



County of Monterey

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

Board Report

File #: 19-0167, **Version:** 1

Adopt a Resolution to submit an application from the County of Monterey to the Homeless Emergency Aid Program (HEAP) program to fund operations of a warming shelter located at 111 West Alisal Street to the Salinas/Monterey and San Benito County Continuum of Care CA-506. (ADDED VIA ADDENDA)

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Adopt a Resolution to submit an application from the County of Monterey to the Homeless Emergency Aid Program (HEAP) program to fund operations of a warming shelter located at 111 West Alisal Street to the Salinas/Monterey and San Benito County Continuum of Care CA-506.

SUMMARY/DISCUSSION:

HEAP Update:

The Leadership Council, which serves as the Continuum of Care (CoC) Board for the Salinas/Monterey and San Benito County CoC, CA-506, will accept applications for the Homeless Emergency Aid Program (HEAP) grant funding on April 1, 2019 by 5:00 p.m. HEAP is a State of California Business, Consumer Services and Housing Agency block grant program authorized by Senate Bill (SB) 850, signed into law by Governor Brown in June 2017. HEAP is designed to provide immediate and direct assistance to those impacted by the homeless crisis in Monterey and San Benito Counties. The HEAP statute mandates that 50 percent of the awarded funds must be contractually obligated by January 1, 2020. Additionally, 100 percent of the funds must be expended by June 30, 2021.

Eligible activities include, but are not limited to: expansion of homeless bed inventory through new emergency shelters, warming shelters, transitional or other housing; operating and/or supportive services for new homeless beds; rental assistance, rapid rehousing, eviction prevention and/or move-in assistance; street outreach programs, health and safety education services and criminal justice diversion programs; housing navigation, landlord mitigation programs, targeted case management and other related activities.

The County of Monterey and the following jurisdictions have declared a Shelter Crisis for the purposes of the HEAP program: Marina, Monterey, Salinas, Hollister, King City, Monterey County, San Juan Bautista, Sand City, San Benito County, and Seaside. The shelter crisis declaration pursuant to Chapter 7.8 (commencing with Section 8698) of Division 1 of Title 2 of the Government Code is required for all cities and counties that wish to have HEAP capital projects (construction, rehab, acquisition projects funded in their jurisdiction or unincorporated area.

Total available HEAP funds for Monterey County are \$10,008,889. The breakdown on how HEAP funds can be spent is detailed in the table below:

HEAP Funds Available to Monterey County

| Program | Funding Amount Allocated | Percentage allocation of funds |
|----------------------------|--------------------------|--------------------------------|
| Service-Related Projects | \$1,000,889 | 10% |
| Assistance/Subsidies/Rapid | \$1,000,889 | 10% |

| | | |
|---|---------------------|-------------|
| Capital Projects | \$6,505,777 | 65% |
| Unaccompanied Homeless Youth | \$1,000,889 | 10% |
| Category 3 Homeless Youth | \$500,445 | 5% |
| Total Funding Available to Monterey County | \$10,008,889 | 100% |

The County would like to operate and fund a year-round warming shelter at the location of 111 West Alisal Street within the City of Salinas.

OTHER AGENCY INVOLVEMENT:

The City of Salinas and the County of Monterey first entered into an original Memorandum of Understanding (MOU) in the fall of 2017 to agree to work toward a permanent shelter location on County property, originally identified at the site at 1220 Natividad. The County later identified another parcel at 855 East Laurel. The City terminated the prior MOU on May 31, 2018 as both parties agreed on a shelter location and the future of operating the existing warming shelter located at 111 West Alisal St. A new MOU dated September 25, 2018 was executed by both the City and County to continue to operate the existing shelter and work toward a permanent shelter at 855 East Laurel. This shelter would be operated year-round using an emergency shelter model which includes wrap-around services and a rapid rehousing focus.

The application is being prepared as a joint effort between the County Departments of Social Services, and Economic Development and Housing to operate a warming shelter located at 111 West Alisal Street. Although the City and County are operating a warming shelter at that location, the shelter operations are on a limited contract that will expire on June 30, 2019 and no plans are in place in either the City or County budget to continue the operations as funds are not allocated at this time.

FINANCING:

The County's budget expenditures are tight and funding the operations of a warming shelter is noted as an expense that is a hardship for both the City and County. The HEAP funding is intended to provide emergency funding to address homelessness in California communities. HEAP funding is the source of funding that was designed for emergency homeless services such as the operations of emergency shelters.

Should the County not receive an allocation of HEAP funds for shelter operations at 111 West Alisal Street, another source of funding would be required for the approximate, monthly operational cost of \$75,000 for a total of 18 months.

The total funds available for Service-Related projects through HEAP is less than the total estimated operating costs of the shelter over a two-year time frame. The County, in partnership with the City per the MOU, will work with philanthropic organizations and assess for additional funding opportunities to fund the shortfall. Should the County not receive any allocation of HEAP funds for shelter operations at 111 West Alisal Street, the full amount of operations, estimated at approximately \$70,000 a month, would be needed for services to be provided. Every effort to engage philanthropic organizations and potential new funding sources would be assessed to minimize funding shortfall costs on the City and County.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This proposed program 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.

Mark a check to the related Board of Supervisors Strategic Initiatives

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

Prepared by: _____
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Approved by: _____
Nicholas E. Chiulos, Assistant County Administrative Officer, Ext. 5145

Attachments:
Resolution
Resolution Word