

City of Salinas

200 Lincoln Ave., Salinas, CA 93901

www.cityofsalinas.org



Meeting Agenda - Final

Tuesday, September 9, 2025

4:00 PM

SALINAS ROTUNDA

City Council

Mayor Dennis Donohue

Councilmembers:

*Jose Luis Barajas, District 1 - Tony Barrera, District 2
Margaret D'Arrigo, District 3 - Gloria De La Rosa, District 4
Andrew Sandoval, District 5 - Aurelio Salazar, District 6*

*Rene Mendez, City Manager
Christopher A. Callihan, City Attorney
City Clerk's Office: (831) 758-7381*

ZOOM WEBINAR PARTICIPATION

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PLEDGE OF ALLEGIANCE**ROLL CALL****PROCLAMATION**

National Childhood Cancer Awareness Month
National Library Card Sign Up Month
National Recovery Month
National Hispanic Heritage Month

CITY OF CHAMPIONS / COMMENDATIONS

Salinas Valley Charros
Tradicion Por Siempre

CLOSED SESSION

*Receive public communications from the audience on Closed session items.
The City Council will recess to closed session pursuant to:*

[ID#25-385](#)

Labor Negotiations - California Government Code Section §54957.6 with its designated labor representatives Rene Mendez, City Manager; Lisa Murphy, Assistant City Manager; Christopher A. Callihan, City Attorney; Katherine Hogan, Assistant City Attorney; Selina Andrews, Finance Director; Marina Horta-Gallegos, Human Resources Director; Sylvia Enriquez, Human Resources Manager; and Che Johnson, Liebert Cassidy Whitmore, regarding labor relations with Service Employees International Union (SEIU), SEIU Supervisors, Salinas Municipal Employees Association/SEIU, Association of Management Personnel, Police Officers Association, Police Management Association, International Association of

Firefighters, Fire Supervisors Association, Confidential Non-Management Employees, Confidential Management Employees, and Department Directors.

THE CITY COUNCIL WILL RECONVENE IN THE ROTUNDA AT 5:00 P.M.

NEW EMPLOYEE WELCOME AND INTRODUCTIONS

PUBLIC COMMENT PROCEDURES

If you wish to make a general public comment or comment on a specific agenda item, you are encouraged to attend the City Council meeting in person. Public comment may also be submitted via email at PublicComment@ci.salinas.ca.us and will be entered into the record. Public comments generally are limited to two minutes per speaker; the Mayor may further limit the time for public comments depending on the agenda schedule.

GENERAL PUBLIC COMMENTS

Receive public communications on items that are not on the agenda and that are in the City of Salinas' subject matter jurisdiction. Comments on Consideration, Public Hearing items, and the Consent Agenda should be held until the items are reached.

CALIFORNIA GOVERNMENT CODE §84308 - LEVINE ACT

Government Code § 84308. Parties to any proceeding involving a license, permit or other entitlement for use pending before the City Council must disclose any campaign contributions over \$500 (aggregated) within the preceding 12 months made by the party, their agent, and those required to be aggregated with their contributions under Government Code § 82015.5. The disclosure must include the amount contributed and the name(s) of the contributor(s).

CONSIDERATION

[ID#25-343](#)

Award of the Sherwood Recreation Center Building Improvement, CIP 9535

Recommendation: Approve a Resolution approving the Plans and Specifications for the Sherwood Recreation Center Building Improvement, CIP 9535; awarding a contract to Otto Construction, Inc. for the Sherwood Recreation Center Building Improvement, CIP 9535, in an amount not to exceed \$2,686,900; authorizing the Public Works Director or his designee to approve contract change orders up to an additional \$538,000, approximately 20% of the contract amount for construction contingencies; and appropriating \$3,623,602 from Community Development Block Grants (CDBG) funds to CIP 9535.

[ID#25-378](#)

Memorandum of Understanding with the Cities for Financial Empowerment Fund, Inc.

Recommendation: Approve a Resolution authorizing the City Manager to sign a memorandum of understanding accepting a \$20,000 grant from the Cities for Financial Empowerment, Inc. for the planning and implementation of a Financial Empowerment Center in Salinas.

PUBLIC HEARINGS

Future Growth Area, Central Specific Plan Zone of Benefit - Continued Indefinitely

[ID#25-304](#)**First Substantial Amendment to HUD FY 2023-2024 Annual Action Plan**

Recommendation: Approve a Resolution authorizing the submission of a First Substantial Amendment to Fiscal Year (FY) 2023-2024 Annual Action Plan (AAP) to the United States Department of Housing and Urban Development (HUD); authorizing the allocation of an additional \$595,000 in available Community Development Block Grant (CDBG) program funds to the Sherwood Recreation Center Building Improvement project (CIP 9535) for a total appropriation of \$4,546,796; and authorizing the City Manager, or designee, to incorporate any necessary modifications to the First Substantial Amendment based on community feedback, and to execute, on behalf of the City, any agreements and related documents for HUD-funded projects and activities as outlined in the attached First Substantial Amendment Summary to the FY 2023-2024 AAP.

CONSENT AGENDA

Matters listed under the Consent Agenda may be enacted by one motion unless a member of the Council requests a separate vote or discuss. Members of the public may comment on the Consent Agenda items collectively during their public comment.

[ID#25-394](#)**Minutes**

Recommendation: Approve minutes of August 26, 2025.

[ID#25-369](#)**Enterprise Vehicle Leasing**

Recommendation: Approve a Resolution authorizing the City Manager to enter into a Master Equity Lease Agreement with Enterprise Fleet Management for the lease of ten vehicles from September 9, 2025 to December 9, 2030 in the amount of \$105,600 per year for a total cost of \$658,000.

[ID#25-374](#)**2024 Pavement Crack Treatment on Various Streets Project, CIP No. 9981**

Recommendation: Approve a Resolution accepting the 2024 Pavement Crack Treatment on Various Streets Project, CIP No. 9981 for maintenance and responsibility.

[ID#25-386](#)**Modification to Classification - Salary Schedule**

Recommendation: Approve a Resolution modifying the Classification - Salary Schedule to adjust the hourly rates for temporary classifications designated as Retired Annuitant.

CONSIDERATION - 6:00 P.M.[ID#25-384](#)**Referendum Against Ordinance No. 2687; City Council Action on the Referendum (Elections Code Section 9241)**

Recommendation: This report presents the options available to the City Council as they relate to the Referendum Against Ordinance No. 2687.

COUNCILMEMBERS' REPORTS, APPOINTMENTS AND FUTURE AGENDA ITEMS

Receive communication from Councilmembers on reports, appointments and future agenda items. Councilmember comments are generally limited to three minutes.

ADJOURNMENT

Alexis Mejia, Assistant City Clerk

AGENDA MATERIAL / ADDENDUM

Any addendums will be posted within 72 hours of regular meetings or 24 hours of special meetings and in accordance with Californian Government Code Section 54954.2 and 54956. City Council agenda reports and other writings distributed to the legislative body may be viewed at the Salinas City Clerk's Office, 200 Lincoln Avenue, Salinas, and are posted on the City's website at www.cityofsalinas.org in accordance with California Government Code section 54597.5. The City Council may take action that is different than the proposed action reflected on the agenda.

Disability-related modification or accommodation, including auxiliary aids or services, may be requested by any person with a disability who requires a modification or accommodation in order to participate in the meeting. Language interpretation may be requested as soon as possible but by no later than 5 p.m. of the last business day prior to the meeting. Requests should be referred to the City Clerk's Office At 200 Lincoln Avenue, Salinas, 758-7381, as soon as possible but by no later than 5 p.m. of the last business day prior to the meeting. Hearing impaired or TTY/TDD text telephone users may contact the city by dialing 711 for the California Relay Service (CRS) or by telephoning any other service providers' CRS telephone number.

