RESOLUTION NO. _____ (N.C.S.)

A RESOLUTION OF THE SALINAS CITY COUNCIL APPROVING A FIRST SUBSTANTIAL AMENDMENT TO HUD FY 2023-2024 ANNUAL ACTION PLAN

WHEREAS, the City of Salinas (City) as an Entitlement City, receives and administers United States Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME) and Emergency Solutions Grants (ESG) program funding; and

WHEREAS, through its Fiscal Years (FY) 2021-2022, 2022-2023, 2023-2024, and 2024-2025 Annual Action Plans (AAPs) the City allocated a total of $3,951,796 in CDBG funds toward preliminary design, soft costs, and construction for the Sherwood Recreation Center (SRC) Building Improvement project (CIP 9535); and

WHEREAS, following the bid opening for the Sherwood Recreation Center (SRC) Building Improvement project (CIP 9535) and a reassessment of associated construction costs, the City has identified a funding shortfall of approximately $595,000; and

WHEREAS, the City of Salinas has identified $550,000 in unspent CDBG funds from the Republic Café project and $45,000 from the Housing Referrals and Tenant/Landlord Services project, both previously allocated through the FY 2023-2024 Annual Action Plan, to help close the funding gap for the project; and

WHEREAS, the City proposes its first Substantial Amendment to the FY 2023-2024 Annual Action Plan (AAP), reallocating $550,000 in unspent Community Development Block Grant (CDBG) funds from the Republic Café project and $45,000 from the Housing Referrals and Tenant/Landlord Services project to support the SRC improvements; and

WHEREAS, in accordance with the City's HUD-approved Citizen Participation Plan, execution of a formal Substantial Amendment process is required when a determination by the Community Development Director, that the change is substantial even though it falls below the standards in Section 1 and 2; and

WHEREAS, the proposed action (Substantial Amendment) is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). Any subsequent discretionary projects resulting from this action will be assessed for CEQA and National Environmental Policy Act (NEPA) applicability; and

WHEREAS, public notices in English and Spanish were published in *The Monterey Herald*, the City's website, posted at the Community Development Department (65 W. Alisal Street), City Hall (200 Lincoln Avenue), City libraries, and sent via email to the Community Development Department's Housing Distribution List on or before July 27, 2025, requesting public review and comments regarding the proposed First Substantial Amendment; and

WHEREAS, the draft First Substantial Amendment Summary is available for public review during the mandatory 30-day comment period, where the public is encouraged to review

and provide feedback; and

WHEREAS, the City Council conducted a public hearing to consider the proposed First Substantial Amendment to the AAP for FY 2023-24, to reallocate $595,000 in CDBG Funds to the SRC project and sought to obtain public comment on August 26, 2025.

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council hereby approves the First Substantial Amendment to the FY 2023-2024 Annual Action Plan to reallocate $595,000 in available CDBG funds to the Sherwood Recreation Center Building Improvement project (CIP 9535) and authorizes its submittal to HUD.

BE IT FURTHER RESOLVED that the Salinas City Council hereby authorizes the City Manager or designee to incorporate any necessary modifications to the First Substantial Amendment based on community feedback, and to execute, on behalf of the City, any agreements and related documents for HUD-funded projects and activities as outlined in the First Substantial Amendment Summary to the FY 2023-2024 AAP.

PASSED AND APPROVED this 26th day of August 2025, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

_____
Dennis Donohue, Mayor

ATTEST:

_____
Patricia M. Barajas, City Clerk