

**AMENDMENT #1 TO AGREEMENT A-17195  
BY AND BETWEEN  
COUNTY OF MONTEREY & CITY OF KING**

**THIS AMENDMENT #1** is made and entered into by and between the County of Monterey, a political subdivision of the State of California, (hereinafter “COUNTY”), and the City of King (hereinafter “CONTRACTOR”).

WHEREAS, COUNTY and CONTRACTOR entered into an AGREEMENT for the provision of a temporary homeless shelter program and temporary rental assistance to former occupants of an encampment located along the Salinas River for the period of July 1, 2024 to August 11, 2025 for a contract total of \$561,000.00; and,

**WHEREAS**, the parties wish to amend the AGREEMENT via AMENDMENT #1 to **add \$300,000.00** to support CONTRACTOR’S acquisition of the Days Inn property located in King City that will provide 45 studio units of permanent supportive housing for the former occupants of an encampment site located along the Salinas River near the City of King with no change to the contract term for a **revised** contract total of **\$861,000.00**.

**NOW THEREFORE**, the COUNTY and CONTRACTOR agree to amend the AGREEMENT in the following manner:


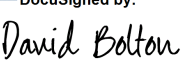

This Agreement is hereby amended on the terms and conditions set forth in the Original Agreement and Amendment #1 incorporated herein by this reference, except as specifically set forth below.

1. **SECTION 1.0, “GENERAL DESCRIPTION” is amended to read as follows:**  
The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A-1** in conformity with the terms of this Agreement.
2. **SECTION 2.0, “PAYMENTS BY COUNTY” is amended to read as follows:**  
COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A-1**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of **\$861,000.00**.
3. **Exhibit A-1** replaces Exhibit A and reflects the **addition of \$300,000.00** for a new contract total of **\$861,000.00**.
4. **Exhibit C-1** replaces Exhibit C and reflects the **addition of \$300,000.00** and the new contract total of **\$861,000.00**.
5. **Exhibit D-1** replaces Exhibit D and reflects the **addition of \$300,000.00** and the new contract total of **\$861,000.00**.

6. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT #1 and shall continue in full force and effect as set forth in the AGREEMENT.
7. A copy of this AMENDMENT #1 shall be attached to the original AGREEMENT, dated July 1, 2024, respectively.

*This space left blank intentionally.*

**IN WITNESS WHEREOF**, the parties have executed this AMENDMENT on the day and year written below.

<p><b>COUNTY ADMINISTRATIVE OFFICE (CAO)</b>  <b>Sonia M. De La Rosa, CAO</b></p> <p>By: _____  Deborah Paolinelli, Assistant CAO</p> <p>Date: _____</p>	<p><b>CITY OF KING</b></p> <p>By: _____  City Manager</p> <p>Date: _____</p>
<p><b>CONTRACTS/PURCHASING (C/P):</b></p> <p>By: _____  Debra R. Wilson, C/P Officer</p> <p>Date: _____</p>	<p><b>CITY OF KING</b></p> <p>By: _____  City Attorney</p> <p>Date: _____</p>
<p><b>APPROVED AS TO FORM:</b>  Office of the County Counsel-Risk Management,  Susan K. Blitch, County Counsel</p> <p>DocuSigned by:    By: _____  Anne Brereton, Deputy County Counsel</p> <p>Date: 4/10/2025   4:08 PM PDT</p>	
<p><b>APPROVED AS TO RISK MANAGEMENT:</b>  Office of the County Counsel-Risk Management,  Susan K. Blitch, County Counsel</p> <p>DocuSigned by:    By: _____  David Bolton, Risk Manager</p> <p>Date: 4/11/2025   11:18 AM PDT</p>	
<p><b>APPROVED AS TO FISCAL PROVISIONS:</b>  Rupa Shah, Auditor-Controller</p> <p>DocuSigned by:    By: _____</p> <p>Date: 4/11/2025   11:26 AM PDT</p>	

SCOPE OF SERVICES/PAYMENT PROVISIONS

CITY OF KING (“CONTRACTOR”)  
COUNTY ENCAMPMENT RESOLUTION FUNDING PROGRAM

- A. FUNDING AMOUNT

\$561,000	ERF-3-R Funding
<u>\$300,000</u>	<u>Amendment #1</u>
<b>\$861,000</b>	<b>Total</b>
- B. CONTRACT TERM

