



Resolution of the Governing Body

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE GOVERNING BODY OF The City of Stockton  
SUPPORTING THE APPLICATION OF Visionary Home Builders of CA, Inc. FOR THE LOCAL  
GOVERNMENT MATCHING GRANTS PROGRAM; APPROVING La Passeggiata  
BUDGET FOR THE LOCAL GOVERNMENT MATCHING GRANTS PROGRAM**

**WHEREAS:**

- A. On January 15, 2019, Governor Gavin Newsom signed Executive Order No. N-06-19, which allows the production of Affordable housing on state-owned Excess Sites (“**Excess Sites**”). The Executive Order authorizes the Department of General Services (“**DGS**”) and the Department of Housing and Community Development (“**Department**”) to identify and prioritize Excess Sites for sustainable, cost-effective, and innovative multi-family Affordable housing projects.
- B. On 07/29/2020 **DGS and the Department selected** Visionary Home Builders of CA, Inc. to develop Affordable housing at 622 E Lindsay Street, Stockton, CA 95202 (La Passeggiata) (“**selected project**”) pursuant to Executive Order No. N-06-19.
- C. Chapter 111, Statutes of 2021 (Assembly Bill (AB) 140) makes several statutory changes for the purpose of implementing the housing and homelessness provisions of the Budget Act of 2021, which establishes the Excess Sites Local Government Matching Grants (“**LGMG**”) Program (hereafter, “**Program**”) to be administered by the Department.
- D. The Program was allocated up to \$30 million to provide funds for Predevelopment and Development Costs to selected projects that receive a financial contribution from a Local Government, as defined pursuant to Health and Safety Code section 50704.80(b). Funding for the Program is made available pursuant to Health and Safety Code section 50704.81(a)(2).
- E. The Department has issued a Notice of Funding Availability (“**NOFA**”), dated May 5, 2022, for the Program pursuant to Health and Safety Code section 50704.83(f).
- F. The Program requires contribution from The City of Stockton to La Passeggiata for Visionary Home Builders of CA, Inc. (“**Applicant**”) to apply for Program funds pursuant to Health and Safety Code section 50704.82. Towards that end, Applicant is submitting an Application for Program funds (“**Application**”) to the Department for review and consideration.



G. The Program requires a resolution from The City of Stockton pursuant to Health and Safety Code section 50704.82(b)(1)(A) approving the La Passeggiata budget, including all sources, and demonstrating the amount of Local Government Contribution to the Applicant for Predevelopment and Development Costs for La Passeggiata, and the requested amount from the Program.

**THEREFORE, IT IS RESOLVED THAT:**

1. The The City of Stockton supports Visionary Home Builders of CA, Inc. submitting an Application to the Department to receive Program funds for La Passeggiata to develop Affordable housing on the state-owned Excess Site.
2. The The City of Stockton is authorized to submit the approved La Passeggiata Project Budget (“**Attachment 1**”) and Anticipated and Committed Project Sources (“**Attachment 2**”) to the Applicant to include in their Application. Attachment 1 and Attachment 2 demonstrate the requested amount from the Program, \$10,000,000 that will be allocated to the Applicant, and all other sources for Predevelopment and Development Costs associated with the development of Affordable housing on the state-owned Excess Site.

Attachment 1: La Passeggiata Budget

Attachment 2: Anticipated and Committed Project Sources

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Stockton held on \_\_\_\_\_ by the following vote:

*Instruction: Fill in all four vote-count fields below. If none, indicate “0” for that field.*

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

\_\_\_\_\_

City Council



**STATE OF CALIFORNIA**

City Council of Stockton

I, \_\_\_\_\_, City Council Clerk of the City of Stockton,  
State of California, hereby certify the above and foregoing to be a full, true and correct  
copy of a resolution adopted by said City Council on this \_\_\_ day of  
\_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
\_\_\_\_\_, City Council Clerk of the City of \_\_\_\_\_ of  
Stockton, State of California

