



Resolution Number: _____

City of Salinas

AUTHORIZING RESOLUTION

A necessary quorum and majority of the council members of the City of Salinas, a municipality (“Applicant”), hereby consents to, adopts, and ratifies the following resolution:

- A. WHEREAS, the State of California (State) Department of Housing and Community Development (“Department”) is authorized to provide up to \$53 million under the Local Housing Trust Fund (“LHTF”) Program from the Veterans and Affordable Housing Bond Act of 2018 (Proposition 1) (as described in Health and Safety Code section 50842.2 et seq. (Chapter 365, Statutes of 2017 (SB 3)) (“Program”).
- B. WHEREAS, the Department issued a Notice of Funding Availability (“NOFA”) dated 3/7/2023 under the LHTF Program;
- C. WHEREAS, the City of Salinas is an eligible Local or Regional Housing Trust Fund applying to the Program to administer one or more eligible activities using Program Funds.
- D. WHEREAS, the Department may approve funding allocations for the LHTF Program, subject to the terms and conditions of H&S Code Section 50842.2, the LHTF Program Guidelines, NOFA, Program requirements, the Standard Agreement and other related contracts between the Department and LHTF award recipients.

NOW THEREFORE BE IT RESOLVED THAT:

- 1. If the City of Salinas (City) receives an award of LHTF funds from the Department pursuant to the above referenced LHTF NOFA, it represents and certifies that it will use all such funds on Eligible Projects in a manner consistent and in compliance with all applicable state and federal statutes, rules, regulations, and laws, including, without limitation, all rules and laws regarding the LHTF Program, as well as any and all contracts Applicant may have with the Department (“Eligible Project”).
- 2. The Salinas Local Housing Trust Fund is hereby authorized to act as the manager in connection with the Department's funds to Eligible Projects pursuant to the above described Notice of Funding Availability in an amount not to exceed the sum of \$1,000,000 plus an amount equal to the appraised value of nine parcels (the "LHTF Award"). NOTE: Dollar amount must include amount used for administrative costs, pursuant to Section 105(b) of the Guidelines.
- 3. The City hereby agrees to match on a dollar-for-dollar basis the LHTF Award pursuant to Guidelines Section 104. The City hereby agrees to utilize matching funds on a dollar-for-dollar basis for the same Eligible Project for which Program Funds are used, as required by HSC Section 50843.5(c).
- 4. Pursuant to Attachment 1 and the Applicant’s certification in this resolution, the LHTF funds will be expended only for Eligible Projects and consistent with all program requirements.

5. Nonprofit Housing Trust Funds and Native American Tribe Housing Trust Funds agree to use Program Funds only for Eligible Projects located in cities and counties that submitted an adopted Housing Element that was found by the Department to be in compliance and that have submitted their Housing Element Annual Progress Report (APR) for the current year or prior year by the application due date.
6. The City shall be subject to the terms and conditions as specified in the Standard Agreement, H&S Section 50842.2 and LHTF Program Guidelines
7. The City Manager or designee is authorized to execute the LHTF Program Application, the LHTF Standard Agreement and any subsequent amendments or modifications thereto, as well as any other documents which are related to the Program or the LHTF Award to Applicant, as the Department may deem appropriate.
8. The City Clerk shall certify to the adoption of this Resolution, and henceforth and thereafter the same shall be in full force and effect.

PASSED AND ADOPTED at a regular meeting of the City of Salinas City Council this 2nd day of May 2023, by the following vote:

AYES:_____ABSTENTIONS:_____NOES:_____ABSENT:_____

Approving Officer: _____
Kimbly Craig, Mayor

CERTIFICATE OF THE ATTESTING OFFICER

The undersigned, Officer of Attesting, Patricia M. Barajas, does hereby attest and certify that the foregoing/attached Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of the City of Salinas City Council which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

ATTEST: _____
Patricia M. Barajas, City Clerk

Attachment 1

City of Salinas Local Housing Trust Fund Program Expenditure Plan

The City of Salinas Local Housing Trust Fund commits to use Local Housing Trust Fund (“LHTF”) Program Funds and Matching Funds from the 2023 Notice of Funding Availability as follows:

- 100% of Program Funds and Matching Funds received will be spent to provide construction/permanent financing loans at simple interest rates of no higher than three percent per annum with deferred payments based on residual receipts, for payment of predevelopment costs, acquisition, or construction of multifamily rental housing serving Lower-Income (80% of Area Median Income (“AMI”)), Very Low-Income (50% of AMI), and Extremely Low-Income Households (30% of AMI).
- At least 30% of Program Funds and Matching Funds received will be spent on assistance to Extremely Low-Income Households.
- 100% of Program Funds and Matching Funds received will be spent on loans for the new construction of multifamily rental housing developments with average household income restrictions of no more than 60% of AMI.
- No more than 5% of Program Funds and Matching Funds received will be spent on administrative expenses.

Unless expressly permitted otherwise by the State Department of Housing and Community Development (“HCD”), all activities and projects funded by the LHTF Program Funds and Matching Funds will be located within the City of Salinas.

The source of Matching Funds will be an allocation of Housing Production Fund CIP #9021 (\$500,000), General Funds (\$500,000), and nine (9) City-owned properties.