



County of Monterey

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

Board Report

File #: A 23-055, **Version:** 1

- a. Approve and authorize the Director or Assistant Director of the Department of Social Services to sign an agreement with Step Up On Second Street, Inc. for the period of March 1, 2023, through June 30, 2025, in the amount of \$1,600,000 to provide transitional and supportive services to house chronically homeless residents in participating Homekey sites located in the City of Salinas and the City of King; and
- b. Authorize the Director or Assistant Director of the Department of Social Services to sign up to three (3) amendments to this Agreement as long as they do not exceed 10% (\$160,000) of the agreement amount or significantly change the scope of work.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Director or Assistant Director of the Department of Social Services to sign an agreement with Step Up On Second Street, Inc. for the period of March 1, 2023, through June 30, 2025, in the amount of \$1,600,000 to provide transitional and supportive services to house chronically homeless residents in participating Homekey sites located in the City of Salinas and the City of King; and
- b. Authorize the Director or Assistant Director of the Department of Social Services to sign up to three (3) amendments to this Agreement as long as they do not exceed 10% (\$160,000) of the agreement amount or significantly change the scope of work.

SUMMARY/DISCUSSION:

This agreement with Step Up on Second Street, Inc (Step Up) is funded by the Homeless Housing, Assistance and Prevention (HHAP1 and HHAP3) Grants and will provide wrap around services to successfully house, support and stabilize chronically homeless individuals in permanent supportive housing units made available through three Homekey motel conversions within the City of Salinas, which include Goodnight Inn located at 545 Work St, the Sanborn Inn located at 180 S. Sanborn Rd, and the Salinas Inn located at 1030 Fairview Ave; and one motel conversion located in the City of King, the Days Inn on 1130 Broadway.

Monterey County received several rounds of funding from the Homeless Housing, Assistance and Prevention (HHAP) Grant program. The program was first signed into law on July 31, 2019 and is administered by the California Interagency Council on Homelessness (Cal ICH). HHAP is a block grant program designed to provide jurisdictions with one-time grant funds to support regional coordination and expand or develop local capacity to address their immediate homelessness challenges. Spending must be informed by a best-practices framework focused on moving homeless individuals and families into permanent housing and supporting the efforts of those individuals and families to maintain their permanent housing.

Homekey is administered by the California Department of Housing and Community Development (HCD). Homekey funding is an opportunity for state, regional, and local public entities to develop a broad range of housing types, including but not limited to hotels, motels, hostels, single- family homes and multifamily apartments, adult residential facilities, and manufactured housing, and to convert commercial properties and other existing buildings to Permanent or Interim Housing to house the chronically homeless.

Step Up is a full-service mental health agency and is a recognized industry leader in motel conversions. Since

1994, Step Up has been providing innovative permanent supportive housing (PSH) solutions through various developments across the nation, including motel conversions.

OTHER AGENCY INVOLVEMENT:

California Department of Housing and Community Development (HCD), the City of Salinas, and Shangri-La Industries contributed to the acquisition, rehabilitation, and operation of three Homekey motel conversions, which include Goodnight Inn located at 545 Work St, the Sanborn Inn located at 180 S. Sanborn Rd, and the Salinas Inn located at 1030 Fairview Ave. California Department of Housing and Community Development (HCD), the City of King, and Shangri-La Industries contributed to the acquisition, rehabilitation, and operation of a Homekey motel conversion site located at the Days Inn on 1130 Broadway St., King City. The Auditor-Controller and Purchasing have reviewed and approved this Agreement. County Counsel has approved the Agreement as to form.

FINANCING:

This agreement is funded with \$800,000 of County Homeless Housing, Assistance and Prevention (HHAP) Round 1 and \$800,000 of County HHAP Round 3 Funds. There are sufficient appropriations and estimated revenues (\$160,622) in budget unit 001-SOC004-8258 for FY 2022-23 Adopted Budget and the remaining funding will be incorporated in the future budget years.

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

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

Attachment: Agreement

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