



County of Monterey

Item No.

Board Report

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

Legistar File Number: A 26-272

June 23, 2026

Introduced: 6/8/2026

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Approve and authorize the County Administrative Officer, or designee, to execute Amendment No. 1 to Memorandum of Understanding No. A-16746 with the County of Santa Cruz to extend the MOU term, to incorporate required terms under the Letter of Agreement between the Central California Alliance for Health and the County of Monterey, and to accept \$250,000 from the County of Santa Cruz for Hope Village capital and/or operational needs, in accordance with the terms of the MOU Amendment No. 1 for a new term ending June 30, 2036; and
- b. Authorize the Auditor-Controller to amend the FY 2026-27 County Administrative Office's Homelessness Strategies and Initiatives Division Adopted Budget 1001-105008 to increase appropriations by \$250,000, financed by the unanticipated revenue contribution from the County of Santa Cruz pursuant to MOU Amendment No. 1 to A-16746 (4/5ths vote required); and
- c. Approve and authorize the County Administrative Officer, or designee, to execute up to two (2) 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:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the County Administrative Officer, or designee, to execute Amendment No. 1 to Memorandum of Understanding No. A-16746 with the County of Santa Cruz to extend the MOU term, to incorporate required terms under the Letter of Agreement between the Central California Alliance for Health and the County of Monterey, and to accept \$250,000 from the County of Santa Cruz for Hope Village capital and/or operational needs, in accordance with the terms of the MOU Amendment No. 1 for a new term ending June 30, 2036; and
- b. Authorize the Auditor-Controller to amend the FY 2026-27 County Administrative Office's Homelessness Strategies and Initiatives Division Adopted Budget 1001-105008 to increase appropriations by \$250,000, financed by the unanticipated revenue contribution from the County of Santa Cruz pursuant to MOU Amendment No. 1 to A-16746 (4/5ths vote required); and
- c. Approve and authorize the County Administrative Officer, or designee, to execute up to two (2) 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:

On March 14, 2024, the County Administrative Office Homelessness Strategies and Initiatives Division executed a Memorandum of Understanding No. A-16746 ("MOU") with the County of Santa Cruz. This MOU establishes the coordination and responsibilities for the development of the HOPE Village program (formerly known as Recurso de Fuerza), a 34-bed non-congregate, low-barrier navigation center located at 118A First Street in Watsonville, California.

Amendment No. 1 updates the original MOU terms to reflect changes in program implementation, funding requirements, revised timelines associated with the State Encampment Resolution Funding Program (“ERF”), and additional required terms received from the Central California Alliance for Health (“Alliance”). It also includes a \$250,000 funding contribution from the County of Santa Cruz, and extends the original MOU term from March 14, 2029, to June 30, 2036, for a total term of ten years.

This amendment will formally rename the program HOPE Village, incorporate applicable Medi-Cal Housing Fund terms associated with the Alliance’s Letter of Agreement (“LOA”), and align with the Alliance’s ten-year useful life requirements. It will also extend ERF fiscal deadlines through June 14, 2027, consistent with AB 130 (2025) and approved by the California Department of Housing and Community Development (“HCD”).

Furthermore, the amendment will extend deadlines related to the negotiation and potential transfer of HOPE Village’s modular housing units to the County of Santa Cruz. It will clarify the responsibilities of both counties regarding Medi-Cal occupancy requirements under the Alliance LOA should ownership of the modular units be transferred. New exhibits will be added to the MOU, including the Alliance LOA and LOA Amendment No. 1 and the HOPE Village Property Lease Agreement.

The HOPE Village Program is intended to provide 34 units of interim housing, housing navigation, recuperative care, and supportive services for adults experiencing homelessness within the Pajaro River area and surrounding communities. The program is primarily funded through a combination of State HCD grants and the Alliance Housing Fund resources combined with other local funding.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:

The Office of the County Counsel-Risk Management, and the Auditor-Controller’s office have reviewed and approved proposed Amendment No. 1 as to form, risk, and fiscal provisions.

FINANCING:

There will be no impact on the General Fund from approval of this action. The Amendment incorporates a contribution in the amount of \$250,000 from the County of Santa Cruz to provide additional financial support associated with the HOPE Village Program in FY 2027.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:

This initiative supports the County of Monterey’s Strategic Goals and Key Objectives by supporting the sustainability of interim shelter and service programs designed to transition eligible residents into permanent housing and provide exceptional facilities and health programs that improve quality of life for residents.

Mark a check to the related Board of Supervisors Adopted 2025-26 Strategic Plan Goals

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

Link to the Strategic Plan:

[<https://www.countyofmonterey.gov/home/showdocument?id=139569>](https://www.countyofmonterey.gov/home/showdocument?id=139569)

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

Approved by: Nick Chiulos, Chief Assistant County Administrative Officer, ext 5145

Attachments:

A: Amendment No. 1 to Memorandum of Understanding No. A-16746

B: Original Memorandum of Understanding No. A-16746

Proposed Amendment No. 1 is on file with Clerk of the Board as an attachment to this Board Report.