



County of Monterey

Item No.

Board Report

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

Legistar File Number: RES 24-048

March 26, 2024

Introduced: 3/13/2024

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Resolution

Adopt a resolution to:

- a. Approve and authorize the Director or Assistant Director of the Department of Social Services to execute a Memorandum of Understanding (MOU), retroactive to November 30, 2023 with the City of King, the Coalition of Homeless Services Providers, and Step Up on Second Street (Step Up) to coordinate efforts for an Interim Salinas Riverbed Area Homeless Strategy for a term of November 1, 2023, through July 10, 2024; and
- b. Approve and authorize the Director or Assistant Director of the Department of Social Services to sign Amendment #2 to Agreement #5010-288 with Step Up to expand the King City Homekey scope of work and add \$100,000 of funding for the city's Interim Salinas Riverbed Area Homeless Strategy for a new total contract amount of \$1,745,000 and no change to the contract term;
- c. Authorize the Director or Assistant Director of the Department of Social Services to sign up to three (3) future amendments to the amended Agreement where the total amendments do not exceed 10% (\$174,500) of the amended contract amount, do not significantly change the scope of work, and do not exceed the maximum aggregate amount of \$1,919,500; and
- d. Authorize and direct the Auditor-Controller to amend the Fiscal Year 2023-24 Adopted Budget by increasing appropriations by \$100,000 to provide funding for the City of King's Interim Salinas Riverbed Area Homeless Strategy for Social Services Community Program Fund 001-5010-SOC004, financed by the release of General Fund unassigned fund balance from BSA 001-3101 (4/5ths Vote).

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a resolution to:

- a. Approve and authorize the Director or Assistant Director of the Department of Social Services to execute a Memorandum of Understanding (MOU), retroactive to November 30, 2023 with the City of King, the Coalition of Homeless Services Providers, and Step Up on Second Street (Step Up) to coordinate efforts for an Interim Salinas Riverbed Area Homeless Strategy for a term of November 1, 2023, through July 10, 2024; and
- b. Approve and authorize the Director or Assistant Director of the Department of Social Services to sign Amendment #2 to Agreement #5010-288 with Step Up to expand the King City Homekey scope of work and add \$100,000 of funding for the city's Interim Salinas Riverbed Area Homeless Strategy for a new total contract amount of \$1,745,000 and no change to the contract term;
- c. Authorize the Director or Assistant Director of the Department of Social Services to sign up to three (3) future amendments to the amended Agreement where the total amendments do not exceed 10% (\$174,500) of the amended contract amount, do not significantly change the scope of work, and do not exceed the maximum aggregate amount of \$1,919,500; and
- d. Authorize and direct the Auditor-Controller to amend the Fiscal Year 2023-24 Adopted

Budget by increasing appropriations by \$100,000 to provide funding for the City of King's Interim Salinas Riverbed Area Homeless Strategy for Social Services Community Program Fund 001-5010-SOC004, financed by the release of General Fund unassigned fund balance from BSA 001-3101 (4/5ths Vote).

SUMMARY/DISCUSSION:

The MOU was developed by and between the City of King, the County of Monterey, Coalition of Homeless Services Providers, and Step Up to co-fund and establish a short-term emergency interim shelter program for homeless individuals formerly living in the Salinas Riverbed encampments adjacent to King City.

Parties entered into a prior agreement for the same purpose for the period of July 15, 2023 through October 31, 2023, which included Shangri-La Industries, LLC ("Shangri-La") as an additional party. Shangri-La is in violation of the terms of the agreement for non-payment of their portion of the costs in addition to related costs later agreed to. All services set forth in that agreement have been provided and completed. Therefore, a portion of the costs set forth in this MOU address the outstanding needs and prior non-payment for services provided.

The Amendment #2 to the King City Homekey agreement expands the King City Homekey scope of work and adds \$100,000 of General Fund Contributions previously approved for this purpose by your board for the King City Interim Salinas Riverbed Area Homeless Strategy on December 6, 2023. The original agreement is funded by the Homeless Housing, Assistance and Prevention (HHAP-1 and HHAP-3) Grant and included \$1,250,000 for three Homekey projects for the City of Salinas and \$350,000 for one Homekey project for the City of King for the purposes of funding staff and operational costs for wrap around services to successfully house, support and stabilize chronically homeless individuals in motel conversions made into permanent supportive housing units.

Amendment #1 previously added \$45,000 in pass through funding to the City of King to support the Interim Salinas Riverbed Area Homeless Strategy. Amendment #2 serves as a continuation of this effort which is being implemented as a response to address the impacts from the unforeseen delays in the opening of the King City Homekey project.

OTHER AGENCY INVOLVEMENT:

The City of King, the Coalition of Homeless Services Providers, and Step Up have joined in a Memorandum of Understanding with the County of Monterey to fund and operate the emergency homeless shelter program at the Monarch Inn Motel. Supervisor Lopez has approved by-passing the Budget Committee due to the time constraints. The Auditor-Controller and Purchasing have reviewed and approved the MOU and the Amendment #2. County Counsel has approved the Agreement as to form.

FINANCING:

Amendment #2 is funded with \$100,000 of General Fund Contribution for the City of King's Interim Salinas Riverbed Area Homeless Strategy. The Board of Supervisor's approved the designation of funding on December 6, 2023, RES 23-496 (attached). The Department is requesting to increase appropriations of \$100,000 in Social Services Community Program Fund 001-5010-SOC004, financed by the release of unassigned fund balance from BSA 001-3101.

In addition, the Coalition of Homeless Services Providers is contributing \$406,224 in HHAP Rounds 2 and 3 and the City of King is contributing \$60,300 in Permanent Local Housing Allocation (PLHA) funds towards the Interim Strategy project.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This proposed agreement correlates to the Health & Human Services Strategic Initiatives adopted by the Board of Supervisors by working towards the goals of improving health and quality of life outcomes 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: Alex Soltero, MA II, x3584

Betty Cronin For Lori A. Medina

Approved by: Lori A. Medina, DSS Director, x4430

Attachment: Interim Homeless Strategy Funding II MOU PROPOSED
Step Up on Second Street Inc Original Agreement EXECUTED
Step Up on Second Street Inc Amendment 1 EXECUTED
Step Up on Second Street Inc Amendment 2 PROPOSED
RES 23-496, BEYR Report

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