

Resolution No.

# STOCKTON CITY COUNCIL

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## **ALLOCATION OF ARTICLE 34 LOW-INCOME HOUSING UNITS TO THE SATELLITE APARTMENTS, HARDING WAY APARTMENTS, AND CALAVERAS QUARTERS APARTMENTS**

Article XXXIV (Article 34) of the California Constitution requires voter approval of publicly assisted affordable housing projects. In 2018, voters of the City of Stockton gave the City Council the authority to approve up to 500 units per year; and

**Calaveras Quarters & Satellite Apartments May 2024.** On May 21, 2024, City Council approved Motion 2024-05-21-1212 to award Homeless Housing, Assistance and Prevention (HHAP) Round 3 and 4 funding to the Calaveras Quarters Apartments and Satellite Apartments projects. The approved motion stated that the Calaveras Quarters project would add 68 units of housing, and the Satellite Apartments would preserve 31 units of housing (30 affordable units, plus 1 manager's unit). The item did not include a recommendation to approve affordable housing pursuant to Article 34 of the California Constitution. This item seeks to retroactively approve the allocation of 68 units of affordable housing for Calaveras Quarters Apartments and 30 affordable housing units for Satellite Apartments, project pursuant to Article 34 of the California Constitution; and

**Satellite Apartments New Construction.** Since the allocation of HHAP funding to Satellite Apartments, the project developer, Delta Community Development Corporation (DCDC), seeks to add 24 units of housing by adding a new building ("Satellite New Construction") on the parking lot of the Satellite project site. The Satellite New Construction project is designed to provide stable, supportive homes for individuals with serious behavioral health conditions, including those with serious mental illness and substance use disorders, who are experiencing homelessness or are at risk of homelessness. Supported by the Behavioral Health Bridge Housing Program, with support from the County of San Joaquin Behavioral Health Services, the project aims to serve individuals experiencing homelessness who face serious behavioral health challenges that hinder their ability to access assistance and achieve stability. Through this item, DCDC is seeking approval of the 24 new units for the Satellite Apartments New Construction project, pursuant to Article 34 of the California Constitution. This will allow DCDC the ability to apply for state and/or federal financing to assist in the development of the project; and

**Harding Way Apartments Additional Units.** On October 1, 2024, City Council approved a resolution to allocate Pro-Housing Incentive Program (PIP) funding to the Harding Way Apartments project. At the time the project was approved by Council, the proposed project was designed as a 24-unit affordable housing project, which Council authorized pursuant to Article 34. The developer, DCDC, has since revised the unit mix and updated the project scope to add 9 new units of affordable housing. In total, Harding Way Apartments will add 33 new units of affordable housing. Through this item, DCDC is

seeking the approval of the 9 additional units for the Harding Way Apartments project, pursuant to Article 34 of the California Constitution. This will allow DCDC the ability to apply for state and/or federal financing to assist in the development of the project; and

The designation of the additional 131 affordable housing units detailed in this resolution, added to the already designated number of 147 units, creates a total of 278 units, well below the voter-approved allowable total of 500 units; now therefore,

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

The City Council hereby approves:

1. The allocation of 30 units of affordable housing for the Satellite Apartments rehab/conversion project.
2. The allocation of 24 new units of affordable housing for the Satellite Apartments New Construction project.
3. The allocation of an additional 9 new units of housing for the Harding Way Apartments rehab/conversion project.
4. The allocation of 68 units of affordable housing for the Calaveras Quarters Apartments rehab/conversion project.
5. The City Manager or designee is hereby authorized to execute all documents and take all necessary and appropriate actions to carry out the purpose and intent of the Resolution.

PASSED, APPROVED, and ADOPTED April 1, 2025.

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CHRISTINA FUGAZI  
Mayor of the City of Stockton

ATTEST:

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KATHERINE ROLAND, CMC, CPMC  
City Clerk of the City of Stockton