PUBLIC NOTIFICATION

This agenda was posted on September 5, 2025 in the Salinas Rotunda and City's website.

Meetings are streamed live at <https://salinas.legistar.com/Calendar.aspx>, televised live on Comcast Channel 25 and on <http://www.youtube.com/thesalinaschannel> at 4:00 p.m. on the date of the regularly scheduled meeting and will be broadcast throughout the day on Friday, Saturday, Monday and Wednesday following the meeting. For the most up-to-date Broadcast Schedule for The Salinas Channel on Comcast 25, please visit or subscribe to our Google Calendar located at <http://tinyurl.com/SalinasChannel25>. All past City Council meetings may also be viewed on the Salinas Channel on YouTube at <http://www.youtube.com/thesalinaschannel>.



Legislation Text

File #: ID#25-385, **Version:** 1

- a. **Labor Negotiations** - California Government Code Section §54957.6 with its designated labor representatives Rene Mendez, City Manager; Lisa Murphy, Assistant City Manager; Christopher A. Callihan, City Attorney; Katherine Hogan, Assistant City Attorney; Selina Andrews, Finance Director; Marina Horta-Gallegos, Human Resources Director; Sylvia Enriquez, Human Resources Manager; and Che Johnson, Liebert Cassidy Whitmore, regarding labor relations with Service Employees International Union (SEIU), SEIU Supervisors, Salinas Municipal Employees Association/SEIU, Association of Management Personnel, Police Officers Association, Police Management Association, International Association of Firefighters, Fire Supervisors Association, Confidential Non-Management Employees, Confidential Management Employees, and Department Directors.



Legislation Text

File #: ID#25-343, **Version:** 1

Award of the Sherwood Recreation Center Building Improvement, CIP 9535

Approve a Resolution approving the Plans and Specifications for the Sherwood Recreation Center Building Improvement, CIP 9535; awarding a contract to Otto Construction, Inc. for the Sherwood Recreation Center Building Improvement, CIP 9535, in an amount not to exceed \$2,686,900; authorizing the Public Works Director or his designee to approve contract change orders up to an additional \$538,000, approximately 20% of the contract amount for construction contingencies; and appropriating \$3,623,602 from Community Development Block Grants (CDBG) funds to CIP 9535.



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: SEPTEMBER 9, 2025

DEPARTMENT: PUBLIC WORKS DEPARTMENT

FROM: DAVID JACOBS, P.E., L.S., PUBLIC WORKS DIRECTOR
KRISTAN LUNDQUIST, LCS DIRECTOR

BY: JONATHAN ESTEBAN, ASSISTANT ENGINEER
ADRIANA ROBLES, P.E., C.F.M., CITY ENGINEER

TITLE: AWARD OF THE SHERWOOD RECREATION CENTER
BUILDING IMPROVEMENT, CIP 9535

RECOMMENDED MOTION:

It is recommended that the City Council approve a resolution:

1. Approving the Plans and Specifications for the Sherwood Recreation Center Building Improvement, CIP 9535;
2. Awarding a contract to Otto Construction, Inc. for the Sherwood Recreation Center Building Improvement, CIP 9535, in an amount not to exceed \$2,686,900;
3. Authorizing the Public Works Director or his designee to approve contract change orders up to an additional \$538,000, approximately 20% of the contract amount for construction contingencies; and
4. Appropriating \$3,623,602 from Community Development Block Grants (CDBG) funds to CIP 9535.

EXECUTIVE SUMMARY:

On June 4, 2025, the bid advertisement for the Sherwood Recreation Center Building Improvement, CIP 9535, was published via PlanetBids. On July 15, 2025, three (3) bid proposals were received by the City from Otto Construction Inc., Marvulli Inc., and CWS Construction Group Inc. The lowest responsive and responsible bidder, Otto Construction Inc., submitted a base bid in the amount of \$2,686,900. Staff recommends awarding the project to Otto Construction Inc. for the base bid amount of \$2,686,900 and approving an allowance of \$538,000 for construction contingencies, approximately 20% of the contract amount.

BACKGROUND:

The Old Municipal Swimming Pool Building, located at 940 N. Main Street, was built in 1949 (over 70 years ago). In 2009, after completion of the New Aquatic Center, the old swimming pool was drained, and the building was not utilized. In 2016, Council approved the initial renovation work for this building in connection with the overall plan of converting the building into a multi-

use recreational facility. The work was done in phases to accommodate funding availability and Phase I - III were completed on May 11, 2021. The Sherwood Recreation Center Phase IV project is a continuation of this renovation effort.

The City of Salinas receives and administers annual entitlement Community Development Block Grant (“CDBG”) funds from the United States Department of Housing and Urban Development (“HUD”). These funds are allocated to address community needs identified in the City’s 2020–2024 Consolidated Plan (the “Plan”). Sherwood Recreation Center was identified in this Plan as a priority capital improvement project aimed at enhancing recreational opportunities and community well-being. The Project is fully funded through HUD CDBG funds, as previously authorized by City Council through the HUD FY 2021-22, 2022-23, 2023-24, and 2024-25 Annual Action Plans and associated Substantial Amendments.

On July 20, 2023, the City’s Community Development Department approved proposals related to Sherwood Recreation Center Phase IV, and CSG Consultants, Inc. initiated service provision under an executed agreement. City staff submitted the Request for Release of Funds and Certification to HUD on January 30, 2025, in compliance with federal NEPA environmental review and grant administration requirements. Subsequently, on March 7, 2025, HUD issued the Authority to Use Grant Funds, officially authorizing the City to proceed with construction-related activities. Following this authorization, City staff released the project bid package on June 4, 2025, advancing the project toward the construction phase in alignment with HUD requirements and local procurement procedures.

City Engineer approved the project plans and specifications and authorized the call to bids for the project with a bid submittal date of July 15, 2025.

On July 15, 2025, bid proposals were received by the City, publicly opened and read via a Zoom meeting with the following results:

BID RESULTS	
CONTRACTOR	BASE BID
Otto Construction Inc.	\$2,686,900
Marvulli Inc.	\$2,866,982
CWS Construction Inc.	\$3,285,000
Engineer’s Estimate	\$2,724,077

The engineer’s estimate for the project base bid was \$2,724,077. Otto Construction, the apparent low bidder, submitted a base bid of \$2,686,900, below the engineer’s estimate.

Based on the proposals received, staff recommends awarding the project to the apparent lowest, responsive and responsible bidder, Otto Construction, in an amount not to exceed \$2,686,900. Staff anticipate \$538,000 in construction contingencies, approximately 20% of the contract amount. The total project costs are estimated at \$3,674,900.

On July 18, 2025, City received a letter of advisement (via email – attached herewith) from Sheet Metal Workers’ Local Union No. 104 advising careful review of the Otto Construction’s bid due to the listing of B&M Civil, LLC (“B&M”) as the HVAC subcontractor. Said letter provided penalty assessment notices for B&M from the Department of Industrial Relations for violations to

labor code section 1771, 1774, and 1777.5 which were rectified. City staff notified the prime contractor, Otto Construction, of B&M's violations. Otto Construction provided the City with a letter (attached herewith) ensuring that Otto Construction will oversee B&M and enforce labor compliance and safety requirements throughout the project.