Retroactive to July 1, 2024 to August 11, 2025
- C. CONTACT INFORMATION

COUNTY Contract Manager:

County of Monterey Administrative Office  
Sarah Federico, Management Analyst II  
168 W. Alisal St, 3<sup>rd</sup> Floor Salinas, CA 93901  
Phone: (831) 755-5341  
federicos@countyofmonterey.gov

CONTRACTOR Information:

City of King  
Steven Adams, City Manager  
212 South Vanderhurst Avenue, King City, CA 93930  
Phone: (831) 386-5917  
sadams@kingcity.com

Location of Interim Shelter:

Monarch Inn  
633 Broadway Street  
King City, CA 93930
- D. SUBAWARD INFORMATION:

SUBAWARD: HCD Encampment Resolution Funding, round 3 (ERF-3-R)  
Date County Awarded Funding: April 18, 2024  
CFDA Passthrough Information and Dollar Amount: N/A  
Federal Award Identification Number (FAIN): N/A  
Federal Award Description: N/A  
Research and Development: No  
Maximum Allowable Indirect Cost Rate: None
- E. BACKGROUND

In November 2023, the County of Monterey Department of Social Services (“DSS”), the City of King (“CONTRACTOR”), Step Up on Second Street (“Step Up”) and the Coalition of Homeless Services’ Providers, agreed through a Memorandum of Understanding (“MOU”) and service agreements to establish a short-term interim shelter program at the Monarch Inn (“ Program”) for the chronically unhoused individuals formerly living in the Salinas Riverbed encampments

## SCOPE OF SERVICES/PAYMENT PROVISIONS

adjacent to King City (“encampment site”) to qualify and prepare the interim housing program participants for future residency of a permanent supportive motel conversion housing project.

This Agreement with CONTRACTOR utilizes a portion of an Encampment Resolution Funding Grant (“ERF-3-R”) to continue the provision of property management services and interim housing at the Monarch Inn through August 11, 2025 for the former occupants of the encampment site, and for the provision of long term to medium-term rental assistance and housing retention services for the unsheltered families formerly living at the encampment site that do not qualify for interim housing at the Monarch Inn. CONTRACTOR shall also utilize an additional one-time funding contribution on behalf of the County of Monterey (“COUNTY”) through its Health Department available funds from the Whole Person Care Pilot program in the amount of three hundred thousand dollars (\$300,000) to support CONTRACTOR’S acquisition of the Days Inn property, formerly known as the HomeKey King City, that will be converted into 45 studio units to provide permanent supportive housing for the former occupants of the encampment site currently interim sheltering at the Monarch Inn.

### F. DESCRIPTION OF SERVICES

CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

- F.1 Provide property management for 20 rooms for the Program located at 633 Broadway Street, King City, CA 93930, as follows:
  - F.1.1 CONTRACTOR shall extend existing lease at the Monarch Inn from February 11, 2025, to August 11, 2025, to provide interim shelter for unhoused individuals and a room for a Service Coordinator office. Service Coordinator is an employee of Step Up, the services provider for the Program.<sup>1</sup>
  - F.1.2 CONTRACTOR is responsible for all matters related to the Monarch Inn property management, including general maintenance, work orders, destruction of property, and property management emergencies retroactive to July 1, 2024.
- F.2 Provide for contracted weekly cleaning services for rooms at the Monarch Inn.
- F.3 Provide contracted nighttime security services on a nightly basis during the hours of 5:00 p.m. to 5:00 a.m. at the Monarch Inn.
- F.4 Provide rapid rehousing, rental assistance and housing retention services retroactive to July 1, 2024, for unsheltered families that do not qualify for the Monarch Inn Program.
  - F.4.1 CONTRACTOR may select and outsource rental assistance services to a Subcontractor experienced in housing retention services.
- F.5 CONTRACTOR shall ensure that any Subcontractor agreement for services shall include COUNTY standard indemnification provisions in any subcontract indemnifying the COUNTY, its officers, agents and employees, as follows:
  - F.5.1 Subcontractor shall indemnify, defend, hold harmless the COUNTY, its officers, agents, employees, from and against any and all claims, liabilities, and losses

<sup>1</sup> [Monarch Inn Supportive Services Contract](#)

## SCOPE OF SERVICES/PAYMENT PROVISIONS

whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms, or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this contract, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the subcontractor's performance of this agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of KING CITY or the COUNTY.

