



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers

168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: RES 25-164

November 18, 2025

Introduced: 11/6/2025

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Resolution

- a. Approve and authorize the County Administrative Officer, or designee, to sign and submit a grant application to the California Department of Housing and Community Development Encampment Resolution Funding Program Round 5, to resolve encampments located on public, unincorporated, and private lands in Salinas, California, also known as the Davis Street Corridor encampments;
- b. Approve and authorize the CAO, or designee, to execute the state funding agreement with the California Department of Housing and Community Development for the Encampment Resolution Funding Project Round 5;
- c. Approve and authorize the County Administrative Officer or designee to sign all future Encampment Resolution Funding Round 5 amendments on behalf of the County for continued funding from the California Department of Housing and Community Development;
- d. Approve and authorize the County Administrative Officer, or designee, to execute a Memorandum of Understanding (MOU) for a Four Year Term with the City of Salinas and the Coalition of Homeless Services Providers to collaborate on the County-led ERF-5-R application and to establish the roles and responsibilities for the implementation of a Housing First, 23-unit low-barrier navigation center program to provide temporary living facilities to individuals experiencing homelessness; and
- e. Approve and authorize the County Administrative Officer or designee, to sign up to three (3) future amendments to this MOU where amendments do not significantly alter the purposes and goals of the MOU subject to review as to form by the Office of the County Counsel.

RECOMMENDATION:

- a. Approve and authorize the County Administrative Officer, or designee, to sign and submit a grant application to the California Department of Housing and Community Development Encampment Resolution Funding Program Round 5, to resolve encampments located on public, unincorporated, and private lands in Salinas, California, also known as the Davis Street Corridor encampments;
- b. Approve and authorize the CAO, or designee, to execute the state funding agreement with the California Department of Housing and Community Development for the Encampment Resolution Funding Project Round 5;
- c. Approve and authorize the County Administrative Officer or designee to sign all future Encampment Resolution Funding Round 5 amendments on behalf of the County for continued funding from the California Department of Housing and Community Development;
- d. Approve and authorize the County Administrative Officer, or designee, to execute a Memorandum of Understanding (MOU) for a Four Year Term with the City of Salinas and the Coalition of Homeless Services Providers to collaborate on the County-led ERF-5-R application and to establish the roles and responsibilities for the implementation of a Housing First, 23-unit low-barrier navigation center program to provide temporary living facilities to individuals experiencing homelessness; and
- e. Approve and authorize the County Administrative Officer or designee, to sign up to three (3) future

amendments to this MOU where amendments do not significantly alter the purposes and goals of the MOU subject to review as to form by the Office of the County Counsel.

SUMMARY/DISCUSSION:

The County Administrative Office - Homelessness Strategies and Initiatives Division (County) respectfully recommends the Board of Supervisors to approve the submission of the California Housing and Community Development Department's (HCD) **Encampment Resolution Funding Program Round Five** (ERF-5-R) grant application; and, to approve a Memorandum of Understanding (MOU) between the County, the City of Salinas, and the Coalition of Homeless Services Providers (CHSP) to establish the County-led partnership, mutual understanding, and collaboration between all parties for the ERF-5-R grant application to address and resolve unsheltered homelessness for an estimated 80 individuals residing in encampments located on public, private, and unincorporated property in Salinas, off Post Drive, N. Davis Road, Boranda Road, and Laurel Drive (Davis Street Corridor) for a four (4) year term from the date (Effective Date) this MOU is fully signed by all parties and shall terminate four (4) years from the Effective Date.

In July 2025, HCD formerly announced its intent to release a Notice of Funding Availability (NOFA) before December 31, 2025, for an estimated \$100 million under the **ERF-5-R program**, included in the State of California's Fiscal Year (FY) 2025-26 adopted budget.

The Encampment Resolution Funding Grant Program (ERF), originally established by the California Interagency Council on Homelessness in 2022, is a state-sponsored grant program administered by HCD. Its goal is to strengthen collaboration between state and local jurisdictions and Continuums of Care (CoCs) to address and ensure the health and safety of individuals experiencing unsheltered homelessness in encampments. ERF provides resources and funding to help local jurisdictions resolve encampments, transition people into safe and stable housing, and support a coordinated, data-driven, person-centered approach to long-term homelessness resolution.

This MOU establishes the collaborative framework and partnership between the County, the City of **Salinas** (City) and CHSP **for the County-led ERF-5-R grant application submission, and the roles and responsibilities for the implementation of the ERF-5-R project.**

If awarded, the ERF-5-R grant will fund street outreach, the development of a 23-unit, congregate, low barrier navigation center (LBNC) through the motel conversion of the City-owned El Rey Motel, and up to two (2) years of operations and services funding, including property site management. Upon completion, the LBNC will provide interim shelter with access to services to resolve the experience of unsheltered homelessness for the estimated 80 individuals residing in the Davis Street Corridor encampments.

Resolving these experiences of homelessness will address the safety and wellness of people within these encampments, to resolve critical encampment concerns, and transition individuals into interim shelter with clear pathways to permanent housing or directly into permanent housing, using data-informed, non-punitive, low-barrier, person-centered, Housing First, and coordinated approaches as is required for the ERF program.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel-Risk Management have approved this Board Report and Memorandum of Understanding (MOU) to form, insurance, and indemnification. This MOU is between the County of Monterey, the Coalition of Homeless Services Providers, as the Continuum of Care lead agency, and the City of Salinas. On October 20, 2025, the Director of the Homelessness Strategies and Initiatives Division presented this ERF project proposal to the Health, Housing, Homelessness & Human Services Committee (4H Committee), during which the 4H Committee expressed full support for the submission of the ERF Round 5 application.

FINANCING:

This action does not impact the General Fund. The total project expenses funded by ERF-5-R have not yet been determined. Once the amount is determined upon submission of the grant application, the County could earn a 5% administrative fee of that total. This proposed project includes development of temporary shelter, a path to permanent housing, and outreach. The total proposal amount will be determined based upon motel conversion costs, availability of leveraged resources near the encampment, and overall project design. The County will administer the grant but will hold no responsibility for the sustainability of the project after the grant term expires. The City agrees to assume responsibility for expenses incurred after the grant is fully expended for their respective project proposal. All partners will work with a Managed Care Provider to identify additional funding resources for the project.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This initiative supports the County of Monterey's 2025-2026 Strategic Goals and Key Objectives through the sustainability of interim sheltering and services programs for the purpose of transitioning eligible residents into permanent housing.

Mark a check to the related Board of Supervisors Strategic Plan Goals

- ☒ Well-Being and Quality of Life
- ☒ Sustainable Infrastructure for Present and Future
- ☐ Safe Resilient Communities
- ☐ Diverse and Thriving Economy

Mark a check to the related Board of Supervisors Strategic Initiatives

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

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Approved by: Deborah Paolinelli, Assistant County Administrative Officer, ext 5309

Attachments:

Board Report
MOU
Draft Resolution