

COUNTY OF MONTEREY

Amendment No. 1 to Agreement No. A-16779

City of King, Coalition of Homeless Services Providers, and Step Up on Second St., Inc

This Amendment No. 1 is made and entered into by and between the County of Monterey, a political subdivision of the State of California, (hereinafter “COUNTY”), and City of King, Coalition of Homeless Services Providers, and Step Up on Second Street, Inc. (hereinafter “CONTRACTOR”).

WHEREAS, COUNTY and CONTRACTOR entered into an agreement for funding and operation of a temporary homeless shelter program at the Monarch Inn Motel for the period of November 1, 2023, through July 10, 2024 with a total contract amount of \$616,524 (hereinafter “Original Agreement”).

WHEREAS, the parties wish to amend the agreement via **Amendment No. 1** by increasing the amount of leased rooms, City contribution by an additional \$30,000, County contribution by an additional \$94,000 for a new contract total of \$740,524 and extending the term of the agreement through February 12, 2025.

NOW THEREFORE, the parties agree to amend the Agreement as follows:

This Agreement is hereby amended on the terms and conditions as set forth in the Original Agreement incorporated herein by this reference, except as specifically set forth below.

1. **Section B, Paragraph titled “TERM”** is hereby amended as follows: “The term of this MOU shall be from November 1, 2023 through **February 12, 2025.**”
2. **Section D. 1, Paragraph titled “SERVICES”** is hereby amended as follows: “City shall lease **19** rooms at the Monarch Inn for the term of this MOU for homeless individuals and 1 room for Service Coordinator office.”
3. **Section E. 1. a, Paragraph titled “COST SHARING”** is hereby amended as follows: “City shall provide **ninety thousand, three hundred dollars (\$90,300)** from PLHA funds.”
4. **Section E. 1. b, Paragraph titled “COST SHARING”** is hereby amended as follows: “County shall allow for up to **one hundred seventy-five thousand dollars (\$175,000)** in prior approved HHAP Round 3 funds originally intended for King City Homekey, **and provide** one hundred thousand dollars (\$100,000) in ARPA funds to Step Up as pass-through funds to the City.”
5. **Section E. 2. a, Paragraph titled “COST SHARING”** is hereby amended as follows: “County shall pay up to **two hundred seventy-five thousand dollars (\$275,000)** to Step Up for the interim emergency program.”
6. **Section E. 4** was added.
7. Except as provided herein, all remaining terms, conditions, provisions, entitlements and obligations of the Original Agreement are unchanged and unaffected by this Amendment No. 1 and shall continue in full force and effect as set forth in the Original Agreement.

8. A copy of this Amendment No. 1 shall be attached to the Original Agreement.

IN WITNESS HEREOF, the parties hereby execute this amendment as follows:

COUNTY OF MONTEREY:

DocuSigned by:
By: Lori A. Medina
22416585EACG433...
Lori A. Medina, DSS Director

Date: 7/10/2024 | 8:42 AM PDT

CONTRACTOR:
City Of King

DocuSigned by:
By: Steven Adams
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Steven Adams, City Manger

Date: 6/18/2024 | 4:13 PM PDT

Approved as to Form:

DocuSigned by:
By: Anne Brereton
A46091E5DE63489...
Anne Brereton, Deputy County Counsel

Date: 6/20/2024 | 10:51 AM PDT

Step Up On Second Street, Inc.

DocuSigned by:
By: Tod Lipka
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Tod Lipka, President and CEO

Date: 6/18/2024 | 5:00 PM PDT

Coalition Of Homeless Services Providers

DocuSigned by:
By: Katrina McKenzie
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Katrina McKenzie, Executive Director

Date: 6/18/2024 | 4:14 PM PDT

**MEMORANDUM OF UNDERSTANDING
AMENDED AGREEMENT
BY AND BETWEEN
CITY OF KING, COUNTY OF MONTEREY,
COALITION OF HOMELESS SERVICES PROVIDERS,
AND STEP UP ON SECOND STREET, INC.
REGARDING A TEMPORARY HOMELESS SHELTER PROGRAM**

This Memorandum of Understanding (MOU) is by and between the City of King (“City”), the County of Monterey (“County”), Coalition of Homeless Services Providers (“Coalition”), and Step Up on Second Street, Inc. (“Step Up”) for funding and operation of a temporary homeless shelter program at the Monarch Inn Motel.