City staff reviewed the Contractors State License Board (CSLB) license and Department of Industrial Relations (DIR) registration of all contractors listed, including B&M, and found no issues identified by either agency. Furthermore, B&M is not listed in the Labor Commissioner's Division of Labor Standards Enforcement (DLSE) debarments list provided on the DIR website. City staff also contacted various awarding agencies listed in the DIR violations for information on B&M and found no issues in construction.

Pursuant to Salinas Municipal Code section 12-21, the City is required to award the contract to the lowest responsible bidder. A responsible bidder is one who is able to perform the contract, if awarded. To be considered responsible, the bidder must demonstrate the attributes of trustworthiness, quality, fitness capacity, and experience to satisfactorily perform the proposed work. The Council is required to evaluate Otto Construction, Inc. against these criteria. While there has been correspondence submitted regarding one of Otto's proposed subcontractor, no such correspondence has been submitted regarding Otto. The City is unaware of any information that demonstrates Otto is not a responsible contractor, i.e., the City is not aware of any information that calls into question the ability of Otto to satisfactorily perform the proposed work. Thus, City staff recommends awarding the project to the apparent lowest, responsive, and responsible bidder, Otto Construction, in an amount not to exceed \$2,686,900.

Should Council determine Otto to not be a responsible bidder, the Council must provide Otto an opportunity to be heard and the Council must articulate how Otto does not meet the attributes of a responsible bidder (trustworthiness, quality, fitness, capacity, and experience to satisfactorily perform the proposed work). Council should also be aware that if the City is found to have improperly awarded a bid to any bidder other than the lowest responsible bidder, the City may be liable for reimbursing the low bidder's actual cost in submitting the bid.

The City Council may determine it best to reject all bids and to restart the process.

Construction for Base Bid is anticipated to begin in Fall 2025.

ANTICIPATED COSTS	
Description	Anticipated Expenditure
Otto Construction Base Bid	\$2,686,900
Contingency (20%)	\$538,000
Direct Project Cost Subtotal	\$3,224,900
Administrative Overhead	\$50,000
Inspection and Labor Compliance	\$270,000
City Staff Project Management and Admin.	\$130,000
Soft Project Cost Subtotal	\$450,000
TOTAL PROJECT COSTS	\$3,674,900

CEQA/NEPA CONSIDERATION:

The Sherwood Recreation Center Building Improvement CIP 9535 includes operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use, qualifies as a Class 1 Categorical Exemption (Section 15301a) under the California Environmental Quality Act (CEQA). A “Notice of Exemption” was filed at the Monterey County Recorder’s Office on January 7, 2025.

A National Environmental Policy Act (NEPA) review was completed for Phase IV work was completed on January 10, 2025. The project was determined to be Categorically Excluded per 24 CFR 58.35(a), subject to laws and authorities at 58.35(a)(1).

This project meets the CDBG HUD National Objective of Low-Moderate Area (LMA) benefit, 570.208(a)(1) where the project would benefit at least 51% of the residents in the service area (of the project) that are of Low-Moderate Income (LMI).

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No, because this project and contract were competitively bid.

STRATEGIC PLAN INITIATIVE:

This project addresses the current City Council’s Goals of Youth and Seniors, Infrastructure, and Public Safety.

DEPARTMENTAL COORDINATION:

The process of administering this project involves Public Works, Library and Community Services, Community Development, Finance, and Legal Departments.

Public Works Department will be managing the project with activities that include construction management, labor compliance, and inspection services during construction. The project is a CIP for the Library and Community Services Department and is entirely funded with CDBG funds which is being administered by the Community Development Department. Finance Department manages the proper disbursement of funds and is involved with the reporting requirements of the CDBG funds, and Legal Department reviews pertinent documents/contracts to ensure compliance with applicable laws and regulations. Thus, staff from these Departments are very actively involved with the development and execution of this project

FISCAL AND SUSTAINABILITY IMPACT:

Currently, there is only \$51,298.43 available and appropriated in CIP 9535. The project requires the allocation of CDBG operating budget to CIP Project 9535 to proceed with the Sherwood Recreation Center Building Improvement Project.

Fund	CIP No.	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 25-26 Operating Budget Page	Last Budget Action (Date, Resolution)
2910	n/a	30.3240-63.5010	Professional Services	\$273,592.44	\$273,592.44	n/a	05/11/21, 22088; 06/21/22, 22397; 05/16/23, 22658; 05/14/24, 22973
2910	n/a	30.3240-66.3600	Capital Outlays – Bldg Construction	\$3,921,173.34	\$3,350,009.13	n/a	6/11/24, 22979
1000	9535	55.9535-63.6010	Outside Services	\$3,172.36	\$3,172.36	n/a	n/a
1000	9535	55.9535-66.3000	Capital Outlays Bldg. Improvements	\$2,549.46	\$2,549.46	n/a	n/a
1000	9535	55.9535-64.4000	Capital Outlays Improvements	\$45,576.61	\$45,576.61	n/a	n/a
2910	9535	55.9535-61.1100	Salaries & Benefits	\$0.00	\$400,000.00	n/a	n/a
2910	9535	55.9535-64.1000	Administrative Overhead	\$0.00	\$50,000.00	n/a	n/a
2910	9535	55.9535-66.4000	Capital Outlays Improvements	\$0.00	\$3,224,900.00	n/a	n/a

ATTACHMENTS:

Resolution

Bid Tab

Letter of Advisement

Letter from Otto Construction

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

**A RESOLUTION AWARDING THE SHERWOOD RECREATION CENTER
BUILDING IMPROVEMENT, CIP 9535, TO OTTO CONSTRUCTION**

WHEREAS, the City of Salinas receives and administers United States Department of Housing and Urban Development (“HUD”) entitlement Community Development Block Grant (“CDBG”) funds for addressing identified needs in the 2020-2024 Consolidated Plan that identified the Sherwood Recreation Center as a priority project; and

WHEREAS, the Project will be fully funded using HUD CDBG funds as authorized by Council in its U.S Department of Housing and Urban Development FY 2021-22, 2022-23, 2023-24, and 2024-25 Annual Action Plans and Substantial Amendments; and

WHEREAS, on July 20, 2023, the Community Development Department approved proposals for Sherwood Recreation Center, and CSG initiated its service provision under the approved agreement; and

WHEREAS, on January 30, 2025, City staff submitted the Request for Release of Funds and Certification to HUD and on March 7, 2025, the City received the Authority to Use Grant Funds from HUD which then allowed City staff to issue the project bid on June 4, 2025; and

WHEREAS, City Engineer approved the project plans and specifications and authorized the call to bids for this project with bid submittal date on July 15, 2025; and

WHEREAS, representatives of the Public Works Department and Community Development Department of Salinas on July 15, 2025, at a public meeting held via Zoom meeting from City Hall, at Salinas, California, publicly opened and read all bids delivered electronically via the PlanetBids website for the Sherwood Recreation Center Building Improvement , CIP 9535 in accordance with the specifications for such work now filed in the office of City Clerk; and

WHEREAS, the lowest responsive and responsible bidder, Otto Construction, submitted a bid that is below the engineer’s estimate and sufficient funds are available to award this project; and

WHEREAS, it is the City staff recommendation to award the project to Otto Construction in the amount of \$2,686,900; and

WHEREAS, City staff thereupon reported the results of the bidding to the City Council at its regular meeting on August 26, 2025, and the City Council in open session at said meeting examined the report of staff.

