



County of Monterey

Item No.

Board Report

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

Legistar File Number: 25-733

October 28, 2025

Introduced: 10/9/2025

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

- a. Approve and authorize the County Administrative Officer, or designee to execute Amendment No. 3 to Agreement No. A-17195 with the City of King ("King City") for the provision of interim sheltering to the former occupants of the Salinas River encampment near King City where the amendment increases the Agreement amount by \$148,255 for a revised total contract amount not to exceed \$1,009,255 with no change to the existing term of July 1, 2024, to June 30, 2026; and
- b. Approve and authorize the County Administrative Officer or designee, to execute an additional two (2) future amendments that do not exceed 10% (\$100,925) of the Agreement amount that does not significantly alter the scope of services subject to approval by the Office of the County Counsel.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the County Administrative Officer, or designee to execute Amendment No. 3 to Agreement No. A-17195 with the City of King ("King City") for the provision of interim sheltering to the former occupants of the Salinas River encampment near King City where the amendment increases the Agreement amount by \$148,255 for a revised total contract amount not to exceed \$1,009,255 with no change to the existing term of July 1, 2024, to June 30, 2026; and
- b. Approve and authorize the County Administrative Officer or designee, to execute an additional two (2) future amendments that do not exceed 10% (\$100,925) of the Agreement amount that does not significantly alter the scope of services subject to approval by the Office of the County Counsel.

SUMMARY/DISCUSSION:

This Amendment No. 3 to Agreement No. 17195 ("Agreement") with the City of King ("King City") provides additional funding in the amount of \$148,255 to sustain interim sheltering and property management services at the Monarch Inn, located at 60 Broadway in King City through March 31, 2026, until all program participants have transitioned into permanent supportive housing ("PSH") for a total revised agreement amount of \$1,009,255 with no change to the existing term of July 1, 2024, to June 30, 2026.

In March 2023, individuals experiencing unsheltered homelessness along the Salinas River near King City were enrolled in a PSH program planned for the former Homekey King City site, originally to be developed by Shangri-La Industries at the Days Inn motel (1130 Broadway Street, King City). Due to significant delays caused by the original developer, a multi-agency effort between the County of Monterey, King City, California Department of Housing and Community Development, Housing Authority of the County of Monterey (HACM), Step Up on Second Street, Inc., and the Central California Alliance for Health was formed to salvage the project.

This multi-agency collaborative effort identified HACM as the new developer of the PSH program and additional funding sources necessary to ensure the viability of the project. Renovations are currently

underway to convert the Days Inn property into 45 studio PSH units, with completion anticipated in Spring 2026.

In the interim, the Monarch Inn has provided essential shelter and services to participants, bridging the gap until the PSH site becomes available. The additional \$148,255 will extend shelter and property management services through March 31, 2026, ensuring uninterrupted support and stability for participants.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel-Risk Management, and the Auditor-Controller's office have approved the proposed Amendment No. 3 to Agreement No. 17195 as to form, insurance, and fiscal provisions, respectively.

FINANCING:

There will be no impact on the General Fund from approval of this action. If approved, this Amendment No. 3 will be financed with the Department of Social Services' Homeless, Housing, Assistance, and Prevention grants rounds 3 and 4 (001-5010-8258-SOC004) in the amount of \$148,255. Sufficient appropriations and estimated revenues are included in the Department of Social Services Fiscal Year Adopted Budget 2025-2026.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

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

Prepared by: Sarah Federico, Management Analyst II, CAO-HSI Division, ext 5341

Reviewed by: Roxanne Wilson, CAO-HSI Division, ext 5445

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

Attachments:

Amendment No. 3 to A-17195

Amendment No. 2 to A-17195

Amendment No. 1 to A-17195

Original Agreement A-17195

Proposed Amendment No. 3 is on file with Clerk of the Board as an attachment to this Board Report.