A. PURPOSE

This Memorandum of Understanding was developed by City, County, Coalition and Step Up, collectively referred to as the “Parties” in order to co-fund and establish a short-term temporary interim shelter program for homeless individuals in King City with a particularly focus on those formerly residing in the Salinas Riverbed area encampments adjacent to King City. The objectives of the program include:

1. To provide temporary alternative shelter for homeless individuals formerly living in the Salinas Riverbed encampments adjacent to King City to provide shelter for those who were displaced when enforcement of trespassing violations took place.
2. To assist homeless individuals with the relocation to temporary shelter units.
3. To coordinate assistance to homeless individuals while they reside in the temporary shelter units.
4. To work with homeless individuals while residing in the temporary shelter units to qualify and prepare them for future residency in the Step Up King City permanent supportive housing project.

B. TERM

The term of this MOU shall be from November 1, 2023 through ~~July 10, 2023~~ **February 12, 2025**.

C. PRIOR AGREEMENT

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 agreement are for the purpose of reimbursing City for the prior non-payment for services provided.

D. SERVICES

1. City shall lease ~~17~~ **19** rooms at the Monarch Inn for the term of this MOU for homeless individuals and 1 room for a Service Coordinator office.
2. City shall contract for weekly cleaning services for all rooms.
3. City shall contract for nighttime security services on a nightly basis during the hours of 8:00 p.m. to 2:00 a.m.
4. Step Up shall employ and dedicate one Service Coordinator to assist and organize activities and services for the residents. The Service Coordinator shall work on site for a minimum of 8 hours per day each Monday through Friday.
5. Step Up shall coordinate registration of each resident, obtain signed temporary motel agreements setting forth conditions for participation in the program, and assist residents with the qualification process for the permanent supportive housing project.
6. The Service Coordinator shall monitor activity of the residents and help ensure compliance with all conditions, coordinate and respond to the property owner and property manager regarding any concerns, and coordinate with the City on all issues related to operation of the program.
7. Step Up Property Management will not be held responsible or liable for any matters related to property management, including general maintenance, work orders, destruction of property, and property management emergencies.
8. The Service Coordinator shall report any maintenance needs to the Monarch Inn manager for repair. Any repair expenses outside normal maintenance shall be deducted by the Monarch Inn manager from a deposit provided by the City or invoiced to City if the deposit is fully expended.
9. Any emergencies shall be reported by the Service Coordinator to the King City Police Department for response.
10. Participants that fail to adhere to the guidelines stated on their temporary motel agreement may be dismissed from the program and asked to leave their motel indefinitely.

E. COST SHARING

1. Parties shall provide the following cash funding to operate the program:
 - a. City shall provide ~~sixty thousand, three hundred dollars (\$60,300)~~ **ninety thousand, three hundred dollars (\$90,300)** from PLHA funds.
 - b. County shall allow for up to ~~eighty one thousand dollars (\$81,000)~~ **in one hundred seventy-five thousand dollars (\$175,000)** in prior approved HHAP Round 3 funds originally intended for King City Homekey, ~~to Step Up for staffing costs and, and provide~~ one hundred thousand dollars (\$100,000) in ARPA funds to Step Up as pass-through funds to the City.
 - c. Coalition shall provide three hundred and twenty-seven thousand, two hundred and eighty-one dollars and five cents (\$327,281.05) as a portion of prior approved HHAP Round 3 funds to Step Up as pass-through funds to the City and forty-seven thousand, nine hundred and forty-two dollars and ninety-five cents (\$47,942.95) in prior approved HHAP Round 2 funds to the City.

2. Funds disbursed to Step Up but not utilized by Step Up for staffing costs are allocated for other operational costs and shall be paid by Step Up to City as a pass-through for City to issue payments for the other operational costs. Therefore, all funds shall be paid as follows upon receipt of an invoice by the recipient agencies and any supporting documentation required depending upon the funding source:
 - a. County shall pay up to ~~one hundred eighty-one thousand dollars (\$181,000)~~ **two hundred seventy-five thousand dollars (\$275,000)** to Step Up for the interim emergency program.
 - b. Coalition shall pay three hundred and twenty-seven thousand, two hundred and eighty-one dollars and five cents (\$327,281.05) to Step Up.
 - c. Coalition shall pay forty-seven thousand, nine hundred and forty-two dollars and ninety-five cents (\$47,942.95) to City.
 - d. Step Up shall pay City four hundred and twenty-seven thousand, two hundred and eighty-one dollars and five cents (\$427,281.05) to City.
3. Agencies shall submit payments within three (3) weeks of receipt of the invoice.
4. **The agreement does not represent the full cost for the temporary shelter program and the City may terminate the agreement at any time if additional funds to operate the program are not available.**