NOW, THEREFORE, BE IT RESOLVED pursuant to Salinas Municipal Code Section 12-21, in reference to the “Sherwood Recreation Center Building Improvement , CIP 9535”, that all of said bids or proposals are rejected except the bid from Otto Construction, (hereinafter referred to as “The Successful Bidders”), being the lowest and best bids (based on the specification’s criteria for award) which is hereby accepted. The subject contract is hereby awarded to said Successful Bidders for the sum of \$2,686,900 and more specifically at the unit prices set forth and contained in the Proposal for the “Sherwood Recreation Center Building Improvement, CIP 9535”, of said Successful Bidders, filed in the office of the City Clerk. Said

sum shall be paid by the City of Salinas to said Successful Bidder, payable at the time and manner specified in the plans and specifications and contract documents for the project, entitled, “Sherwood Recreation Center Building Improvement, CIP 9535”; and

BE IT FURTHER RESOLVED that said plans and specifications are hereby accepted and adopted for said work and are also referred to for all of the details and particulars thereof, and said plans and specifications are by reference incorporated in and hereby made a part of this resolution; and

BE IT FURTHER RESOLVED that that the City Manager of Salinas is hereby authorized and directed on behalf of the City of Salinas to execute a contract consistent with the Proposal of said Successful Bidder for said work; and

BE IT FURTHER RESOLVED that the City Council authorizes the Public Works Director to approve contract change orders up to an additional \$538,000 for contingencies, approximately 20% of the contract amount for the Sherwood Recreation Center Building Improvement, CIP 9535; and

BE IT FURTHER RESOLVED that the City Council authorizes the appropriation of \$3,623,602 from Community Development Block Grants (CDBG) funds to the CIP 9535 fund.

PASSED AND APPROVED this 9th day of September 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis Donohue, Mayor

ATTEST:

Patricia M. Barajas, City Clerk

SHERWOOD HALL RECREATION CENTER BUILDING IMPROVEMENT CIP NO. 9535

Bid awarded on _____ by City Council to _____
for the sum of _____
All other bids were rejected and bid bonds returned.

Drawing No.
Project Engineer Jonathan Esteban
Project Manager Jonathan Esteban

Dated

City Clerk				ENGINEER'S ESTIMATE		CONTRACTOR #1		CONTRACTOR #2		CONTRACTOR #3	
						John F. Otto, Inc. dba Otto Construction 1717 2nd St, Sacramento, CA 95811 (916)441-6870		Marvulli, Inc. 1005 E Childs Ave, Ste A, Merced, CA 95341 (209)233-9474		CWS Construction Group, Inc. 1301 Grant Ave, Ste B, Novato, CA, 94945 (415)209-0229	
ITEM NO.	DESCRIPTION	APPROX. QUANTITY	UNIT	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
BASE BID											
1	MOBILIZATION	1	LS	\$ 50,000.00	\$ 50,000.00	\$12,751.00	\$ 12,751.00	\$478,500.00	\$ 478,500.00	\$150,000.00	\$ 150,000.00
2	GENERAL CONDITIONS AND REQUIREMENTS (DIVISION 01)	1	LS	\$ 585,725.00	\$ 585,725.00	\$383,426.00	\$ 383,426.00	\$463,370.00	\$ 463,370.00	\$550,000.00	\$ 550,000.00
3	ARCHITECTURAL (A-SHEETS)	1	LS	\$ 1,419,920.00	\$ 1,419,920.00	\$1,329,247.00	\$ 1,329,247.00	\$1,163,182.00	\$ 1,163,182.00	\$1,935,000.00	\$ 1,935,000.00
4	PLUMBING (P-SHEETS)	1	LS	\$ 18,512.00	\$ 18,512.00	\$0.00	\$ -	\$19,885.00	\$ 19,885.00	\$10,000.00	\$ 10,000.00
5	MECHANICAL HVAC (M-SHEETS)	1	LS	\$ 40,161.00	\$ 40,161.00	\$27,097.00	\$ 27,097.00	\$44,220.00	\$ 44,220.00	\$40,000.00	\$ 40,000.00
6	ELECTRICAL (E-SHEETS)	1	LS	\$ 12,516.00	\$ 12,516.00	\$54,590.00	\$ 54,590.00	\$65,500.00	\$ 65,500.00	\$50,000.00	\$ 50,000.00
7	CIVIL SITE (C-SHEETS)	1	LS	\$ 605,795.00	\$ 605,795.00	\$649,306.00	\$ 649,306.00	\$411,640.00	\$ 411,640.00	\$450,000.00	\$ 450,000.00
8	LANDSCAPE AND IRRIGATION (L-SHEETS)	1	LS	\$ 41,448.00	\$ 41,448.00	\$230,483.00	\$ 230,483.00	\$220,685.00	\$ 220,685.00	\$100,000.00	\$ 100,000.00
	TOTAL BASE BID (ITEMS 1-8) (FOR COMPARISON ONLY)				\$ 2,774,077.00		\$ 2,686,900.00		\$ 2,866,982.00		\$ 3,285,000.00
ITEMS TO BE SUBMITTED WITH PROPOSAL ON BID OPENING DATE											
1	PROPOSAL					X		X		X	
2	SIGNED ADDENDUM NO. 1					X		X		X	
3	SIGNED ADDENDUM NO. 2					X		X		X	
4	SIGNED ADDENDUM NO. 3					X		X		X	
5	BIDDER'S BOND					X		X		X	
6	BIDDER'S STATEMENT OF FINANCIAL RESPONSIBILITY, TECHNICAL ABILITY, AND EXPERIENCE					X		X		X	
7	INSURANCE CERTIFICATION					X		X		X	
8	NON-COLLUSION DECLARATION OF CONTRACTOR					X		X		X	
9	BIDDER'S STATEMENT OF SUBCONTRACTORS - PART I					X		X		X	
10	EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION					X		X		X	
11	PUBLIC CONTRACT CODE SECTION 10285.1 STATEMENT					X		X		X	
12	PUBLIC CONTRACT CODE SECTION 10162 QUESTIONNAIRE					X		X		X	
13	PUBLIC CONTRACT CODE SECTION 10232 STATEMENT					X		X		X	
14	CONTRACTOR'S CERTIFICATION OF NON-SEGREGATED FACILITIES					X		X		X	
15	DEBARMENT AND SUSPENSION CERTIFICATION					X		X		X	
16	NON-LOBBYING CERTIFICATION FOR FEDERAL AID CONTRACTS					X		X		X	
17	DISCLOSURE OF NON-LOBBYING ACTIVITIES					X		X		X	
18	MINORITY/WOMEN BUSINESS CERTIFICATION					X		X		X	
19	AFFIRMATIVE ACTION ACKNOWLEDGEMENT LETTER FOR EXECUTIVE ORDER 11246					X		X		X	
ITEMS TO BE SUBMITTED BY LOW BIDDER AND SECOND LOWEST BIDDDER WITHIN 5 WORKING DAYS AFTER BID OPENING											
20	BIDDER'S STATEMENT OF SUBCONTRACTORS - PART II					X		X			
21	NON-COLLUSION DECLARATION OF SUBCONTRACTOR					X		X			
22	BIDDER'S LIST FOR THE CITY OF SALINAS ENGINEERING AND TRANSPORTATION DEPARTMENT					X		X			

SHERWOOD HALL RECREATION CENTER BUILDING IMPROVEMENT CIP NO. 9535

Bid awarded on _____ by City Council to _____
for the sum of _____
All other bids were rejected and bid bonds returned.

