta Community Developers Corp. (Housing Authority of the County of San Joaquin) for the 74-unit Sierra Vista Apartments Phase III project;

- c. \$600,000 to Visionary Home Builders for the 72-unit Casa de Mariposa project;
- d. \$2,227,632 to Delta Community Developers Corp. (Housing Authority of the County of San Joaquin) for the 51-unit Park Center Apartments project;
- e. \$2,242,609 to Service First of Northern California for the 105-unit Fontana Towers project;
- f. \$770,000 to Visionary Home Builders for the 75-unit Grand View Village Apartment project; and
- g. \$816,821 to the Central Valley Low Income Housing Corp. and Stocktonians Taking Action to Neutralize Drugs (STAND) for the 30-unit Shared Housing Infill Project for the Homeless.

3. The City Council authorizes the appropriation of \$5.74 million of HOME-ARPA funds, \$1,980,476 of HOME funds, \$1,625,858 in PLHA funds, and \$840,168 in HHAP2 funds, housing loans for seven (7) development projects.

4. The City Council authorizes the reallocation of \$396,000 in HOME funds and \$119,916 of NSP funds that were previously awarded but not utilized for two projects and subsequently returned by Mutual Housing/APSARA and Visionary Home Builders, respectively.

5. The City Manager, or designee, is authorized to reallocate awarded HOME and HOME-ARPA funding not expended within the required commitment period to eligible projects that can meet the HUD timeliness requirement.

6. The City Manager is hereby authorized to take whatever actions are necessary and appropriate to carry out the purpose and intent of this Resolution, including the execution of loan documents.

PASSED, APPROVED, and ADOPTED September 27, 2022.

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KEVIN J. LINCOLN II  
Mayor of the City of Stockton

ATTEST:

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ELIZA R. GARZA, CMC  
City Clerk of the City of Stockton