Subcontractor performance includes subcontractor's action or inaction and the action and inaction of Subcontractor's officers, employees, agents, volunteers, and subcontractors.

- F.6 CONTRACTOR shall ensure that any Subcontractor agreements include commercial general liability insurance coverage, worker's compensation, auto and professional liability insurance for any services performed. Subcontractors shall meet the same insurance requirements as set out in Section 9.0 of this Agreement. The Subcontractor shall be required to name the "County of Monterey, its officers, officials, volunteers, agents and employees" as additional insured.
- F.7 CONTRACTOR shall require that the Subcontractor abide by non-discrimination provisions by requiring the following language in the subcontract agreement:
  - F.7.1 During the performance of this Agreement, Subcontractor shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in the California Government Code section 12940(a), either in Subcontractor's employment practices or furnishing of services to recipients. Subcontractor shall comply with all federal, state, and local laws and regulations which prohibit discrimination.
- F.8 CONTRACTOR shall ensure the services provider complies with any ERF-3-R required data collection in the Homeless Management Information System ("HMIS") for each of the programs.
  - F.8.1 Monarch Inn Program participants shall be entered into HMIS Project ID# 3799.  
HMIS Grant ID: CALICH-COU-020\_CA-HCD-ERF3R
  - F.8.2 Rental Assistance program shall be set-up as a new program in HMIS:
    - Project Type: PH Rapid Re-Housing
    - RRH Subtype: RRH: Housing with or without services
    - Operating Start Date: July 1, 2024
    - Housing Type: Tenant-based scattered-site
    - HMIS Grant ID: CALICH-COU-020\_CA-HCD-ERF3R
- F.9 CONTRACTOR shall ensure that subcontractor agreement contains an assurance of a drug-free workplace as defined in the State grant agreement<sup>2</sup>.

---

<sup>2</sup> [ERF-3-R Grant Agreement](#)

## SCOPE OF SERVICES/PAYMENT PROVISIONS

- F.10 CONTRACTOR shall ensure all activities for all services, budget, timeline, scope, and payment provisions for this Agreement are authorized and approved by the COUNTY Contract Manager as identified in Section C.
- F.11 CONTRACTOR shall use a one-time funding contribution in the amount of three hundred thousand dollars (\$300,000) to support CONTRACTOR'S purchase of the former King City Homekey located at the Days Inn ("Property") on 1130 Broadway Street in King City that will create 45 units of permanent supportive housing upon completion of renovations by the Housing Authority of the County of Monterey under a separate agreement with the COUNTY<sup>3</sup>.

### G. TRAVEL/MILEAGE REIMBURSEMENT

- G.1 Travel and Mileage Reimbursement is not a permissible expense for the CONTRACTOR, however, may be included in any Subcontractor agreement.
- G.2 CONTRACTOR agrees that SUBCONTRACTOR shall be reimbursed for travel expenses during this Agreement. Subcontractor shall receive compensation for travel expenses as per the "County Travel Policy." A copy of the policy is available online at [Microsoft Word - County Travel Bus Expense Policy 12 5 12.doc \(monterey.ca.us\)](#). To receive reimbursement, CONTRACTOR must provide a detailed breakdown of authorized expenses, identifying what was expended and when. CONTRACTOR shall receive compensation for mileage reimbursement up to the rates listed online at [www.irs.gov](http://www.irs.gov).

### H. ERF-3-R FINANCIAL OVERSIGHT AND ACCOUNTING

- H.1 CONTRACTOR shall ensure all Program operations, services and objectives advance ERF-3-R's objective and fall under the following Eligible Use categories:

Eligible Use Category	Eligible Use Description
Rapid Rehousing	Rapid rehousing, including housing identification services, rental subsidies, security deposits, incentives to landlords, and holding fees for eligible persons, housing search assistance, case management and facilitate access to other community-based services.
Interim Sheltering	Interim sheltering, limited to newly developed clinically enhanced congregate shelters, new or existing non-congregate shelters, and operations of existing navigation centers and shelters based on demonstrated need that are well suited for eligible persons.

- H.2 CONTRACTOR shall collect data on CONTRACTOR invoices and any Subcontractor invoice in such a manner that expenses are classified as one of the above Eligible Use categories, utilizing an invoice form approved by the COUNTY Contract Manager.

