

**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**A RESOLUTION APPROVING THE COMMITMENT OF FUNDS FOR THE PERMANENT LOCAL HOUSING ALLOCATION PROGRAM FOR CALENDAR YEARS 2019, 2020, AND 2021 AND AUTHORIZING THE INTERIM CITY MANAGER TO TAKE ACTION IN SUPPORT OF EACH FUNDING COMMITMENT**

**WHEREAS**, in 2017, Governor Brown signed a 15-bill housing package specifically aimed at addressing the State of California’s housing shortage and high housing costs; and

**WHEREAS**, the State of California (State) Department of Housing and Community Development (HCD) established an initial 5-year Permanent Local Housing Allocation (PLHA) program, starting in calendar year 2019, utilizing supportive funding that originates from fees collected as part of all real estate transactions within the State; and

**WHEREAS**, the City of Salinas (City) has received a 2019 allocation of \$1,006,847, a 2020 allocation of \$1,564,592, and a 2021 allocation \$1,722,182; and

**WHEREAS**, on December 29, 2023, HCD released its 2023 PLHA Notice of Funding Availability (NOFA), advising local jurisdictions of related regulatory and expenditure requirements, and identifying an anticipated 2022 allocation amount of \$863,162; and

**WHEREAS**, to remain eligible to submit a PLHA application, recipient jurisdictions are required to demonstrate balance of uncommitted/unspent funds from prior year funding is less than the anticipated 2022 allocation; and

**WHEREAS**, to meet this requirement the City is proposing to commit \$200,000 from 2019 to the City of Salinas Emergency Motel Program (EMP), \$1,556,459 from 2020 to establish a City of Salinas Accessory Dwelling Unit (ADU) Financing program, \$640,000 from 2021 to support Community Housing Improvement Systems and Planning (CHISPA)’s acquisition of land for a planned 100% affordable senior housing project at 98 Kip Drive, and \$500,000 from 2021 to fund predevelopment costs for properties currently owned by the City of Salinas through the Housing Successor Agency at Division and Market Streets; and

**WHEREAS**, with the total commitment of \$1,496,459 from its 2019, 2020, and 2021 allocations, the City will satisfy its PLHA fund commitment requirement and enable submission of a 2023 NOFA application; and

**WHEREAS**, the City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

**NOW, THEREFORE, BE IT RESOLVED**, that the Salinas City Council authorizes the commitment a total of \$1,496,459 of State of California Housing and Community Development Permanent Local Housing Allocation program funds for calendar years 2019, 2020, and 2021 as outlined in this resolution; and

**BE IT FURTHER RESOLVED** that the City Council hereby authorizes the Interim City Manager or designee to execute any required documents, forms, agreements, or amendments necessary to support the implementation of each funding commitment.

**PASSED AND APPROVED** this 23<sup>rd</sup> day of January 2024, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:**

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Kimbley Craig, Mayor

**ATTEST:**

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Patricia M. Barajas, City Clerk