

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

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A PURCHASE AND SALES AGREEMENT FOR THE ACQUISITION OF 1028 LARKIN CIRCLE

WHEREAS, in recognition of the critical need for more affordable housing in Salinas, the City Council approved Resolution 22250 appropriating \$7 million from the American Rescue Plan Act (“ARPA”) to the Affordable Housing Production Fund to be used for predevelopment, acquisition, construction, plans, and studies; and

WHEREAS, staff have been working diligently to develop ARPA projects that would advance the City’s affordable housing goals and identified the potential acquisition of 1028 Larkin Circle (Assessor’s Parcel Number [APN] 261-732-019-000 “the Property”), a single family residence owned by a Trust; and

WHEREAS, the Property is a single-story residence built in 1978 that contains approximately 1,232 square feet of living space, 4 bedrooms and two baths, and two car garage on a 9,235 square feet lot that has potential for the development of an Accessory Dwelling Unit (ADU); and

WHEREAS, on August 23, 2023, during closed session staff received Council direction to pursue acquisition of the Property and subsequently reached out to the real estate agent representing the owners with a purchase price of six hundred and ninety thousand dollars (\$690,000), contingent on the appraised value and pending completion of the City’s 5-day due diligence period; and

WHEREAS, the negotiated price is fifteen thousand dollars over the original sales price based upon real estate comps for similar properties and the potential of construction of an ADU, the City will receive a 2% credit from the purchase price, and

WHEREAS, escrow would close within 5 days after execution of the Purchase and Sales Agreement but not before receipt of the appraisal report; and

WHEREAS, the purchase of the Property will support the City of Salinas Strategic Plan 2022-2025 goal of Housing/Affordable Housing by providing much needed affordable housing to low-income families.

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council hereby authorizes the Mayor to enter into a Purchase and Sales Agreement for the acquisition of 1028 Larkin Circle and authorizes the expenditure of ARPA funds for this purchase.

PASSED AND APPROVED this 12th day of September 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Kimbley Craig, Mayor

ATTEST:

Patricia M. Barajas, City Clerk