

RESOLUTION NO. 2026-YYYY

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS AUTHORIZING APPROPRIATION OF CITY AFFORDABLE HOUSING IN-LIEU FUNDS UP TO THE MAXIMUM SALES PRICE TO COMPLETE A CITY PURCHASE OF A PROPERTY IN DEFAULT UNDER AFFORDABLE HOUSING REGULATORY AGREEMENTS, SPECIFICALLY LOANS DAP2-007 AND SMAHP-M-010

WHEREAS, the City of San Marcos administers affordable homeownership programs, including the CalHOME Down Payment Assistance Program (DAP) and the San Marcos Affordable Housing Program (SMAHP), both of which impose long-term affordability, occupancy, and resale restrictions on participating properties; and

WHEREAS, the properties associated with DAP2-007 and SMAHP-M-010 are in default under their respective regulatory agreements due to violations of program requirements; and

WHEREAS, the City's recorded affordability covenants include a purchase option allowing the City to acquire a defaulted property at or below the maximum restricted sales price; and

WHEREAS, exercising the City's purchase option for DAP2-007 or SMAHP-M-010 may require immediate expenditure of funds beyond the City Manager's signing authority; and

WHEREAS, City Affordable Housing In-Lieu funds are designated and available for supporting affordable housing preservation and may be appropriated to complete such purchases.

WHEREAS, the City Council finds that authorizing appropriation of such funds as needed will streamline administration, ensure timely acquisition, and maintain long-term affordability.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of San Marcos that:

1. The City Manager or designee is authorized to utilize and appropriate City Affordable Housing In-Lieu funds up to the maximum sales price established in the applicable regulatory agreement for properties associated with DAP2-007 and SMAPH-M-010.
2. The City Manager or designee is further authorized to negotiate and execute all documents necessary to complete such a purchase without returning to Council for further authorization; and
3. Any acquired property shall be retained or resold in accordance with affordability requirements to preserve long-term affordable housing units in the City.

PASSED, APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS at a regular meeting held on the 28th day of July, 2026, by the following roll call vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

Rebecca D. Jones, Mayor
City of San Marcos

Attest:

Phillip Scollick, City Clerk