



Monterey County

Item No.

Board Report

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

Legistar File Number: RES 20-198

December 01, 2020

Introduced: 11/5/2020

Current Status: Agenda Ready

Version: 2

Matter Type: BoS Resolution

Adopt a resolution to:

- a. Receive a report on the Housing and Economic Development Division's unspent cannabis assignment funds of \$35,597.50 from fiscal year 2019-20;
- b. Authorize the Auditor-Controller to amend the FY 2020-21 Adopted Budget by increasing appropriations in the Housing and Economic Development Division (001-8514-CAO038) by \$35,597.50, financed by a release of Cannabis Tax Assignment, Fund 001, Balance Sheet Account 3132 (4/5ths vote required); and
- c. Authorize the Housing and Economic Development Division to use the \$35,597.50 in FY 2020-21 toward housing development, homelessness consultants and a contribution to the Fondo Empresarial Emergency Loan Program.

RECOMMENDATION:

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

- a. Receive a report on the Housing and Economic Development Division's unspent cannabis assignment funds of \$35,597.50 from fiscal year 2019-20;
- b. Authorize the Auditor-Controller to amend the FY 2020-21 Adopted Budget by increasing appropriations in the Housing and Economic Development Division (001-8514-CAO038) by \$35,597.50, financed by a release of Cannabis Tax Assignment, Fund 001, Balance Sheet Account 3132 (4/5ths vote required); and
- c. Authorize the Housing and Economic Development Division to use the \$35,597.50 in FY 2020-21 toward housing development, homelessness consultants and a contribution to the Fondo Empresarial Emergency Loan Program.

SUMMARY/DISCUSSION:

During the 2019-20 budget hearings, the Board of Supervisors allocated the Housing and Economic Development (HED) Division \$45,000 for homelessness consultants and \$5,000 for Chinatown outreach from the General Fund Cannabis Tax Assignment. Then on April 28, 2020, the Board of Supervisors approved another allocation of \$25,000 from the same source for a contribution to the Fondo Empresarial Emergency Loan Program.

The \$5,000 for Chinatown outreach was fully spent. From the \$45,000 for homelessness consultants, \$34,402.50 was spent, leaving a balance of \$10,597.50 unspent funds. The \$25,000 for a contribution to the Fondo Empresarial Emergency Loan Program was not spent.

The funds for the homelessness consultants were not fully spent despite utilizing consultants that assisted the County in applying for the No Place Like Home Program (NPLH), resulting in three

affordable housing projects funded that totaled over 300 units of affordable housing, including over 99 of those units for permanent supportive housing for people experiencing homelessness. The Housing and Economic Development Division would like to utilize the unspent \$10,597.50 into fiscal year 2020-21 to continue contracts with consultants to assist with homeless planning and housing development to house low-moderate income and homeless persons.

The \$25,000 for a contribution to the Fondo Empresarial Emergency Loan Program was not spent before the end of fiscal year 2019-20 due to technical issues. The payment for this contribution was entered into the County accounting system on June 26, 2020 and approved by the Auditor-Controller's Office on July 8, 2020, but the accounting system recorded the expenditure in the amount of zero dollars (\$0.00) and did not write a check. Therefore, the HED Division would like this assignment to continue into fiscal year 2020-21 so the contribution can now be made.

OTHER AGENCY INVOLVEMENT:

This report and information have been reviewed and approved by the CAO-Budget and Analysis Division and County Counsel Office.

FINANCING:

A total of \$75,000 of cannabis assignment was authorized and released for the Housing and Economic Development Division's use in FY 2019-20. Of this \$75,000, \$39,402.50 was spent. The HED Office is requesting the release of \$35,597.50 in FY 2020-21 from the cannabis assignment to finish the work authorized in FY 2019-20.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The Emergency Loan program will support the Board of Supervisors economic development initiative by providing low cost, low barrier funding loans to help businesses survive the current public health emergency. Additional funds will help support housing opportunities for vulnerable populations in the County.

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

Prepared by: Jose Tapia, Finance Manager, Ext. 5268

Approved by: Carl P. Holm, AICP, Director Monterey County Resource Management Agency



Attachments:

Attachment A - Draft Resolution