<sup>3</sup> [Completed Board Order A-171232](#)

## SCOPE OF SERVICES/PAYMENT PROVISIONS

- H.3 CONTRACTOR shall collaborate with COUNTY Contract Manager to prepare and submit all budget modifications and any reporting requirements per the ERF-3-R Grantor agreement for review and ultimate approval.
- H.4 CONTRACTOR shall execute any Subcontractor agreement to meet the ERF-3-R fiscal requirements to expend all ERF-3-R funding by June 30, 2027 (**EXHIBIT B**).
- H.5 CONTRACTOR shall not use ERF-3-R for costs associated with activities in violation, conflict, or inconsistent with HSC Sections 50250 – 50254, other applicable laws, the terms and conditions of this Agreement, STATE guidance or directives, the NOFA under which the Grantee applied, representations contained in the Grantee's application, and the Purpose of the Program.
- H.6 CONTRACTOR nor their agents shall directly or indirectly use ERF-3-R awards for any use or activity that is in violation, conflict, or inconsistent with the legislative intent of the authorizing statute to ensure the safety and wellness of people experiencing homelessness in encampments. ERF-3-R funded activities that cause a traumatic effect are inconsistent with ensuring the safety and wellness of people experiencing homelessness in encampments.
- H.7 CONTRACTOR shall not use ERF-3-R funds to supplant existing local funds for homeless housing, assistance, prevention, or encampment resolution including site restoration or waste management.
- H.8 CONTRACTOR acknowledges that this Agreement is valid and enforceable only if sufficient funds are made available from STATE to the COUNTY for the administration of the services under this Agreement.
- H.9 CONTRACTOR agrees that in the event STATE funding is terminated or reduced, or the CONTRACTOR and/or Subcontractors breach any of the services provided for in this Agreement, or if either Party terminates this Agreement for reasonable cause, CONTRACTOR and/or its Subcontractors agree to cooperate with COUNTY to return any unused funds within 30 days of written notice from the COUNTY.

### I. MONITOR EXPENDITURES AND SERVICE PERFORMANCE

- I.1 CONTRACTOR shall participate in annual contract monitoring conducted by COUNTY staff to review fiscal integrity, customer service, business management, and service delivery and may include an on-site visit. Completion of this measure shall be documented through issuance of a contract monitoring report by COUNTY staff.
- I.2 CONTRACTOR shall inform the COUNTY Contract Manager of any failure to perform any component of this Agreement or any executed Subcontractor agreement.

### J. REPORTING

- J.1 CONTRACTOR shall submit by email to the COUNTY signed quarterly reports on expenditures under the two (2) eligible uses and allocations per the budget (**EXHIBIT C-1**) and as defined in Section H.1, reflecting a summary of activities used to advance items listed in F: DESCRIPTION OF SERVICES using the **Report Form (EXHIBIT E)**.



## SCOPE OF SERVICES/PAYMENT PROVISIONS

### J.2 Reporting schedule:

Due Date	Reporting Period Beginning date	Reporting Period End Date
January 10, 2025*	July 1, 2024	December 31, 2024
April 10, 2025	January 1, 2025	March 31, 2025
July 10, 2025	April 1, 2025	June 30, 2025
October 10, 2025	July 1, 2025	September 30, 2025
January 10, 2026	October 1, 2025	December 31, 2025

\*Reporting Period Consists of 4 Quarters.

### K. PAYMENT PROVISIONS

K.1 COUNTY shall pay CONTRACTOR an amount not to exceed **eight hundred sixty-one thousand dollars and zero cents (\$861,000.00)** for the performance of all things necessary for or incidental to the performance of work of this Agreement and in accordance with the **Budget (EXHIBIT C-1)**. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within thirty (30) days of receiving the invoice.

K.2 **Allowable Costs:** a) Allowable costs shall be the CONTRACTOR's actual costs of developing, supervising, and delivering the services under this Agreement, as set forth in **Section F. DESCRIPTION OF SERVICES**. CONTRACTOR shall ensure all program operations and objectives advance ERF- 3-R's objective, and eligible use categories listed in **Section H** of this Agreement. b) Allowable costs for travel expenses per **Section G**, incurred while providing services under this Agreement, as set forth the Monterey County Auditor/Controller's Travel Policy <https://www.countyofmonterey.gov/government/departments-a-h/auditor-controller/policies-and-procedures> and should be invoiced the current per diem rates for lodging, meals, and mileage up to the rates listed online at [www.irs.gov](http://www.irs.gov).

