



# County of Monterey

**Item No.**

## Board Report

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

**Legistar File Number: A 23-359**

**July 25, 2023**

**Introduced:** 7/13/2023

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** BoS Agreement

Approve and authorize the Director or Assistant Director of the Department of Social Services to execute a Memorandum of Understanding between City of King, Coalition of Homeless Services Providers, Shangri-La Industries, LLC, and Step Up on Second Street, Inc. regarding a temporary homeless shelter program, retroactive to July 15, 2023, for the term of July 15, 2023 through October 31, 2023 for \$185,000 (County portion is \$45,000).

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

Approve and authorize the Director or Assistant Director of the Department of Social Services to execute a Memorandum of Understanding between City of King, Coalition of Homeless Services Providers, Shangri-La Industries, LLC, and Step Up on Second Street, Inc. regarding a temporary homeless shelter program, retroactive to July 15, 2023, for the term of July 15, 2023 through October 31, 2023 for \$185,000 (County portion is \$45,000).

### SUMMARY/DISCUSSION:

King City has experienced an ongoing significant level of homelessness, which has become a major issue facing many local jurisdictions. A substantial number of homeless individuals reside in encampments in the Salinas Riverbed area. This area is partially within the King City limits but predominantly in the unincorporated County area.

King City has been very proactive with efforts aimed at addressing both the welfare and safety of homeless individuals and concerns expressed by the community. In doing so, the City has established partnerships with a large list of government, non-profit and faith-based organizations. Some of the efforts have included an ongoing coordination committee of service agency representatives working together to develop overall strategies to address overall homelessness as well as needs of individual cases in King City; temporary shelters and hotel rooms following fire and flood emergencies; temporary trailers for homeless families; coordination of education, medical, and social services for those in need; food distribution programs; transportation; and citizenship assistance.

The most significant effort has been development and approval of the Homekey permanent supportive housing project at the former Days Inn site. It is a partnership with the developer, Shangri-La Industries, and the operator, Step Up On Second, Inc. It will provide approximately 45 rooms and full wraparound services, which is anticipated to address the need in the community for those residing in the riverbed area and on King City streets. Unfortunately, due to delays in the project, it is now anticipated that the project will not be operational until October 2023. King City is currently experiencing an escalation of construction activity on private property in the riverbed area. As a result, an interim strategy was developed to help facilitate an effective transition to the future permanent supportive housing project.

This Memorandum of Understanding (MOU) was developed by City of King, County of Monterey, Coalition of Homeless Services Providers, Shangri-La and Step Up on Second, in order to co-fund and establish a short-term temporary interim shelter program for homeless individuals in King City with a particular focus on those residing in the Salinas Riverbed area encampments adjacent to King City. The project will provide a temporary housing option until the permanent supportive housing project is operational and then begin enforcement of trespassing violations in coordination with the Monterey County Sheriff's Department. King City has negotiated a tentative agreement with the Monarch Inn to lease 16 rooms for the period of July 15, 2023 through October 31, 2023.

Due to the urgency of services needed in King City, this MOU was expedited and signatures from the other four parties of this MOU and Monterey County's County Counsel were obtained before July 15, 2023. This MOU is retroactive back to the effective date of July 15, 2023.

The cost sharing plan is as follows:

City of King	\$45,000
County of Monterey	\$45,000
Coalition of Service Providers	\$50,000
<u>Shangri-La Industries</u>	<u>\$45,000</u>
Total	\$185,000

The County's share consists of \$35,000 of Department of Social Services managed Housing, Assistance and Prevention (HHAP) funds and \$10,000 will be American Rescue Plan Act (ARPA) funds from the County Administrative Office (CAO) Homeless Division. These funds will be administered through the existing service agreement with Step Up on Second Street to perform the service components of King City Homekey.

It is hoped that the majority of people housed at the Monarch Inn through this temporary project will be eligible to participate in the permanent supportive housing project. Therefore, one of the key benefits of the Interim Strategy is that it will provide Step Up on Second Street an opportunity to work with future residents to prepare a smooth transition to the permanent supportive housing project.

OTHER AGENCY INVOLVEMENT:

City of King, County of Monterey, Coalition of Homeless Services Providers, Shangri-La and Step Up On Second, Inc. collaborated on this MOU. The Office of County Counsel has reviewed and approved the Agreements as to form.

FINANCING:

This Memorandum of Understanding is an agreement between all four parties to co-fund and establish a short-term temporary interim shelter in King City. The County is committing \$45,000 of funding consisting of \$35,000 from Department of Social Services managed HHAP, Round 3 funds and \$10,000 from the CAO-Homeless Division utilizing ARPA funding.

Department of Social Services will administer the County's portion of \$45,000 through their existing service agreement with Step Up on Second Street and the CAO will reimburse DSS \$10,000 for their share.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

This agreement correlates to the Health & Human Services and Administration Strategic Initiatives adopted by the Board of Supervisors by working towards the goals of the Lead Me Home 5-Year Plan to Reduce Homelessness by coordinating services to individuals and families experiencing homelessness.

Check the related Board of Supervisors Strategic Initiatives:

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Lauren Suwansupa, Community Affiliation Manager, x8492

*Becky Cronin For Lori Medina*

Approved by: Lori A. Medina, Director, x4430

Attachment: MOU

Proposed MOU is on file with Clerk of the Board as an attachment to this Board Report.