Resolution No. 05-0287

STOCKTON CITY COUNCIL

RESOLUTION 1) APPROVING A $2,090,388 HOME LOAN TO ASOCIACION CAMPESINA LAZARO CARDENAS, INC. (ACLC) FOR THE 70-UNIT MONTECITO TOWNHOMES MULTI-FAMILY UNITS TO BE LOCATED AT SHIMIZU DRIVE AND KINGSLAY AVENUE; AND 2) ALLOCATING AUTHORITY UNDER ARTICLE XXXIV OF THE CALIFORNIA CONSTITUTION FOR SEVENTY (70) LOW-INCOME HOUSING UNITS IN THE MONTECITO TOWNHOMES RENTAL UNITS IN MIDTOWN REDEVELOPMENT AREA; AND 3) AUTHORIZING CITY MANAGER TO EXECUTE ALL DOCUMENTS NECESSARY TO CARRY OUT THE PURPOSE AND INTENT OF THE RESOLUTION

WHEREAS, the City Council has focused attention and resources for the construction of low-income multi-family housing in the Mid-Town Redevelopment area, and

WHEREAS, ACLC has purchased the 3.98 acres of land at the southwest corner of Shimizu Drive and Kingsley Avenue in the Midtown Redevelopment Project area; and

WHEREAS, ACLC intends to construct 70 units of low-income housing that count towards the City and the Redevelopment Agency’s housing goals; and

WHEREAS, the proposed 70-unit project complies with the National Environmental Policy Act and the California Environmental Quality Act, and the City of Stockton General Plan Housing Element; and

WHEREAS, Article XXXIV of the California Constitution ("Article 34") requires a local election by voters to approve 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

WHEREAS, in the election March 7, 2000, local voters gave the City Council of the City of Stockton ("City") authority to approve low-income housing projects and allocate up to 500 units per year for a ten-year period; and

WHEREAS, ACLC obtained a Conditional Use Permit from the City for the Montecito Townhomes multi-family project, which will consist of 35 two-bedroom, 21 three-bedroom, and 13 four-bedroom units of low-income housing restricted to tenants earning between 30-60 percent of the area’s median income, as determined by the U.S. Department of Housing and Urban Development, plus 1 two-bedroom manager’s unit; and
WHEREAS, the developer of Montecito Townhomes is applying for 9 percent federal tax credits as an affordable housing project, ACLC must obtain Article 34 authority from the City for allocation of the seventy (70) low-income units for the Montecito Townhomes; now, therefore,

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

1. The City Council Hereby approves the $2,090,388 55-year loan, 3% simple interest, repaid through residual receipts with a 50/50 split, between the City and the Developer; and

2. The City Council hereby approves, pursuant to Article 34 of the California Constitution, the designation of seventy (70) low-income housing units to provide housing to low-income households, and

3. The Council hereby authorizes the City Manager to execute all related documents, approved as to form by the City Attorney.

PASSED, APPROVED and ADOPTED_________ JUN 28 2005______

EDWARD J. CHAVEZ, Mayor
of the City of Stockton

ATTEST:

KATHERINE GONG MEISSNER
Clerk of the City of Stockton