

THE MODESTO BEE

A new Patterson development adds affordable rental housing units, single-family homes

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A new affordable housing community opened in Patterson this month, adding 138 rental units in a community that's seen rising housing prices as a Bay Area commuter town.

The apartments, which were developed by Self-Help Enterprises (SHE), an affordable housing developer, include one-, two- and three-bedroom options. Additionally, the community, called Stonegate Village, offers a playground, basketball

court, laundry facility and other amenities, as well as an on-site community building for activities ranging from exercise classes to after-school programs for local children.

Tom Collishaw, the CEO of SHE, said all the units have already been spoken for.

"We've been able to complete these 138 units just recently, and we filled them up in essentially a day," Collishaw said. "We have a long way to go. All of our projections about the dramatic demand and need for this kind of product and Patterson really have come true... Many local people that have been passed by by the rising costs of real estate."

Monthly net rents range from \$364 to \$1,011, according to a news release, and are determined based on unit size and resident income. Rents are below market range — in Patterson, the average rent for a two-bedroom apartment is roughly \$1,750 — and applicants qualify to live at Stonegate Village in accordance with California affordable housing rules, which are based on area median income.

In Patterson, a community of about 21,000 that sits close to the Bay Area, renters need to earn nearly twice the state minimum wage in order to afford the average rental prices. As a city on the commuter corridor, Patterson — home to a high share of distribution centers and agricultural workers — is feeling the price increase acutely.



Stonegate Village in Patterson, CA

Collishaw said his organization had been talking about building an affordable housing community in Patterson since before the 2008 recession, which slowed down their planning significantly.

“Everything got sort of put on the shelf for a period of time, so this is really the (culmination) of a long-term effort,” he said.

Stonegate Village occupies part of a larger plot of annexed land, Collishaw said, and the area around it will include market-rate housing. Additionally, SHE is in the process of building single-family affordable housing on the same property. Collishaw said he’s expecting the first slate of construction to build about 20 new houses through SHE’s “mutual self-help” program.

In total, SHE expects to build about 90 single-family homes on the property.

Collishaw added that he credits the City Council’s leadership and support in making this development possible. When the land Stonegate sits on was annexed by the main developer, he said, the council required that a portion of the land be reserved for affordable housing.

“The city of Patterson has been working for many years with Self-Help Enterprises and has developed an excellent relationship,” Ken Irwin, Patterson city manager, said in the news release. “The project is providing excellent affordable housing opportunities for our Patterson residents when it is most needed. This may be an affordable housing project, however it looks like a very well thought out and a quality facility.”

According to SHE, Stonegate Village is the first rural hybrid project completed in California, combining units supported by both 4% and 9% low-income housing tax credits, which subsidize the construction of affordable housing. Additionally, Stonegate Village was supported by local and state lenders, including a Wells Fargo Bank construction loan, low-income housing tax credits with Wells Fargo Affordable Housing Community Development Corp. as the investor, the city of Patterson and the California Department of Housing and Community Development, among others.

Collishaw said the affordable housing crisis in California is “as dire a crisis as I’ve ever seen.”

This crisis leaves families overburdened, Collishaw added, and ends up contributing to homelessness across the state. With Stonegate, he said, SHE wants to provide residents with either a shorter-term living solution until their incomes increase and they’re able to afford market-rate housing, or, in other cases, a long-term place to call home.

“The gap between what people are making in income and what they can afford for housing costs, and what you actually have to pay for housing costs is (significant),” he said. “There are huge swaths of particularly low income populations that are paying well over 50% of their income on housing.”