

Resolution No.

2022-07-26-1505

STOCKTON CITY COUNCIL

RESOLUTION APPROVING 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 (excluding funding for pre-development expenditures):

- 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, with a maximum of 10% of city funding available for pre-development expenditures;
- 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, with a maximum of 10% of city funding available for pre-development expenditures;
- e. \$2,242,609 to Service First of Northern California for the 105-unit Fontana Towers project, with a maximum of 10% of city funding available for pre-development expenditures;
- 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, with a maximum of 10% of city funding available for pre-development expenditures.

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.

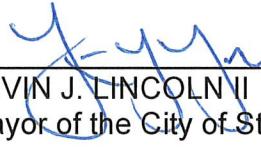
5. The City Manager, or designee, is authorized to reallocate awarded HOME and HOME-ARPA funding not expended within the required commitment period to eligible projects that can meet the HUD timeliness requirement.

6. The City Manager, or designee, 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 July 26, 2022.



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



KEVIN J. LINCOLN
Mayor of the City of Stockton

EXHIBIT 1
ATTACHMENT B
2022 AFFORDABLE HOUSING LOAN PROGRAM ALLOCATION

Project	# of Affordable Units	Development Cost Est.	Cost Per Affordable Unit	Prior City Funds Allocated	Funds Requested (this round)	Recommended City Funding	Source	Total City Funds Pending Approval
Sonora Square (New Construction/ Adaptive Re-use)	37	\$16,478,941	\$445,377	\$456,714	\$1,426,107	\$1,426,107	HOME-ARPA	\$1,882,821
Sierra Vista Apartments Phase III (New Construction/ Preservation)	73	\$38,130,907	\$522,341	\$2,393,286	\$2,743,345	\$1,370,000 <u>\$855,858</u> \$2,225,858	HOME-ARPA PLHA	\$4,619,144
Casa de Mariposa (New Construction)	71	\$34,909,086	\$491,677	\$0	\$600,000	\$600,000	HOME	\$600,000
Park-Center Apartments (New Construction/ Adaptive Re-use)	50	\$25,255,112	\$505,102	\$0	\$2,387,464	\$703,893 \$683,571 <u>\$840,168</u> \$2,227,632	HOME-ARPA HOME HHAP2	\$2,227,632
Fontana Towers (New Construction)	105	\$52,870,097	\$508,366	\$1,040,541	\$2,500,000	\$2,242,609	HOME-ARPA	\$3,283,150
Grand View Village (New Construction)	74	\$42,360,235	\$572,436	\$4,605,094	\$770,000	\$770,000	PLHA	\$5,375,094
Shared Housing Infill for Homeless (New Construction)	30	\$3,892,103	\$129,737	\$1,000,000	\$2,892,103	\$696,905 <u>\$119,916</u> \$816,821	HOME NSP	\$1,816,821
	439		\$453,577	\$9,495,635	\$13,319,019	\$10,309,027		\$19,964,494