

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

**A RESOLUTION AUTHORIZING THE ESTABLISHMENT OF A FIRST TIME  
HOMEBUYER MORTGAGE DOWN PAYMENT ASSISTANCE PROGRAM**

**WHEREAS**, the 2023-2031 Salinas Housing Element (Housing Element) prioritizes the advancement of housing affordability and opportunities at all income levels (Goal 4); and

**WHEREAS**, the City of Salinas has demonstrated an ongoing commitment to housing affordability and stability through the adoption and implementation of multiple housing initiatives, including the Rent Stabilization Ordinance, rental assistance programs, homelessness services, and partnerships to expand affordable housing development; and

**WHEREAS**, to build upon these efforts and implement Housing Element, the Community Development Department has developed a proposed First-Time Home Buyer Mortgage Down Payment Assistance Program (MDPAP) (“Program”) intended to assist eligible households in transitioning from rental housing to homeownership; and

**WHEREAS**, \$1,034,137 in PLHA grant funds from allocation years 2021 and 2022 are available to support homeownership opportunities; and

**WHEREAS**, the proposed Program would provide down payment assistance to eligible households earning up 150% Area Median Income (AMI) in the form of a deferred payment loan of up to \$125,000 or 17% of the sales price, whichever is less; and

**WHEREAS**, staff is required to submit draft program guidelines to the California Department of Housing and Community Development (HCD) for review and approval by January 31, 2026, and request the funds by March 1, 2026; and

**WHEREAS**, all PLHA program funds must be expended by June 30, 2030; and

**WHEREAS**, on January 20, 2026, the Housing and Land Use Committee recommended that the City Council approve a resolution establishing the Program; 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).

**NOW, THEREFORE, BE IT RESOLVED** that the City Council hereby approves the establishment of the First Time Home Buyer Mortgage Down Payment Assistance Program; and

**BE IT FURTHER RESOLVED** the City Council hereby approves an increase to estimated Permanent Local Housing Allocation (PLHA) grant revenue from allocation years 2021 and 2022 by \$1,034,137 for the purpose of implementing the Program; and

**BE IT FURTHER RESOLVED** that the City Council authorizes the City Manager, or designee, to promulgate the MDPAP guidelines, and negotiate and execute all applicable forms, conditional commitment letters, agreements, and subsequent amendments as needed to implement the Program.

**PASSED AND APPROVED** this 27th day of January 2026, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:**

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Dennis Donohue, Mayor

**ATTEST:**

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Patricia M. Barajas, City Clerk