



U.S. Department of Housing and Urban Development
San Francisco Regional Office - Region IX
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San Francisco, California 94107-1387
www.hud.gov
espanol.hud.gov

Honorable Dennis Donohue
Mayor
City of Salinas
200 Lincoln Avenue
Salinas, CA 93901



Dear Mayor Donohue:

SUBJECT: City of Salinas
Annual Community Assessment
Community Development Block Grant (CDBG) Program
HOME Investment Partnerships Program (HOME)
Emergency shelter Grant Program (ESG)
Program Year 2009

On June 30, 2010, the City of Salinas completed another difficult, but successful year of addressing its Consolidated Plan goals. Funds from each of the subject entitlement programs were used in this effort leveraging significant, albeit scarce local, State, other Federal, and private resources. Performance for the year is reflected in the City's 2009 Consolidated Annual Performance and Evaluation Report (CAPER). This includes the City's implementation of its three HUD entitlement grants. In PY 2009, Salinas was awarded \$2,464,666 of CDBG, \$999,822 of HOME funds, \$108,702 of ESG. In addition, the City received allocations of \$1,013,978 of Homeless Prevention and Rapid Rehousing Program (HPRP) funds, and \$663,180 of CDBG-R funds. During the program year, the City spent \$2,177,877 of these HUD resources. Based on our review of the CAPER and other available information, we have determined that the City is using its funds properly and expending them in a timely manner. We have, therefore, concluded that Salinas has continuing capacity to implement and administer its entitlement programs.

Our review of the City's CAPER also found Salinas to be making significant progress in addressing its performance goals. Affordable housing is being provided from an array of housing programs. This includes the completion of the Sunflower Gardens apartment project which is now providing housing for very low-income individuals with psychiatric disabilities, and La Gloria Senior Apartments, which began construction in March of this year and is expected to be ready for occupancy in March of 2011. We note that Tresor Apartments, 81 units to be made available to very low-income farmworkers, is also expected to be completed early 2011. We hope that the financing problems associated with the Gateway Apartments can be successfully resolved as the 52 units of affordable housing would be an important contribution to the City's housing stock.

We would also like to extend our congratulations to the City for its designation as the Salinas Valley Enterprise Zone. This will be a valuable tool in the City's economic development arsenal. A significant amount of public services agencies are being funded to provide a variety

Additionally, CDBG and CDBG-R funds are being utilized for an array of public facilities improvements, particularly in the City's Neighborhood Revitalization Area (NRSA).

Once again, the City's CAPER was an example of a thoughtful and thorough documentation of the City's accomplishments and also of the challenges involved in providing community development activities with limited resources in difficult economic times.

We value our continuing partnership with the City of Salinas to assist in achieving its affordable housing and community development goals and performance outcomes. If you have any questions, please contact me at (415) 489-6572 or your Community Development Representative, Gail Goldman at (415) 489-6587.

Sincerely,


for Maria Cremer
Acting Director
Community Planning and
Development Division

Cc: Grace Aston, Planning Manager
Artie Fields, City Manager