Drawing No.
Project Engineer Jonathan Esteban
Project Manager Jonathan Esteban

Dated _____ _____ City Clerk						CONTRACTOR #1		CONTRACTOR #2		CONTRACTOR #3		
						John F. Otto, Inc. dba Otto Construction 1717 2nd St, Sacramento, CA 95811 (916)441-6870		Marvulli, Inc. 1005 E Childs Ave, Ste A, Merced, CA 95341 (209)233-9474		CWS Construction Group, Inc. 1301 Grant Ave, Ste B, Novato, CA, 94945 (415)209-0229		
ITEM NO.	DESCRIPTION			APPROX. QUANTITY	UNIT	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	
23	CONTRACTOR DATA UNIVERSAL NUMBERING SYSTEM (D-U-N-S) NUMBER						X		X			
24	SUBCONTRACTOR CERTIFICATION OF NONSEGREGATED FACILITIES						X		X			
25	MINORITY/WOMEN BUSINESS UTILIZATION REPORT						X		X			
26	CONTRACTOR'S SECTION 3 AFFIRMATIVE ACTION STATEMENT						X		X			
27	SECTION 3 GOALS STATEMENT						X		X			
28	PROJECT WAGE RATE SHEET (HUD FORM 4720)						X		X			
29	CONTRACTOR CERTIFICATION OF UNDERSTANDING AND AUTHORIZATION						X		X			
30	SUBCONTRACTOR CERTIFICATION OF UNDERSTANDING AND AUTHORIZATION						X		X			
31	CONTRACTOR CERTIFICATION OF APPLICABLE FRINGE BENEFITS						X		X			
32	SUBCONTRACTOR CERTIFICATION OF APPLICABLE FRINGE BENEFITS						X		X			
33	CONTRACTOR SECTION 3 NOTICE						X		X			
34	MBE/WBE CONTRACTING ANNUAL REPORTING FORM (HUD FORM 2516)						X		X			

** Document under review

SHEET METAL WORKERS' LOCAL UNION NO. 104

COMPLIANCE DEPARTMENT

July 18, 2025

City of Salinas

ATTN: Mayor and Council

To Salinas Mayor Donohue and Esteemed Council Members:

Letter of Advisement

This is a formal Letter of Advisement informing the City of Salinas that the Sheet Metal Workers, Local 104 (hereinafter "SMW 104") has discovered evidence that the apparent low bidder's mechanical subcontractor, B&M Builders, for the City of Salinas - Sherwood Rec Center Renovation project is a nonresponsible bidder. SMW 104 requests a careful review of the bid submitted by Otto Construction for the City of Salinas - Sherwood Rec Center Renovation project.

Non-Responsibility

Public Contract Code Section 1103 defines "responsible bidder" as follows: "a bidder who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the public work contract." An analysis of B&M Builders, or lack thereof, would involve accounting for the multiple Civil Wage and Penalty Assessments ("CWPAs") and OSHA citations issued against the contractor. Just from this office, there have been two issued with the Division of Labor Standards Enforcement (see attached) within the last year, but there may certainly be many others with which we are not privy to filed by other third-party compliance programs). Additionally, there have been multiple OSHA citations within the last year, including a "serious" violation as defined by OSHA.

These assessments, from the Office of the Labor Commissioner, document the contractor's failure to pay the prevailing wage when mandated, the under-reporting of hours, failure to hire apprentices, failure to comply with apprenticeship ratios, and failure to comply with apprenticeship program requirements. Additionally, the contractor has failed to meet reporting requirements as per Labor Code § 1771.4. These CWPAs speak to the contractor's non-responsibility to satisfactorily perform public work contracts.

Onus of the Awarding Agency

An awarding agency has full discretion to determine whether a low bidder is both responsive and responsible. (City of Inglewood-L.A. County Civic Center Authority v. Superior Court (1972) 7 Cal. 3d 861,867, 103 Cal. Rptr. 689.). Here, SMW 104 only requests that the awarding body – the City of Salinas – thoroughly investigate the contractor in question.

Recommendation

Prior to rejecting an apparent low bidder on the basis of nonresponsibility, the public agency must notify the low bidder of the evidence supporting this finding and afford the bidder an opportunity to present evidence in rebuttal and to demonstrate that the bidder is qualified to perform the contract. Although the public agency need not conduct a quasi-judicial hearing, due process requires that the public agency at least follow the procedures set forth above before rejecting the apparent low bidder on the basis of nonresponsibility (i.e., ensuring our underlying facts are true). (City of Inglewood-Los Angeles Civic Center Authority, supra, at p. 871.).

Should the City of Salinas agree with our contention, that B&M Builders is a non-responsible contractor, it would be incumbent on the City of Salinas to allow the contractor to present its case. If then, upon review, the awarding agency was not satisfied, the agency may reject the nonresponsible bidder and proceed to award the contract to the next lowest responsible bidder, or rebid the project entirely.

I am available should you have any inquiries about my work, conclusions, or the underlying facts of this letter. Thank you very much for your time and consideration.

Respectfully,

A handwritten signature in dark ink, appearing to read "David Vincent". The signature is fluid and cursive, with the first name "David" being more prominent than the last name "Vincent".

David Vincent
Compliance Representative
SMART, SMW Local Union No. 104



August 12, 2025

Adriana Robles, P.E.
City Engineer
City of Salinas
Public Works Department
200 Lincoln Avenue
Salinas, CA 93901

**RE: SHERWOOD RECREATION CENTER
B&M CIVIL, LLC DBA B&M BUILDERS**

Dear Ms. Robles:

We have been notified by the City of Salinas of past compliance issues with DIR and an OSHA violation for B&M Civil, LLC dba B&M Builders, who we have listed for the HVAC scope of work on the Sherwood Recreation Center project.

Due to the fact that there was no prequalification requirement for subcontractors, B&M Builders is protected under subcontractor listing laws on this project.

Furthermore, with the limited scope of HVAC work, Otto Construction has no concerns using B&M Builders as a subcontractor. B&M Builders has recently hired a dedicated Safety Manager and has put new processes in place to ensure DIR compliance, both of which show commitment to improving upon past results.

Per the City's request, Otto Construction will guarantee that B&M Builders will comply with DIR Requirements and OSHA safety regulations on this project. Otto Construction will have onsite supervision at all times during the course of this project.

Please let us know if you have any questions. We look forward to working with you on this project.

Sincerely,

OTTO CONSTRUCTION

By:

A handwritten signature in blue ink, appearing to read "Natalie Hayward", is written over a horizontal line.

Natalie Hayward
Vice President/Estimating & Preconstruction

1717 Second Street
Sacramento CA 95811
TEL 916.441.6870
FAX 916.441.6138

www.ottoconstruction.com
CA Lic #178809
DIR #1000005395



City of Salinas

200 Lincoln Ave., Salinas,
CA 93901
www.cityofsalinas.org

Legislation Text

File #: ID#25-378, **Version:** 1

Memorandum of Understanding with the Cities for Financial Empowerment Fund, Inc.

Approve a Resolution authorizing the City Manager to sign a memorandum of understanding accepting a \$20,000 grant from the Cities for Financial Empowerment, Inc. for the planning and implementation of a Financial Empowerment Center in Salinas.



**CITY OF SALINAS
CITY COUNCIL
STAFF REPORT**

DATE: SEPTEMBER 9, 2025

DEPARTMENT: ADMINISTRATION

FROM: RENÉ MENDEZ, CITY MANAGER

BY: JOSE ARREOLA, ASSISTANT TO THE CITY MANAGER

TITLE: MEMORANDUM OF UNDERSTANDING WITH THE CITIES FOR FINANCIAL EMPOWERMENT FUND, INC.

