

RESOLUTION NO. _____ (N.C.S.)

A RESOLUTION OF THE CITY COUNCIL EXECUTING A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE COUNTY OF MONTEREY, COALITION OF HOMELESS SERVICE PROVIDERS (CHSP) AND THE CITY OF SALINAS TO SUPPORT AN ENCAMPMENT RESOLUTION FUNDING ROUND 5 (ERF-5R) APPLICATION FOR DEVELOPMENT OF LOW BARRIER NAVIGATION CENTER (EL REY MOTEL), AND BUDGET APPROPRIATION

WHEREAS, the California Department of Housing and Community Development is expected to release the Notice of Funding Availability (NOFA) for the Encampment Resolution Funding Round 5 (ERF-5R) in Fiscal Year 2025-26; and

WHEREAS, the Encampment Resolution Funding Program is intended to support efforts that resolve encampments and transition individuals experiencing unsheltered homelessness into safe and stable housing; and

WHEREAS, the City of Salinas has previously been awarded two rounds of ERF funding to support local encampment resolution strategies; and

WHEREAS, the City of Salinas, the County of Monterey, and the Coalition of Homeless Services Providers (CHSP) seek to collaborate to submit a County-led ERF-5R application to support encampment resolution along the Davis Street corridor, which includes land under the jurisdiction of the City, the County and Caltrans;

WHEREAS, if awarded, ERF-5R funding will support the development of a 23-unit, non-congregate, low barrier navigation center (LBNC) through the motel conversion of the City-owned El Rey Motel, and up to two years of operations and services funding, including property site management for an estimated amount not to exceed \$8,000,000, of which the City's anticipated request is approximately \$2,500,000 and

WHEREAS, this partnership will formalize efforts through a Memorandum of Understanding (MOU), under which, the County will serve as the lead applicant and grant administrator, the City will manage site rehabilitation and interagency coordination, and CHSP will identify and coordinate the service provider for the LBNC operations; and

WHEREAS, upon completion, the El Rey LBNC will provide interim shelter and support services aimed at resolving homelessness for approximately 80 individuals residing in the Davis Corridor encampments.

WHEREAS, the City Council has determined that this action is not a project under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15378. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council authorizes the

Mayor to execute the Memorandum of Understanding (MOU) among the City of Salinas, the County of Monterey and the Coalition of Homeless Service Providers (CHSP) for the collaborative ERF-5R grant application for an estimated amount not to exceed \$8,000,000; and

BE IT FURTHER RESOLVED that the Salinas City Council hereby authorizes the City Manager to execute agreements and amendments identified in or related to the MOU, provided such amendments do not significantly alter the project's scope or intent; and

BE IT FURTHER RESOLVED that the Salinas City Council authorizes the appropriation of up to Two Million Five Hundred Thousand (\$2,500,000) in ERF-5R grant revenue and corresponding expenditures in the Community Development Department budget contingent upon award of funding by the State of California.

PASSED AND APPROVED this 18th day of November, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis Donohue, Mayor

ATTEST:

Patricia M. Barajas, City Clerk