

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION DE-OBLIGATING HOME ENTITLED FUNDS FROM THE LA PASSEGGIATA APARTMENTS PROJECT AND ALLOCATING \$2.1 MILLION IN LOW-MODERATE-INCOME HOUSING FUND BALANCE TO THE PROJECT

Annually, the City of Stockton receives HOME Investment Partnership Entitlement (HOME) allocations from the U.S. Department of Housing and Urban Development (HUD). The objectives of the HOME Program are to provide decent, affordable housing to lower-income households, and strengthen the ability of local government and nonprofit organizations to meet local housing needs; and

The City Council allocated \$600,000 to the La Passeggiata project on June 22, 2021, following a competitive Notice of Funds Available (NOFA) process, released in December 2020; and

It is necessary to de-obligate HOME Investment Partnerships Program (HOME) Entitlement funds previously committed to La Passeggiata due to the project's inability to meet environmental requirements of the federal entitlement funds; and

La Passeggiata will consist of 94 modular, energy-efficient units with Green Point Rating Certification, through a master lease with the State of California. The multifamily development will be dedicated to housing families, individuals, and seniors with income levels ranging from 30 to 50 percent of the area's medium income (AMI); and

La Passeggiata has received the final approval and issuance for building permits and is scheduled to commence construction in May 2025; and

The need for affordable housing remains a critical priority within the City of Stockton and supporting this project will add an additional 94 units to the City's housing supply. As such, alternate funding has been identified; now, therefore,

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

1. Approving the de-obligation of \$600,000 awarded by Council on June 22, 2021 of HOME Investment Partnerships Program Entitlement funds from the La Passeggiata Apartments project.

2. Approving the allocation of \$2,100,000 from the Low-Moderate-Income Housing Fund (LMIHF) balance to the La Passeggiata Apartments project.

//
//

3. Authorizing the City Manager, or designee, to take actions that are necessary and appropriate to carry out the purpose and intent of the Resolution, including the execution of loan documents and the reallocation of funding sources.

PASSED, APPROVED, and ADOPTED April 29, 2025.

CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

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