RECOMMENDED MOTION:

A motion to approve a Resolution (1) authorizing the City Manager to sign a memorandum of understanding accepting a \$20,000 grant from Cities for Financial Empowerment, Inc. for the planning and implementation of a Financial Empowerment Center in Salinas, and (2) establishing the expenditure and revenue appropriations for the Cities for Financial Empowerment, Inc. Grant.

BACKGROUND:

In September of 2024 City of Salinas began attending informational meetings hosted by Bloomberg's Cities for Financial Empowerment Fund. On October 25 the City of Salinas was invited into the Financial Empowerment Centers (FEC) Academy. The FEC Academy is a 15-month planning process broken into two phases. The first phase provides partners with an overview of the FEC model and tools to explore the feasibility of launching a FEC in their locality. Upon approval to move to Phase 2, partners receive more in-depth technical assistance and access to a \$20,000 grant to support the FEC planning process. We were invited to Phase 2 of the FEC Academy which began on January 22, 2025.

The City of Salinas was approved to move to Phase 2 and has been awarded a Financial Empowerment Center (FEC) Planning Grant. As part of this engagement, the City of Salinas will receive a \$20,000 grant and significant technical assistance to design and prepare for the launch of an FEC. The full grant amount will be paid upon full execution of the memorandum of understanding (MOU) for the grant. The grant term will go through January 31, 2026, and grant funds may be used to support a range of activities related to the City of Salinas's work towards developing and drafting an implementation proposal to launch an FEC. In addition to the \$20,000 planning grant, partners who complete Academy are eligible to apply for up to \$150,000 in local match funds for program implementation from the CFE Fund.

According to the United States Census Bureau 14.2% of our population is impoverished. With rising cost of living in an already expensive city in California it is important to develop as many fiscal supports as possible for our residents. Financial Empowerment Centers (FECs) offer professional, one-on-one financial counseling as a free public service; the national FEC Public platform aims to grow this movement across the country. Multiple avenues of grant support, intensive technical assistance, and a vibrant national learning community will help Salinas plan, launch, and sustain an FEC for our residents.

In short, as written in the application (which is attached) under the Statement of Interest and Local Government Support:

The FEC model complements existing initiatives, such as the city's affordable housing programs, job creation efforts, and partnerships with organizations like UWMC and the Monterey County Business Council. By providing one-on-one financial counseling and integrating services into broader economic development programs, the FEC will empower residents to increase their savings, reduce debt, and achieve long-term financial stability. Services will be hosted at the United Way Monterey County Community Impact Center, providing a centralized, accessible hub for financial counseling and related resources. Financial counseling and the establishment of a Financial Empowerment Center (FEC) are directly aligned with the City of Salinas' and Monterey County's strategic priorities to enhance economic mobility, reduce poverty, and foster financial stability among residents. The City of Salinas' 2022-2025 Strategic Plan emphasizes the importance of pursuing housing options for residents of all income levels, including the unsheltered, that are safe and secure. Additionally, the City's Violence Reduction Strategy focuses on prevention, intervention, enforcement, and reentry, aiming to create a safe environment for people to achieve their potential.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

STRATEGIC PLAN INITIATIVE:

This partnership supports the following Strategic Goals:

- Goal 3: City Services, engage residents and improve communications to the community.
- Goal 5: Public Safety, increase collaboration with partner agencies to address public safety public health issues.

DEPARTMENTAL COORDINATION:

Administration staff worked the Community Development Department to develop the Phase 2 application and earn the funding.

GOVERNMENT CODE SECTION 84308 APPLIES:

No.

FISCAL AND SUSTAINABILITY IMPACT:

The City of Salinas will receive \$20,000 in funds to be managed by the Administration Department.

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 25-26 Operating Budget Page	Last Budget Action (Date, Resolution)
tbd	tbd	tbd	n/a	\$20,000	n/a	n/a

ATTACHMENTS:

Resolution
PowerPoint Presentation
Memorandum of Understanding

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

**A RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE CITY
MANAGER OF SALINAS TO SIGN A MEMORANDUM OF UNDERSTANDING
ACCEPTING A \$20,000 PLANNING GRANT FROM THE CITIES FOR FINANCIAL
EMPOWERMENT FUND, INC.**

WHEREAS, the City of Salinas recognizes that 14.2 percent of residents live below the poverty level and that with the rising cost of living in an already expensive city in California that it is important to develop as many fiscal supports as possible for our residents.; and

WHEREAS, On October 25 the City of Salinas was invited into the Financial Empowerment Centers (FEC) Academy; and

WHEREAS, The FEC Academy is a 15-month planning process broken into two phases. The first phase provides partners with an overview of the FEC model and tools to explore the feasibility of launching a FEC in their locality. Phase 2, provides in-depth technical assistance and access to a \$20,000 grant to support the FEC planning process.; and

WHEREAS, the Financial Empowerment Centers (FECs) offer professional, one-on-one financial counseling as a free public service; and

WHEREAS, multiple avenues of grant support, intensive technical assistance, and a vibrant national learning community will help Salinas plan, launch, and sustain an FEC for our residents.

NOW, THEREFORE, BE IT RESOLVED that the City Council of hereby authorizes the City Manager to sign a Memorandum of Understanding accepting a \$20,000 grant from Cities for Financial Empowerment, Inc. for the planning and implementation of a Financial Empowerment Center in Salinas; and

BE IT FURTHER RESOLVED that the City Council authorizes establishment of the expenditure and revenue appropriations for the Cities for Financial Empowerment, Inc. Grant.

PASSED AND APPROVED this 9th day of September 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis Donohue, Mayor

ATTEST:

Patricia M. Barajas, City Clerk



MEMORANDUM OF UNDERSTANDING

This Memorandum Of Understanding (the “MOU”), dated as of January 29, 2025 (the “Effective Date”), is by and between **Cities for Financial Empowerment Fund, Inc.** (the “CFE Fund”), a Delaware nonprofit corporation qualified as exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), with its principal office located at 44 Wall Street, Suite 1050, New York, NY 10005 and the **City of Salinas, CA** (the “Grantee”).

WHEREAS, the CFE Fund works to support municipal engagement to improve the financial stability of low and moderate income households by embedding financial empowerment strategies into local government infrastructure (the “Purposes”).

WHEREAS, the CFE Fund has determined that the support of the Grantee in the work contemplated by this MOU furthers the exempt purposes of the CFE Fund.

WHEREAS, the Grantee has agreed to use the **Financial Empowerment Center (“FEC”)** **Planning Grant** funds provided by this MOU (the “FEC Planning Grant” or “Grant”) to support the Purposes by managing the implementation and operation of the activities set forth in Exhibit A (the “FEC Academy Phase 1 Milestone and Grantee Proposal”), Exhibit B (the “Scope of Work”) and Exhibit C (the “Model”) (Exhibits A, B and C collectively, the “Program”).

WHEREAS, the CFE Fund and the Grantee desire to enter into this MOU to provide for the terms and conditions of the Grant and the Program.

1. Grant.

The CFE Fund pledges and agrees to provide the Grantee a Grant in the form of cash in an amount not to exceed TWENTY THOUSAND DOLLARS (\$20,000). Grant funds will be paid in U.S. Dollars as provided for in the Grant Payout Schedule in Section 5(c).