F. MUTUAL INDEMNIFICATION

1. Except as otherwise required by applicable law, Parties agree that each party shall be responsible for their own actions, including but not limited to any negligent and/or intentional acts and/or omissions of its officers, agents and employees; and neither party shall be responsible for the acts and/or omissions of the other. Each party therefore agrees to hold harmless and indemnify the other party against any and all claims, demands, suits, judgments, expenses and costs of any and every kind, insofar as it may legally do so, on account of the injury to or death of persons or loss of property arising in any manner out of the indemnifying party's performance of the terms of this MOU.
2. During the term of this MOU, all Parties shall take out and maintain: (a) commercial general liability insurance or a program of self-insurance, including but not limited to premises, personal injuries, products, and completed operations, with a combined single limit of not less than \$1,000,000 per occurrence and (b) workers' compensation insurance in accordance with California Labor Code section 3700 or an authorized program of self-insurance, with a minimum of \$1,000,000 per occurrence for employer's liability.
3. During the performance of this MOU, Parties shall be responsible for providing any statutory benefits and insurance to their respective employees related to the services provided by this MOU.
4. No party shall assign, sell, mortgage, hypothecate or otherwise transfer its interest or obligations in this MOU without the prior consent of the other party.

5. No alteration, modification, or variation of the terms of this MOU shall be valid unless made in writing and signed by the parties hereto. No oral understanding or agreement not incorporated herein shall be binding on either party hereto.

F. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall be deemed but one and the same instrument, and a facsimile copy of such execution shall be deemed an original.

IN WITNESS WHEREOF, the parties have caused this MOU to be executed by their duly authorized representatives on the dates set forth below.

We, the undersigned, as authorized representatives of the CITY OF KING, the COUNTY OF MONTEREY, the MONTEREY COUNTY COALITION OF HOMELESS SERVICES PROVIDERS, and STEP UP ON SECOND STREET, INC. do hereby approve this document.

CITY OF KING

DocuSigned by:

Steven Adams

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Steven Adams, City Manager

Dated: 6/18/2024 | 4:13 PM PDT

COUNTY OF MONTEREY

DocuSigned by:

Lori A. Medina

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Lori A. Medina, Director of Department of Social Services

Dated: 7/10/2024 | 8:42 AM PDT

COALITION OF HOMELESS SERVICE PROVIDERS

DocuSigned by:

Katrina McKenzie

37A6ED8488E34AC...

Katrina McKenzie, Executive Director

Dated: 6/18/2024 | 4:14 PM PDT

STEP UP ON SECOND STREET, INC.

DocuSigned by:

Tod Lipka

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Tod Lipka, President and CEO

Dated: 6/18/2024 | 5:00 PM PDT

Approved as to Form OFFICE OF THE COUNTY COUNSEL

DocuSigned by:

Anne Brereton

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Anne Brereton, Deputy County Counsel

Dated: 6/20/2024 | 10:51 AM PDT



Monterey County Board of Supervisors

Board Order

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

www.co.monterey.ca.us

A motion was made by Supervisor Chris Lopez, seconded by Supervisor Mary L. Adams to:

Agreement No.: A-16779 ; Amendment No.: 1

Approve and authorize the Director or Designee of the Department of Social Services to execute Amendment No. 1 to the Memorandum of Understanding (MOU) between the County, City of King, Coalition of Homeless Services Providers, and Step Up on Second Street, Inc. for a temporary homeless shelter program at the Monarch Inn, extending the term by seven (7) months, for a new term of November 1, 2023 through February 12, 2025.

PASSED AND ADOPTED on this 9th day of July 2024, by roll call vote:

AYES: Supervisors Church, Lopez, Askew, and Adams

NOES: None

ABSENT: Supervisor Alejo

Motion passed 4 to 0

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting July 9, 2024.

Dated: July 9, 2024
File ID: A 24-336
Agenda Item No.: 34

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos, Deputy