### L. INVOICING INSTRUCTIONS & SUBMISSION

L.1 CONTRACTOR shall submit original signed invoices with supportive documentation to the COUNTY setting forth the amount claimed by the 10<sup>th</sup> day of the month following the month in which services were performed. The COUNTY Auditor-Controller shall pay the amount certified within thirty (30) days of receiving the certified invoice.

L.2 The invoice shall be submitted on the invoice form set forth in the Invoice Form, **(EXHIBIT D-1)**.

**SCOPE OF SERVICES/PAYMENT PROVISIONS**

- L.3 All original invoices shall be submitted by email to the COUNTY Contract Monitor listed in Section C.
- L.4 COUNTY whole person care funds in the amount of three hundred thousand dollars (\$300,000) must be exhausted by CONTRACTOR by June 30, 2025. All ERF-3-R funds must be exhausted by CONTRACTOR by August 11, 2025. COUNTY shall not pay any claims for payment for services submitted after August 30, 2025.

*(End of Exhibit A-1)*

July 1, 2024 to August 11, 2025

Agency Name CITY OF KING

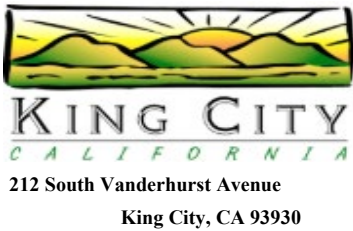
Expense Categories	Encampment Resolution Funding	Whole Person Care Funding	Total Budget
	\$561,000.00	\$300,000.00	\$861,000.00
INTERIM SHELTERING	\$ 465,000.00	\$ -	\$ 465,000.00
RAPID REHOUSING	\$ 96,000.00	\$ -	\$ 96,000.00
ACQUISITION COSTS DAYS INN	\$ -	\$ 300,000.00	\$ 300,000.00
Program Total	\$ 561,000.00	\$300,000.00	\$ 861,000.00

Budget Narrative

ERF-3-R Eligibe Expense Category	Line Item narrative
INTERIM SHELTERING:	Property management, cleaning services and onsite security services for the Monarch Inn interim housing program for 19 participant rooms and 1 services coordinator room for up to 30 weeks.
RAPID REHOUSING:	Permanent Housing rental assistance and housing retention services for up to four (4) unshelterd families that do not qualify for the Monarch Inn interim supportive housing program.
ACQUISITION COSTS DAYS INN	Partial acquisition costs for CONTRACTOR'S purchase of the Days Inn Motel for the provision of permanent housing to be operated and renovated by the Housing Authority of the County of Monterey.

Funding Source(s): ERF-3-R PROGRAM  
WBC Funds

KING CITY MONTHLY INVOICE FORM



**Billing Contact:** Steven Adams, City Manager  
**Email Address:** [sadams@kingcity.com](mailto:sadams@kingcity.com)  
**Direct Phone Number:** 831-386-5917

**Email Invoices To:** [HomelessServices@countyofmonterey.gov](mailto:HomelessServices@countyofmonterey.gov)

Date of Invoice:	
Invoice Number:	
Contract Term:	
Vendor Code:	

Eligible Use Category	Expended This Period	Expended To Date	Remaining Balance	Original Balance
Interim Sheltering:	\$ -	\$ -	\$ 465,000.00	\$ 465,000.00
Rapid Rehousing	\$ -	\$ -	\$ 96,000.00	\$ 96,000.00
Acquisition Costs	\$ -	\$ -	\$ 300,000.00	\$ 300,000.00
Totals:	\$ -	\$ -	\$ 861,000.00	\$ 861,000.00

Expense Table				
Date of Service(s):	Eligible Use	Expense Category	Description of Service	Expenses
		Days Inn Acquisition Costs		

\*Attach original invoices and supporting documentation.

Total Amount to be Paid to Contractor:

I certify that this report is correct and complete to the best of my knowledge and that the costs are eligible pursuant to the terms of the contract.

**Remit Payment To:**  
City of King  
Attn: Accounts Receivable  
212 S. Vanderhurst Ave.  
King City, CA 93930

Steven Adams, City Manager

Date Signed

County Contract Manager Approval

Date Signed