



# County of Monterey

**Item No.34**

## Board Report

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

**Legistar File Number: A 26-315**

**July 07, 2026**

**Introduced:** 6/26/2026

**Current Status:** Health Department -  
Consent

**Version:** 1

**Matter Type:** BoS Agreement

- a. Approve and authorize the revised participant lease agreement template to replace the existing one-year lease term with a month to month tenancy arrangement through June 30, 2027, for the County of Monterey Health Department, Behavioral Health Bureau's Hope Housing Program; and
- b. Authorize the Behavioral Health Bureau Chief/Director or designee to execute participant lease agreements utilizing the approved template.

### RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:

- a. Approve and authorize the revised participant lease agreement template to replace the existing one-year lease term with a month to month tenancy arrangement through June 30, 2027, for the County of Monterey Health Department, Behavioral Health Bureau's Hope Housing Program; and
- b. Authorize the Behavioral Health Bureau Chief/Director or designee to execute participant lease agreements utilizing the approved template.

### SUMMARY:

On November 26, 2024, the Board of Supervisors approved and authorized the use of a participant lease agreement template for the County of Monterey Health Department Behavioral Health Bureau's (Bureau) Hope Housing Program, a behavioral health bridge housing program funded through the California Department of Health Care Services (DHCS) Behavioral Health Bridge Housing (BHBH) Program.

Since the implementation of the program, the Bureau, in consultation with County Counsel, has identified the need to revise the approved lease agreement template. The proposed revisions replace the existing one-year lease term with a month-to-month tenancy arrangement and clarify that participant lease agreements shall not extend beyond June 30, 2027. The revised template will provide greater operational flexibility while continuing to support program participants and align lease terms with current program funding and operational timelines.

### DISCUSSION:

The Hope Housing Program was established through grant funding awarded by the DHCS under the BHBH Program. Through the program, the County leases 55 housing units from the Housing Authority of the County of Monterey (HACM) pursuant to a Memorandum of Understanding (MOU) with an expiration date of December 31, 2027, to provide transitional housing for individuals experiencing homelessness who have behavioral health needs. The Bureau subleases these units to program participants through participant lease agreements, which establish occupancy terms and conditions

while participants receive supportive services. Sun Street Centers provides housing navigation, case management, and substance use disorder services, while Interim, Inc. provides Specialty Mental Health Services (SMHS) and other behavioral health supports to eligible participants.

On November 26, 2024, the Board approved the participant lease agreement template authorizing the use of one-year lease terms for program participants.

Following implementation of the program and ongoing evaluation of operational and programmatic needs, the Bureau worked with County Counsel to review the lease structure and identify opportunities to better align participant lease agreements with the temporary nature of the program and future planning considerations.

The BHBH grant funding is currently scheduled to expire on June 30, 2027. The proposed month-to-month lease structure aligns participant occupancy agreements with the current funding horizon while maintaining operational flexibility and housing stability during the remainder of the program period. The Bureau is also working in coordination with the HACM to evaluate options for continued housing operations beyond July 1, 2027. While these discussions are ongoing, long-term program and housing arrangements beyond the current funding period have not yet been finalized.

As a result, staff is recommending revisions to the approved lease agreement template that would: Replace the current one-year lease term with a month-to-month tenancy arrangement; and Clarify that participant lease agreements may not extend beyond June 30, 2027.

The proposed revisions provide additional flexibility in administering the program while maintaining appropriate tenant protections and lease requirements. The revised structure will better align participant occupancy agreements with the current funding horizon and ongoing planning efforts regarding the future of the program.

Approval of the revised participant lease agreement template will allow the Bureau to continue providing bridge housing services while utilizing lease agreements that reflect current operational needs and program timelines.

This work supports the County of Monterey Health Department 2025-2028 Strategic Plan Goal: 3) Enhance Community Health and Well-Being through equitable access to services and supports. It also supports one of the Ten Essential Public Health Services, specifically: 7) Link people to needed personal health services and assure the provision of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel and Risk Management reviewed the revised participant lease agreement template and approved it as to legal form and risk provisions, respectively.

FINANCING:

Approval of the revised participant lease agreement template and authorization for execution of participant lease agreements have no additional fiscal impact. The Hope Housing Program is funded through existing BHBH Program funding. There is no impact to the County General Fund associated

with approval of this action.

**BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:**

This item supports the Board of Supervisors' Strategic Goal of Well-Being and Quality of Life by promoting housing stability and access to behavioral health services for individuals experiencing homelessness and behavioral health challenges.

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

- Well-Being and Quality of Life
- Sustainable Infrastructure for the Present and Future
- Safe and Resilient Communities
- Diverse and Thriving Economy
- Dynamic Organization and Employer of Choice

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Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachments:

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Attachment A - Redline Version of Lease Agreement

Attachment B - Final Clean Version of Lease Agreement