

Resolution No. **2020-01-28-1401**

STOCKTON CITY COUNCIL

RESOLUTION APPROVING FIVE AFFORDABLE HOUSING LOANS AND ALLOCATING LOW-INCOME HOUSING UNITS PURSUANT TO ARTICLE XXXIV OF THE CALIFORNIA CONSTITUTION

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 and the Community Development Block Grant; and

In 2019 the Successor Agency to the former Redevelopment Agency of the City of Stockton (Successor Agency) made payments on outstanding loans to the City's Low- and Moderate-Income Housing fund (LMIHF) in the amount of \$665,114 which now makes these funds available for the City to allocate to affordable housing projects; and

On October 15, 2019, the City issued a Notice of Funding Availability (NOFA) to notify interested parties of the availability of approximately \$2.5 million of funds for affordable housing projects, and permanent housing for the homeless; and

Seven applications were received and evaluated by a selection committee and funding recommendations (Exhibit 1) were provided to the City Council on January 28, 2020 for approval; and

Authorization to amend the DCDC Housing First LLC for the Partnership in Housing for the Homeless project existing CDBG loan in the amount of \$735,000 from a 15-year forgivable loan to a 15-year Grant Agreement with a 55-year affordability covenant; and

Whereas Article XXXIV of the California Constitution (Article 34) requires a local election by voters to approve a low-income housing project when financed in whole or in part by the federal government or a state public body or to which the federal government or a state public body extends assistance by supplying all or part of the labor by guaranteeing the payment of liens or otherwise; and

In November 2018, an election was held, and voters gave the City Council authority to approve low-income housing projects and allocate up to 500 units per year for a twenty-year period; and

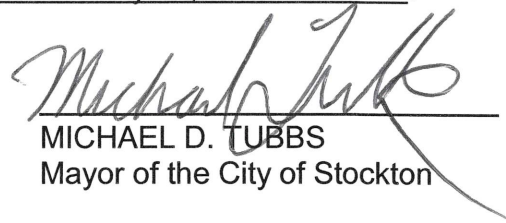
The Hunter House Development and the Partnership in Housing for the Homeless projects require approval under Article 34; now, therefore, approve the allocation of 152 low-income housing units to The Hunter House Apartments, the Partnership in Housing for the Homeless project, and the No Place Like Home (NPLH) homeless

housing development sponsored by DCDC and the Housing Authority pursuant to Article XXXIV of the California Constitution; 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, attached hereto and incorporated herein by this reference.
2. The City Council hereby approves, authorization to amend the DCDC Housing First LLC for the Partnership in Housing for the Homeless project existing CDBG loan in the amount of \$735,000 from a 15-year forgivable loan to a 15-year Grant Agreement with a 55-year affordability covenant.
3. The City Council hereby approves, pursuant to Article XXXIV of the California Constitution, the designation of 120 low-income housing units to The Hunter House Apartments, 13 low-income units to the Partnership in Housing for the Homeless projects, and 19 units for the No Place Like Home project.
4. The City Manager, or designee, is hereby authorized and directed to execute all appropriate documents, including loan documents and subordination agreements, and to take all necessary and appropriate actions to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED January 28, 2020.


MICHAEL D. TUBBS
Mayor of the City of Stockton

ATTEST:


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



2020 Affordable Housing Loan Program Allocation

Applicant	Project	# of Units	Est. Project Cost	Funds Requested	Proposed Funding	Source
DCDC Housing First LLC	Partnership in Housing for the Homeless	13	\$4,820,646	\$790,646	\$684,303 \$106,343	CHDO CDBG
Housing Authority	Sierra Vista Apartments Phase III	100	\$46,062,862	\$1,800,000	\$364,000 \$250,000	HOME LMIHF
Service First of Northern CA	The Hunter House	120	\$55,060,136	\$1,800,000	\$540,000	HOME
Mutual Housing CA & APSARA	Park Village Apartments	208	\$39,410,527	\$1,800,000	\$396,000	HOME
DFA Medici Associates LP	Medici Artist Lofts	34	\$16,490,572	\$1,510,345 <i>(request later reduced to \$500,000)</i>	\$250,000	LMIHF
TOTAL				\$7,700,991	\$2,590,646	