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November 18, 2025

Emily Burgos
Section Chief
Division of Federal Financial Assistance
California Department of Housing and Community Development
651 Bannon St., Suite 400
Sacramento, CA 95811 DR-MHP@hcd.ca.gov

Subject: Letter of Support for CHISPA for CDBG-DR Funding Application – St. George Apartments

Dear Ms. Burgos,

On behalf of the City of Salinas, I am pleased to submit this letter of support for Community Housing Improvement Systems and Planning Association, Inc. (CHISPA)'s application to the California Department of Housing and Community Development (HCD) for Community Development Block Grant – Disaster Recovery (CDBG-DR) funding for the construction of a senior housing development.

Located at 376 E. Alvin Drive, the development will provide 36 units of 100% affordable housing for seniors earning at or below 60% of the Area Median Income (AMI). This project directly supports the City's housing goals and aligns with our broader strategy to expand affordable housing opportunities for vulnerable populations, including seniors.

On March 12, 2024, the City approved key land use entitlements, including a General Plan Amendment, Rezoning from Semi-Public to Multi-Family High Density Residential, Conditional Use Permit, Re-subdivision into two parcels, and adoption of a Initial Study Mitigated Negative Declaration pursuant to the California Environmental Quality Act (CEQA). Additionally, in April 2025, the City demonstrated its early commitment to this development by awarding \$645,000 in Permanent Local Housing Allocation (PLHA) funds to CHISPA for the acquisition of the property.

In July 2025, CHISPA applied for gap financing through the City's Multi-Family Housing Notice of Funding Availability (NOFA) and on November 18<sup>,</sup> 2025 the City Council approved a preliminary award of \$2,372,699, comprised of Local Housing Trust Fund, HOME Investment Partnership Program, and additional PLHA funds.

On October 16, 2025, CHISPA notified the City of its intent to apply for CDBG-DR funding. Per Section 2.3.5 of the 2023/2024 Disaster Recovery Multi-Family Housing Program Policies and Procedures Manual, a letter of support from the local legislative body is required for the application. This letter satisfies that requirement and confirms that the City supports CHISPA's efforts to secure CDBG-DR funds for this critical affordable housing development.

CHISPA is currently finalizing architectural and engineering plans for City review, and the project is anticipated to be shovel-ready by March 2026. The City recognizes that this funding is critical to ensuring timely construction.

The City of Salinas is proud to support CHISPA in its efforts to deliver high-quality, affordable housing for seniors in our community. The City respectfully requests HCD's full consideration when evaluating this application.

Sincerely,

Dennis Donohue City Mayor

Attachment:

City Council Resolution