2. Use of Grant.

The Grant is to be used only for the purposes outlined in the Scope of Work and in accordance with Exhibit D (the “Grant Budget”). The work detailed in the Phase 1 Milestone and Grantee Proposal be executed in accordance with Scope of Work. The Grantee must obtain the prior written consent of the CFE Fund before using the Grant for goods or services outside the Scope of Work; the failure to comply with this provision may invalidate any obligation of the CFE Fund to provide the Grant and any payments requested thereunder.

3. Term.

- (a) The term of the Grant (the “Term”) will begin as of the Effective Date and end no later than January 30, 2026. Any funds not used by the end of the Term toward the purposes of this Grant will be returned to the CFE Fund within thirty (30) days after the end of the Term unless otherwise agreed upon by both parties in writing in advance.
- (b) This MOU may be terminated at any time prior to its scheduled termination as set forth above:
 - (i) By either the CFE Fund or the Grantee without cause by giving the other party thirty (30) days’ prior written notice;
 - (ii) Immediately by a non-breaching party following a material breach of this MOU by the other party and the expiration of a ten (10) day “cure” period after the non-breaching party shall have given notice to the breaching party of such breach; or;
 - (iii) Immediately by the CFE Fund when its objectives can no longer be advanced through the relationship set forth in this MOU, including, without limitation, by the Grantee’s administration of any Vendor Contract (as defined below).

4. Vendor(s).

- (a) The CFE Fund hereby appoints the Grantee as its sole and exclusive agent with respect to any community-based 501(c)(3) organizations, governmental organizations, consultants, or other private entities (each a “Vendor”) engaged by the Grantee to support the implementation of the Program. Each Vendor may rely upon the direction and instruction of the Grantee.
- (b) The Grantee shall administer all aspects of each contract entered into with any Vendor for purposes of this MOU (the “Vendor Contracts”), including, without limitation, payment of Vendor(s)’ invoices, managing and overseeing the performance of each Vendor under the Vendor Contracts and monitoring such Vendor’s adherence to its duties, obligations and responsibilities thereunder, including appropriate insurance.
- (c) Notwithstanding the above, Grantee shall notify CFE Fund in timely, written manner of any Vendors engaged for the purposes of this MOU.

5. Conditions of Disbursement of Grant.

- (a) Grantee shall be eligible to receive funds upon full execution of this MOU, which includes a Scope of Work (Exhibit B) and Budget (Exhibit D).
- (b) Disbursements of the Grant shall be subject to the fulfillment of the following

conditions:

- (i) Satisfactory performance of this MOU in accordance with the Scope of Work.
- (c) Payout Schedule: 100% of funds (\$20,000) will be paid upon full execution of this MOU. The Grantee will be responsible for providing a final accounting at the end of the Term of how Grant funds were spent.

6. Payment of Grant.

Subject to the fulfillment of the conditions set forth in Section 5:

- (a) The CFE Fund can make payment in one of two ways. Please initial in ONE of the boxes to select the requested payment option.
 - a. For electronic payment: The CFE Fund will make an electronic payment through the CFE Fund's payment system, bill.com. The Grantee authorizes the below employee to create an account and enter the Grantee's appropriate bank routing and account number into bill.com. The Grantee will ensure that account information in bill.com is accurate throughout the life of the Grant.

Initial Here for
Electronic Payment and to
Authorize Employee

- b. For payment by check: The CFE Fund will issue a check to the Grantee at the address provided:

Initial Here for
Payment by Check

- (b) The CFE Fund's ability to pay out this Grant is dependent on the timely receipt of Grant funding from institutional funder(s). In the event that the CFE Fund has not received sufficient or timely funding from these funder(s), the CFE Fund may elect to postpone, reduce, or eliminate this Grant prior to disbursement.

7. Covenants.

During the Term, the Grantee is expected to adhere to the terms and conditions below and outlined in Exhibit B (the “Scope of Work”) or as set forth in Exhibit A (the “Phase 1 Milestone and Grantee Proposal”). Failure to adhere to these conditions will constitute an act of default and result in the Grantee’s obligation to return part or all of the Grant funds to the CFE Fund and the termination of any obligation of the CFE Fund to pay subsequent invoices submitted after such default. In such a case, the CFE Fund will determine in its sole and absolute discretion the percentage of the Grant to be returned. Cessation or reclamation of Grant funding by the CFE Fund may also result in the Grantee’s elimination from consideration for investment from the CFE Fund in any other form. In the event that the CFE Fund terminates the Grant as provided herein, the Grantee shall return any unspent Grant funds (provided, that any Grant funds that were spent must have been spent in accordance with this MOU) to the CFE Fund within the time period specified by the CFE Fund upon termination.

During the Term and beyond as applicable, the Grantee under this MOU agrees to:

- (a) Coordinate the overall implementation of the program planning with respect to the Scope of Work.

The Grantee will oversee and direct the work of any Vendors with respect to the Scope of Work and the Phase 1 Milestone and Grantee Proposal, including Vendor(s), if any. In particular, the Grantee will monitor and manage any Vendor(s) to ensure proper implementation in conformance with the Scope of Work and will serve as the main point of contact with the Vendor. The Grantee and its Vendor(s), if any, will draft and sign an agreement that will memorialize this understanding and share a copy of their agreement with the CFE Fund upon request.

- (b) Adhere to the uses of the Grant detailed in the Scope of Work.

- (i) This Grant is made only for the purposes of implementing the Scope of Work pursuant to the Phase 1 Milestone and Grantee Proposal this MOU. Any Grant funds not expended or committed for these purposes within the Grant Term will be returned to the CFE Fund. Any prospective changes in the use of this Grant totaling over ten percent (10%) of any individual budget line in the Grant Budget must be submitted in writing to and approved in advance by the CFE Fund.
 - (ii) The Grantee will provide immediate written notification to the CFE Fund if significant changes or events occur during the Term which could potentially impact the progress or outcome of the Grant, including, without limitation, changes in the Grantee’s or any Vendor(s)’ management personnel or lead staff member(s) responsible for implementing the Program, loss of funding or other extenuating circumstances which could affect the Grant Budget or any Vendor(s)’

budget. The CFE Fund, in its sole and absolute discretion, will determine if requests for budget modifications are warranted.

(c) Adhere to the following:

- (i) If applicable, confirm the tax-exempt status of any fiscal conduit at the time of the Grant and any payment thereunder.
- (ii) If applicable, to the extent that any Vendor is a tax-exempt entity, to confirm the tax-exempt status of such Vendor at the time of the Grant and any payment thereunder, and ensure that that each such Vendor is maintaining all authorizations, filings, exemptions, insurance, etc. required of a Vendor to perform its duties within and outside this MOU.
- (iii) The Grantee also agrees to provide immediately any correspondence from the Internal Revenue Service or other related agencies regarding the above.

(d) Cooperate in the monitoring, evaluation, and reporting of work, as detailed in the Scope of Work and as set forth in Exhibit E (“Reporting”).

(e) Adhere to the CFE Fund financial compliance stipulations.

- (i) The Grantee will maintain financial records to clearly account for the Grant funds from the CFE Fund and proper expenditures in furtherance of the Grant. The Grantee shall retain and maintain adequate records to substantiate such expenditures according to generally accepted accounting practices. The Grantee shall retain original substantiating documents related to the specific Grant expenditures and make these records available to the CFE Fund and Bloomberg Family Foundation (“Foundation”) upon request.
 - (ii) The CFE Fund reserves the right to audit the Grantee’s financial and other records to ensure the proper utilization of its Grant funds. During and at least three years following the end of the Grant Term, the Grantee must maintain records showing, separately from other accounts kept in its books and records, the receipt and expenditure of the CFE Fund Grant funds.
- (f) Adhere to the CFE Fund’s marketing and communications guidance, as below and of any grant-relevant CFE Fund partners, as provided by the CFE Fund and as applicable (guidance may be amended, modified, supplemented or otherwise revised).
- (i) The Grantee agrees to provide details about all Grant-related marketing and communication materials and events to the CFE Fund reasonably in advance to jointly determine appropriate branding opportunities for the CFE Fund and any relevant CFE Fund partners, including the Foundation.

