

2023

**CALIFORNIA DEPARTMENT OF HOUSING AND
COMMUNITY DEVELOPMENT
LOCAL HOUSING TRUST FUND APPLICATION**



Megan Hunter, Community Development Director
Community Development Department
May 2, 2023

Background

HCD 2023 LHTF NOFA

- \$53 million statewide
- Amounts of \$500,00 - \$5,000,000
- New and existing LHTFs
- Local and Regional LHTFs
- Requires dollar-for-dollar match
 - Non-HCD funds and property assets
- Requires 5 years of 'ongoing operating revenue'

2023 Local Housing Trust Fund Program

Notice of Funding Availability



Gavin Newsom, Governor
State of California

Lourdes M. Castro Ramirez, Secretary
Business, Consumer Services and Housing Agency

Gustavo Velasquez, Director
California Department of Housing and Community Development

2020 West El Camino Avenue, Suite 500, Sacramento, CA 95833
Telephone: (916) 263-2771

Website: <http://www.hcd.ca.gov>
LHTF email: LHTF@hcd.ca.gov

March 7, 2023

Discussion

- **Salinas Local Housing Trust Fund (SLHTF)**
 - Fund and finance the planning and construction of affordable housing
 - City-wide
 - Focus on included match properties
- **Board of Directors = City Council**
 - Responsible for general oversight and consideration of emerging projects and developments
- **SLHTF Guidelines & Standards**
 - Required application threshold



Discussion

Proposed Activities

- Affordable Multifamily Rental Housing
 - Predevelopment
 - Development
 - Acquisition
 - Rehabilitation
 - Preservation

Resident Income Thresholds

- Extremely-low
- Very-low
- Low
- Moderate



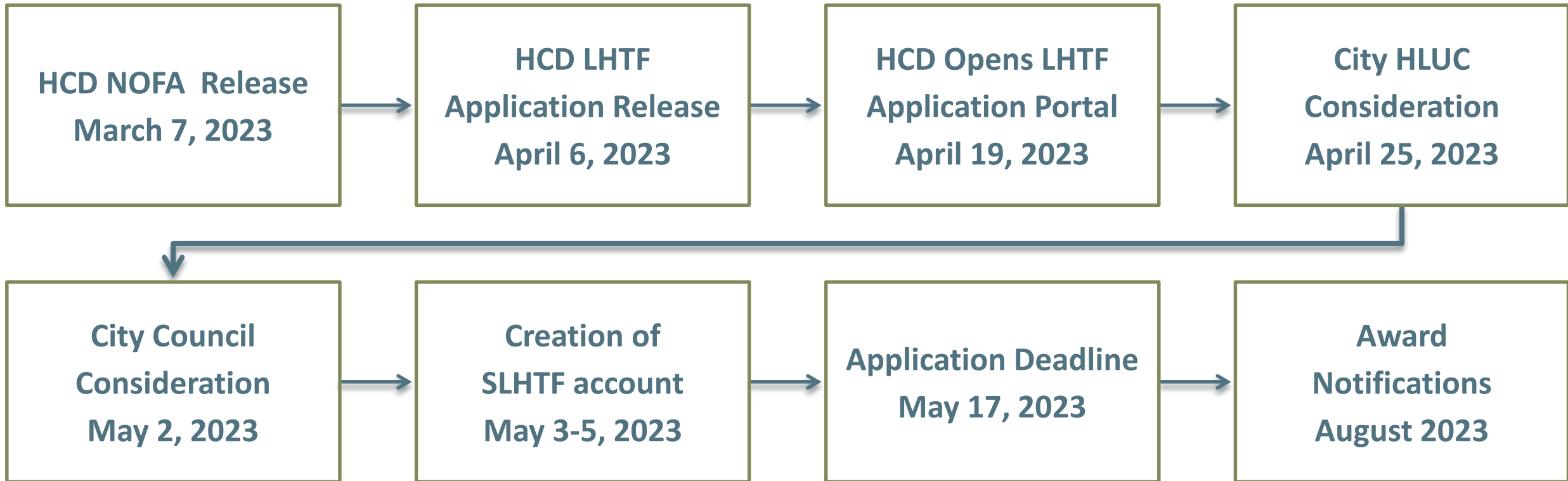
Proposed Local Housing Trust Fund Match Assets

Funds:	Allocation Amount
General Funds - Housing Production Fund (CIP 9021)	\$ 500,000
General Fund	\$ 500,000
Total City's Cash Contribution	\$1,000,000
Owned Property Assets:	
Division Street Properties	\$1,380,000
37-39 Soledad Street	\$140,000
34-38 Soledad Street	\$300,000
Total Land Donations Valuation	\$1,820,000
Total Local Matching Funds & Assets	\$2,820,000
Projected Total Salinas Local Housing Trust Funds	\$3,820,000
Operating Revenue (5 years of incremental funding)	
Permanent Local Housing Allocation (SB2 PLHA)	\$100,000

Potential Housing Projects

Project	Developer	Units
467-469 Market St.	Envision Housing LLC	75
855 E Laurel Dr.	Eden Housing Inc.	132
Republic Café (37 Soledad St.)	City of Salinas	8
38 Soledad St.	City of Salinas	TBD
Division St. Properties	City of Salinas/HACM	TBD
200 Casentini St.	HACM	TBD
374 E. Alvin	CHISPA	TBD

SLHTF Program Application Timeline



CEQA Consideration

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)

Strategic Plan Goals & Strategies

- Housing/Affordable Housing
- Effective and Culturally Responsive Government

Fiscal Impact

- Dollar-for-dollar match – funds and/or assets
 - \$500,000 of General Funds
- \$500,000 of Housing Production Fund (CIP #9021)
 - \$1,820,000 Valuation of 9 City-owned Parcels
 - Potential HCD LHTF award of \$2,820,000

Recommended Motion

A motion to approve a Resolution authorizing:

1. establishment of a Salinas Local Housing Trust Fund; and
2. establishment of a Salinas LHTF account fund with revenue and expenditure accounts to include the pre-application allocation of Housing Production Fund CIP #9021 (\$500,000) and General Funds (\$500,000) as required local match and SB2 PLHA (\$100,000) as required, incremental operating revenue; and
3. commitment of nine (9) City-owned properties at Division St. and 37-39 and 34-38 Soledad St. as Salinas LHTF match assets; and
4. submittal of a Local Housing Trust Fund Program Application to HCD; and
5. the City Manager, or designee, to execute all applicable forms, grant-related documents, and subsequent amendments as needed.



Questions & Comments