

# Agenda Report

April 14, 2025

**TO:** Honorable Mayor and City Council

**THROUGH:** Finance Committee

**FROM:** Department of Housing

**SUBJECT:** **AMEND THE HOUSING DEPARTMENT'S FISCAL YEAR 2025 OPERATING BUDGET BY RE-APPROPRIATING \$1,403,121 FOR THE DOOR OF HOPE DAVID AND KATHERINE LEE HOME TRANSITIONAL HOUSING PROJECT**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") in accordance with Section 15061(b)(3), the "common sense" provision that CEQA only applies to projects that may have an effect on the environment; and
2. Amend the Department of Housing's Fiscal Year (FY) 2025 Operating Budget by re-appropriating \$203,121 in the Low and Moderate Income Housing Trust Fund (237) and \$1,200,000 in the Inclusionary Housing Trust Fund (239) for the Door of Hope David and Katherine Lee Home transitional housing project .

## **BACKGROUND:**

At its regular meeting of February 26, 2024, the City Council approved the key business terms of an Affordable Housing Loan Agreement (Agreement No. 32870, the "Loan Agreement") with Door of Hope ("Developer") for the proposed development of the David and Katherine Lee Home located at 724 N. Marengo Avenue, a transitional housing development to serve 20 unhoused persons or families (the "Project"). The Council action included an appropriation of funds to the Project, including \$203,121 of Low and Moderate Income Housing Trust Funds and \$1,200,000 of Inclusionary Housing Trust Funds.

The building permit for the Project is expected to be issued during the week of April 7, 2025, with construction to commence shortly thereafter. Council approval of the

recommended action is required so that the City funds can be made available to the Developer for the Project pursuant to the Loan Agreement.

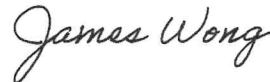
**COUNCIL POLICY CONSIDERATION:**

The City Council's strategic planning goal of maintaining fiscal responsibility and stability will be advanced by implementing the subject budget amendment.

**FISCAL IMPACT:**

Approval of the recommended action will amend the Housing Department's FY 2025 Operating Budget by re-appropriating a total of \$1,403,121 which is comprised of \$203,121 in the Low and Moderate Income Housing Trust Fund (237) and \$1,200,000 in the Inclusionary Housing Trust Fund (239) for the Door of Hope David and Katherine Lee Home transitional housing project. Both funds (237 and 239) have sufficient fund balances for the recommended action.


Respectfully submitted,



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JAMES WONG  
Director of Housing

Prepared by:



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James Wong  
Director of Housing

Approved by:



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MIGUEL MÁRQUEZ  
City Manager