By: \_\_\_\_\_

***Note: The attesting officer cannot be the person identified in the Resolution as the authorized signer.***



## **ATTACHMENTS**

**Attachment 1: Project Budget**

**Attachment 2: Anticipated and Committed Project Sources**



## **Attachments**

**Attachment 1: Project Budget (from Program Application)**

**IV. SOURCES AND USES BUDGET - SECTION 1: SOURCE**

	<b>TOTAL PROJECT COST</b>
Land Cost or Value	\$0
Demolition	\$0
Legal	\$0
Land Lease Rent Prepayment	\$99
<b>Total Land Cost or Value</b>	<b>\$99</b>
Existing Improvements Value	\$0
Off-Site Improvements	\$2,011,369
<b>Total Acquisition Cost</b>	<b>\$2,011,369</b>
<b>Total Land Cost / Acquisition Cost</b>	<b>\$2,011,468</b>
Predevelopment Interest/Holding Cost	\$45,500
Assumed, Accrued Interest on Existing Debt (Rehabilitation/Acquisition)	\$0
Excess Purchase Price Over Appraisal	\$0
<b>REHABILITATION</b>	
Site Work	\$0
Structures	\$0
General Requirements	\$0
Contractor Overhead	\$0
Contractor Profit	\$0
Prevailing Wages	\$0
General Liability Insurance	\$0
Third-party Construction Management	\$0
Other: (Specify)	\$0
<b>Total Rehabilitation Costs</b>	<b>\$0</b>
<b>Total Relocation Expenses</b>	<b>\$0</b>
<b>NEW CONSTRUCTION</b>	
Site Work	\$0
Structures	\$37,200,000
General Requirements	\$2,976,000
Contractor Overhead	\$1,116,000
Contractor Profit	\$1,116,000
Prevailing Wages	\$0
General Liability Insurance	\$400,000
Third-party Construction Management	\$0
Other: (Specify)	\$0
<b>Total New Construction Costs</b>	<b>\$42,808,000</b>
<b>ARCHITECTURAL FEES</b>	
Design	\$1,178,020
Supervision	\$120,000
<b>Total Architectural Costs</b>	<b>\$1,298,020</b>
<b>Total Survey &amp; Engineering</b>	<b>\$400,421</b>
<b>CONSTRUCTION INTEREST &amp; FEES</b>	
Construction Loan Interest	\$3,438,157
Origination Fee	\$375,188
Credit Enhancement/Application Fee	\$45,000
Bond Premium	\$400,000
Cost of Issuance	\$203,918
Title & Recording	\$65,000
Taxes	\$0
Insurance	\$0
Other: (Loan Interest Tail)	\$386,109
<b>Total Construction Interest &amp; Fees</b>	<b>\$4,913,372</b>
<b>PERMANENT FINANCING</b>	
Loan Origination Fee	\$0
Credit Enhancement/Application Fee	\$0
Title & Recording	\$10,000

**IV. SOURCES AND USES BUDGET - SECTION 1: SOURCE**

	<b>TOTAL PROJECT COST</b>
Taxes	\$0
Insurance	\$0
Other: (Closing)	\$5,000
<b>Total Permanent Financing Costs</b>	<b>\$15,000</b>
<b>Subtotals Forward</b>	<b>\$51,491,781</b>
<b>LEGAL FEES AND THIRD-PARTY CONSULTING FEES</b>	
Lender Legal Paid by Applicant	\$50,000
Financial Consulting, Application Preparation/Review	\$135,000
Entitlement Services, Building Permit Expediting	\$0
Tenant File Review Services	\$0
Other: (Bond Counsel)	\$55,000
<b>Total Legal and Consulting Costs</b>	<b>\$240,000</b>
<b>RESERVES</b>	
Rent Reserves	\$0
Capitalized Rent Reserves	\$0
Required Capitalized Replacement Reserve	\$0
3-Month Operating Reserve	\$163,696
Other: (Specify)	\$0
<b>Total Reserve Costs</b>	<b>\$163,696</b>
<b>CONTINGENCY COSTS</b>	
Construction Hard Cost Contingency	\$2,260,968
Soft Cost Contingency	\$303,727
<b>Total Contingency Costs</b>	<b>\$2,564,695</b>
<b>OTHER PROJECT COSTS</b>	
CTCAC App/Allocation/Monitoring Fees	\$69,091
Environmental Audit	\$54,725
Local Development Impact Fees	\$0
Permit Processing Fees	\$1,080,000
Capital Fees	\$0
Marketing	\$100,000
Furnishings	\$150,000
Market Study	\$15,000
Accounting/Reimbursables	\$16,000
Appraisal Costs	\$20,125
Other: (Utility Connection Fees)	\$650,000
Other: (Prevailing Wage Monitor)	\$19,675
Insurance During Construction	\$281,950
<b>Total Other Costs</b>	<b>\$2,456,566</b>
<b>SUBTOTAL PROJECT COST</b>	<b>\$56,916,738</b>
<b>DEVELOPER COSTS</b>	
Developer Overhead/Profit	\$2,500,000
Processing Agent Fees	\$0
Broker Fees Paid to a Related Party	\$0
Construction Management by Developer	\$0
Other: (Specify)	\$0
<b>Total Developer Costs</b>	<b>\$2,500,000</b>
<b>TOTAL PROJECT COSTS</b>	<b>\$59,416,738</b>

