

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION APPROVING AN AMENDMENT TO THE LOANS FOR THE ANCHOR VILLAGE AND GRAND VIEW VILLAGE HOUSING PROJECTS TO ALLOW THE EXPENDITURE OF A PORTION OF THE CITY LOANS AND AN AMENDMENT TO THE CAL WEBER 40 PROJECT TO INCREASE THE LOAN BY \$525,000

On June 6, 2014, the City Council approved a \$2.5 million loan funded with HELP Program Income and HOME Investment Partnerships Program (HOME) funds to DFA Development LLC for the Cal Weber 40 project to assist in the renovation of two buildings in downtown Stockton into a mixed-use affordable housing project, located at 512 East Weber Avenue; and

After construction began, unplanned infrastructure costs exceeding \$1 million were incurred; and

Cal Weber Associates, LP, a limited partnership that assumed that loan from DFA Development LLC, wishes to borrow additional funds in the amount of \$525,000 to help off-set the unplanned costs; and

On June 9, 2015, through a Notice of Funding Availability (NOFA) process, the City Council approved loans to five affordable housing projects, including a \$1.2 Million loan of Bond Proceeds to Anchor Village, LP for Anchor Village, a 50 unit affordable housing project for Veterans and adults with mental illness, located at 601 North Hunter Street and a \$3,485,000 loan funded with HOME Investment Partnerships Act and Bond Proceeds to VCOR, LP for the Grand View Village project, a 108 unit mixed-use affordable housing project, located on a portion of the block bordered by Miner Avenue, Hunter Street, San Joaquin Street, and Channel Street; and

Both loans were approved contingent upon the developers obtaining all of the funding necessary to construct the projects; and

Neither project has obtained all of the funding but are making progress in their development; and

Anchor Village, LP requested authorization to spend up to \$600,000 of the approved City loan on predevelopment costs and VCOR, LP requested approval to spend \$971,000 to purchase 228 and 240 North Hunter Street; and

Upon completion, all the projects will provide affordable housing for households with incomes between 30 percent and 80 percent of the Area Median Income (AMI); now, therefore

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

1. The City Council hereby approves the amendment of the loan for the Anchor Village project to spend up to \$600,000 of the approved City loan on predevelopment costs.
2. The City Council hereby approves the amendment of the loan for the Grand View Village project to spend an additional \$971,000 to complete the acquisition of properties located at 228 and 240 North Hunter Street.
3. The City Council hereby approves an amendment to the loan for the Cal Weber 40 project to increase the loan by \$525,000 using Low-Moderate Income Housing Funds to partially off-set the unplanned costs.
4. The City Manager, or his designee, is authorized to execute all documents, including loan documents and subordination agreements, and to take actions necessary and appropriate to carry out the purpose and intent of the resolution.

PASSED, APPROVED, and ADOPTED June 7, 2016.

ANTHONY SILVA
Mayor of the City of Stockton

ATTEST:

BONNIE PAIGE
City Clerk of the City of Stockton