



## **CITY OF SALINAS COUNCIL STAFF REPORT**

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**DATE:** MARCH 19, 2024

**DEPARTMENT:** COMMUNITY DEVELOPMENT

**FROM:** LISA BRINTON, COMMUNITY DEVELOPMENT DIRECTOR

**THROUGH:** FRANCISCO BRAMBILLA, ACTING PLANNING MANAGER  
LUIS OCHOA, SR. COMMUNITY DEVELOPMENT ANALYST

**BY:** CRISTINA GONZALEZ, COMMUNITY DEVELOPMENT ANALYST

**TITLE:** 2023 HOUSING ELEMENT ANNUAL PROGRESS REPORT

**RECOMMENDATION MOTION:**

A motion to approve a Resolution accepting the City of Salinas 2023 Housing Element (HE) Annual Progress Report (APR) and authorizing its submittal to the California Department of Housing and Community Development (HCD) and the Governor's Office of Planning and Research (OPR) as required by Government Code Section 65400(b).

**EXECUTIVE SUMMARY:**

Section 65400 of the California Government Code requires local jurisdictions to submit a HE APR addressing the status of the City of Salinas 2015-2023 Housing Element and progress made toward implementing its goals and policies. The report covers calendar year 2023 and highlights accomplishments related to housing production and program implementation. The report must be submitted to HCD and OPR no later than the 1<sup>st</sup> of April each year.

**BACKGROUND**

The Housing Element is one (1) of seven (7) mandatory elements of the General Plan and serves as the primary policy document that identifies the goals, policies, and programs related to housing development in the City of Salinas. The City's current HE covers an eight-year period (2015-2023) and focuses on addressing the housing needs of residents, identifying adequate land supply for housing, reducing housing production constraints, and improving housing opportunities for special needs groups. To meet statutory compliance with these reporting requirements, this report is organized as follows:

1. Summary
2. Table A – Housing Development Applications Submitted
3. Table A2 – Annual Building Activity Report Summary - New Construction, Entitled, Permits and Completed Units
4. Table B - Regional Housing Needs Allocation Progress – Permitted Units Issued by Affordability

5. Table C - Sites Identified or Rezoned to Accommodate Shortfall Housing Need and No Net-Loss Law
6. Table D - Program Implementation Status pursuant to GC Section 65583
7. Table E - Commercial Development Bonus Approved pursuant to GC Section 65915.7
8. Table F - Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites Pursuant to Government Code section 65583.1(c)
9. Table F2 – Above Moderate-Income Units Converted to Moderate Income Pursuant to Government Code section 65400.2
10. Table G - Locally Owned Lands Included in the Housing Element Sites Inventory that have been sold, leased, or otherwise disposed of
11. Table H - Locally Owned Surplus Sites
12. Table J - Student housing development for lower income students for which was granted a density bonus pursuant to subparagraph (F) of paragraph (1) of subdivision (b) of Section 65915
13. Table K – Tenant Preference Policy
14. Local Early Action Planning (LEAP) Reporting

*Status of Program Implementation (Table D) Highlights:*

- *Affordable Housing Projects* - Federal entitlement funds were used as gap financing for the following affordable housing projects:
  - 855 E Laurel Drive, 132-unit affordable housing development was awarded \$500,000 (ARPA) funds for predevelopment.
  - Sun Rose Apartments, an 11 unit transitional/permanent affordable housing project was completed in September of 2023 and received \$500,000 from the Community Development Block Grant (CDBG) Program for the construction activities of the project.
- *Code Enforcement Program* – 1,705 cases were opened, and 1,576 cases were closed in 2023.
- *Summary of Community Program Funding* - 1) Salinas Downtown Streets Team; 2) Fair Housing Referral Services; 3) Hotel and Motel Vouchers for Homeless; 4) Street Outreach Team; 5) Chinatown Navigation Center, Trailers, and Sprung Operations; 6) Rapid Rehousing; and 7) SHARE Center Operations.
- *Community Homeless Solutions* - Received FY 2023-24 Housing and Urban Development (HUD) Emergency Solutions Grant (ESG) funding in the amount of \$68,558 for operations and rapid re-housing activities.
- *Salinas Outreach & Response Team (SORT)* - The SORT team received FY 2023-24 HUD ESG funding in the amount of \$100,000. The team consists of one full-time Community Development Analyst/Coordinator, four full-time Outreach Assistants, and two part-time Peer Outreach workers who perform essential outreach and engagement services with the homeless population and connect them to services and housing opportunities. In 2023, the SORT Team was able to assist 359 individuals which included 328 adults and 31 children.
- *Continuum of Care Services* - The City funded Central Coast Center for Independent Living, Housing Resource Center, Interim Inc, and Community Homeless Solutions to provide services to unsheltered persons in the City.

- Awards received by the City in 2023:
  - \$1.65M – Prohousing Incentive Pilot from HCD
  - \$3.8M – Local Housing Trust Fund from HCD
  - \$2M – Community Development Block Grant from HUD
  - \$0.8M – Home Investment Partnership from HUD
  - \$1.7M – Permanent Local Housing Allocation from HCD
  - \$8.1M – Encampment Resolution Funding Program from HCD
  - \$2.6M – Family Homeless Challenge Grant from HCD
  - \$1.5M – Regional Early Action Planning from HCD
- Properties purchased by the City in 2023:
  - 817 Bautista Dr
  - 1028 Larkin Cir
  - 414 Crescent Way
  - 38-42 Soledad St

#### DEPARTMENTAL COORDINATION:

Development of the 2023 HE APR was led by the Housing and Community Development Division of the City’s Community Development Department (CDD) in collaboration with other CDD Divisions including Current Planning, Advanced Planning and Project Implementation and Code Enforcement. Additional assistance, information, and perspective were also provided by the City’s Public Works, Library and Community Services, Police, and Fire Departments.

In addition, on February 27, 2024, City staff provided an administrative report to the City’s Housing and Land Use Committee (HLUC) regarding the 2023 HE APR. The HLUC recommended that City Council accept the 2023 HE APR and authorize its submittal. On March 6, 2024, the Planning Commission adopted a Resolution recommending that the City Council approve the 2023 HE APR and authorize its submittal to HCD and OPR. Planning Commissioners had comments and questions regarding the code enforcement that leads to receivership and the City’s recuperation of remediation costs and the City’s acquisition, maintenance, and selection of occupants of properties through the Family Homeless Challenge. The Planning Commission also suggested City staff and City Council develop a focused approach to build more moderate-income housing units in the next RHNA Cycle given the low percentage of moderate-income housing units that were constructed during the 5<sup>th</sup> RHNA cycle (2015-2023).

#### CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action of accepting and submitting the 2023 HE APR is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

#### STRATEGIC PLAN INITIATIVE:

The 2023 HE APR supports City of Salinas Strategic Plan 2015-2023 Goals of *Economic Development, Housing/Affordable Housing, and Effective and Culturally Responsive Government*.

#### FISCAL AND SUSTAINABILITY IMPACT:

There is no fiscal impact to the City for submitting the HE APR. It should be noted that cities that do not submit an HE APR to HCD and OPR may not be eligible for future grants or loans from HCD due to non-compliance with this requirement.

ATTACHMENTS:

2023 Housing Element Annual Progress Report Tables  
2023 HE APR - Resolution  
2023 HE APR - Presentation