

2024 AFFORDABLE HOUSING NOFA LOAN AWARDS

Stockton City Council
November 19, 2024
Agenda Item 15.5

Background

- Notice of Funding Availability (NOFA) – January 29, 2024
 - Approximately \$16.1 million – Affordable Housing Program funds (HOME, HOME-ARP, PLHA3, PIP, HHAP 3&4)
- 11 affordable housing applications received
 - Total Request: \$52.5 million
 - Due to imminent HHAP 3&4 funding commitment deadlines, EDD expedited review for HHAP eligible projects. Two of the 11 proposed projects approved by Council on May 21, 2024.
 - Three additional projects are being recommended for funding via this item.
 - Projects are consistent with City's housing goals & 5-year Consolidated Plan.

Project Review/Selection Process

- Project Review:

- EDD staff reviewed all applications, conducted underwriting analysis, followed by an interview process of the top scoring projects
- Project interview was conducted by EDD staff and San Joaquin County partner agency subject matter experts

- Project Proposal Factors Considered

- Staff must consider stringent regulations imposed by its state/federal funding agencies – must conduct risk assessment of each applicant/project proposal
- Developer Experience & Capacity (ability to comply w/ funding requirements)
- Financial Efficiency & Leveraging (City/non-City funds)
- Project Readiness
- Project Features
- Past Performance

Project Recommendations

Fairview Terrace Apartments

- Applicant(s): Mutual Housing California/STAND
- Address: 2222 S. Airport Way, Stockton CA (D6)
- 76-unit multi-family Senior rental housing development targeting households with incomes 30-80% AMI
- \$7,037,865 recommended allocation for construction costs
- Extremely innovative positive-net energy design that will far exceed 2022 Title 24 energy standards
- Est. Project Cost: \$38 million. Leveraged w/ \$31 million of Low-Income Housing Tax Credits, and non-City capital funds
- COS entitlement approval August 2023



Project Recommendations, continued

Kentfield Apartments

- Applicant(s): Bridge Housing Corporation
- Address: 4545 Kentfield Road, Stockton CA (D2)
- Existing 90-unit multi-family rental housing development targeting households with incomes 50-60% AMI
- \$1,126,893.25 recommended allocation for rehabilitation costs
- Est. Project Cost: \$2.3 million. Applicant will use City funds to address the most essential renovation items.



Project Recommendations, continued

Casa de Mariposa

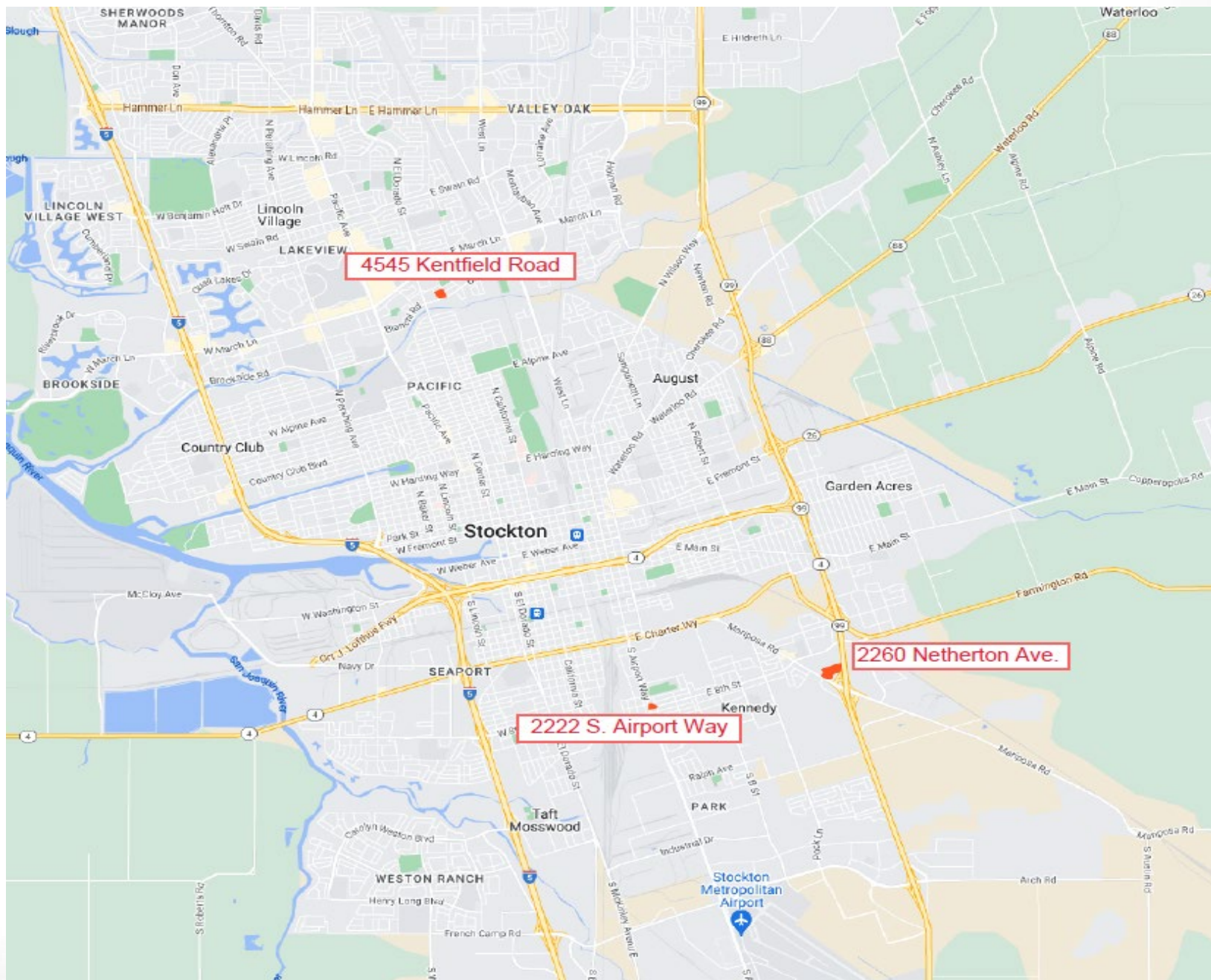
- Applicant: Visionary Home Builders of California, Inc
- Address: 2260 Netherton Avenue, Stockton CA (D6)
- 72-unit affordable multi-family project
 - Units will target farm worker households w/ incomes between 30% and 80% AMI
 - \$747,055.12 recommended allocation for construction costs
 - Est. Project Cost: \$42.9 million Leveraged w/ \$42.2 million of other federal & non-City capital funds



2024 NOFA LOAN AWARDS

Project/Developer	Proposed # of Units	Funding Request	Recommended Amount/Source
Fairview Terrace Apartments 2222 S. Airport Way (D6) Mutual Housing California	76	\$7,037,865	\$7,037,865 HOME
Kentfield Apartments 4545 Kentfield Rd (D2) Bridge Housing Corp.	90 (Existing)	\$2,354,017	\$1,126,893.25 PLHA3 & LMIHF
Casa de Mariposa (D6)	72	\$5,500,000	\$747,055.12 HOME CHDO
SUBTOTAL	148	\$14,891,882	\$8,911,813.37
May 21, 2024 Awards			
Calaveras Quarters 2654 W March Lane (D4) Delta Community Developers Corp	68	\$1,000,000	\$1,000,000 HHAP 3&4
Satellite Apartments 530 N. Stanislaus Street (D5) Delta Community Developers Corp	31	\$5,501,892	\$4,338,493.56 HHAP 3&4
TOTAL	247	\$21,393,774	\$14,250,306.93

Project Sites



Recommendations

Adopt a resolution:

1. Approving the following loans for three (3) affordable housing developments:
 - a. \$7,037,865 to Mutual Housing California for the development of the Fairview Terrace Apartments, a 76-housing unit project;
 - b. \$1,126,893.25 to Bridge Housing Corporation for the rehabilitation of the Kentfield Apartments, a 90-housing unit project;
 - c. \$747,055.12 to Visionary Home Builders of California Inc for the development of the Casa de Mariposa Apartments, a 72-housing unit project.
2. Authorizing the City Manager, or designee, to defund and reallocate awarded funding if any project is unable to meet the underwriting and general requirements of the NOFA including but not limited to deadlines related to securing of all other funding sources required for project construction and construction start deadlines. Funding to be reallocated to eligible projects that can meet the funding source agency timeliness and general requirements.
3. Authorizing the City Manager, or designee, to take actions that are necessary and appropriate to carry out the purpose and intent of this resolution, including the execution of loan documents and the reallocation of funding sources.