Materials include but are not limited to websites, newsletters, media releases, public announcements, event invitations and programs. The CFE Fund will provide specific communication protocols including language for recognizing the CFE Fund in text and logo format, as well as the Foundation. Grantee also shall provide to the CFE Fund final copies of all printed materials as part of the progress reports for the Program.

- (ii) The Grantee will request permission from the CFE Fund before using or modifying the CFE Fund, FEC Public, or FEC logos and related branded materials.
- (iii) Any Grant-related media interviews or public announcements intended for media or public purposes must be coordinated with and approved by the CFE Fund, in advance.
- (iv) The Grantee shall not make any statement or otherwise imply to donors, media, or the general public that the Foundation directly funds the activities detailed in the Scope of Work.
- (v) The Grantee and its Vendor(s) may not publicly announce the receipt of this Grant or its details until the CFE Fund and its institutional funder(s) have made their official announcement or have otherwise given permission in writing.
- (vi) Notwithstanding the foregoing, if the Grantee needs to get approval to accept/receive this Grant and/or this MOU in a public forum such as a city council, county commission, or board meeting, the Grantee may do so; the Grantee shall make best efforts to notify and coordinate with the CFE Fund in advance of any public forum at which this Grant will be discussed.
- (vii) Execution of this MOU provides the CFE Fund and its institutional funder(s) the right to disseminate any products, outcomes, or other information related to the Grantee's efforts in any media of its choosing. Whenever feasible, the CFE Fund will share these materials with the Grantee prior to publication and give appropriate credit to the Grantee as the provider of this information. The Grantee and its Vendor(s), if any, will be expected to cooperate in any public education or outreach effort undertaken in connection with this Grant, which may include other CFE Fund programs.
- (g) Adhere to the following prohibitions on the use of the Grant. Under no circumstances may the Grantee or any other organization receiving the CFE Fund's Grant funds use these funds directly or indirectly for the following purposes or activities:

- (i) Make a Grant to an individual for travel, study or other similar purpose, as described in section 4945(d)(3) of the Code.
- (ii) Promote or engage in violence, terrorism, bigotry, or the destruction of any state, nor will it make sub-Grants to any entity that engages in these activities.
- (iii) Influence legislation, especially for the benefit of the CFE Fund or any of its affiliates or funders, including by publishing or distributing any statements, or any campaign in support of or opposition to any pending legislation.
- (iv) Any other purposes outside what is stated in the Program without express written permission from the CFE Fund.

8. Non-Impairment of Charitable Status.

The Grantee covenants and agrees that it shall take no action, omit to take any action, or engage in any activity that could impair or endanger, either directly or indirectly, the CFE Fund's exempt status under the Internal Revenue Code, or which could hinder the CFE Fund's ability to fulfill its charitable mission.

9. Confidentiality.

All reports, information or data furnished to or to be prepared or assembled under this MOU are to be held confidential, unless otherwise herein provided or subject to disclosure by law.

10. Intellectual Property.

All ownership, title, interest, and intellectual property rights of documents, templates, and other materials provided by the CFE Fund shall remain solely the CFE Fund's. Nothing in this section or agreement is intended to, and shall not be construed to, transfer any property rights or any intellectual property rights to Grantee to materials developed by the CFE Fund. The Grantee may use the CFE Fund's intellectual property (i) for internal planning processes; (ii) in furtherance of the Scope of Work; and (iii) if otherwise expressly authorized by the CFE Fund. Any unauthorized disclosure of the CFE Fund's intellectual property without expressed authorization shall be considered a breach of this MOU. The Grantee agrees that the CFE Fund may reproduce, publish, or otherwise use the work product generated during the Term without any restriction whatsoever, including any requirement for approval from the Grantee.

11. Non-Assignability.

The Grantee shall not assign, transfer, subcontract, convey or otherwise dispose of this MOU or of its rights, obligations, responsibilities or duties hereunder or under any Vendor Contract, either in whole or in part, without the prior written consent of the CFE Fund.

12. Compliance with Laws.

Grantee shall comply with, and shall ensure that any Vendors or sub-Vendors engaged by the Grantee in connection with the Program comply with, all local, state and federal laws (including common laws), ordinances, codes, rules and regulations regarding the Program and Grantee's obligations and performance under this MOU. Grantee shall obtain and maintain, and shall ensure that any Vendors or sub-Vendors engaged by the Grantee in connection with the Program obtain and maintain, any and all permits, licenses, bonds, certificates and other similar approvals required in connection with this MOU.

13. Compliance with Anti-Discrimination Rules.

In its use of Grant funds provided by the CFE Fund, and in the course of all development, marketing and operation activities, the Grantee shall fully comply with all applicable federal, state, local (and any other governmental), anti-discrimination laws, executive orders, rules and regulations.

14. Entire MOU.

This MOU contains the entire understanding between the parties hereto with respect to the subject matter of this MOU and replaces and supersedes all prior agreements and understandings of the parties. This MOU may be amended or modified only by a writing executed by the parties hereto.

15. Binding MOU.

Notwithstanding any other provision of this MOU, the parties agree that this MOU constitutes a legal, valid and binding agreement of each party, and is enforceable against each party in accordance with its terms.

16. Amendment.

The CFE Fund shall consider, but is not obligated to agree to, requests by the Grantee to amend the terms of this MOU. Amendments to this MOU shall be made only after (i) the CFE Fund has received written request from the Grantee stating the nature of the amendment request, and (ii) the CFE Fund has executed a written agreement describing the terms of the amendment.

17. Counterparts.

The MOU may be executed in any number of counterparts, including by facsimile or other electronic means of communication, each of which shall be deemed an original of this MOU and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this MOU to be duly executed by their respective officers as of the day and year first above written.

**CITIES FOR FINANCIAL EMPOWERMENT
FUND, INC.**

By: _____
Name: Jonathan Mintz
Title: President and Chief Executive Officer

CITY OF SALINAS, CA

By: _____
Name: Rene Mendez
Title: City Manager

FEC Academy Phase 1 Milestone and Grantee Proposal

(To Be Attached)

Scope of Work

Where there may be discrepancies, this Scope of Work supersedes the Phase 1 Milestone.

As part of the Financial Empowerment Center Planning Grant, the Grantee will:

- Designate at least one staff member from the local government to serve as project lead and plan the FEC based on Exhibit C (the “Model”).
- Meet bi-weekly with the designated CFE Fund technical assistance lead.
- Attend relevant virtual trainings and learning community webinars facilitated by the CFE Fund.
- Identify a FEC Advisory Group of 15-25 stakeholders (including but not limited to local government agencies, nonprofits, financial institutions, funders, etc.) who will participate in the FEC planning process and inform implementation strategies.
- Coordinate an in-person site visit for CFE Fund. This includes:
 - Developing a site visit agenda and coordinating logistics such as reserving a space for meeting.
 - Convening the FEC Advisory Group for a FEC overview and planning session facilitated with CFE Fund.
 - Facilitating and leading individual meetings with key internal stakeholders such as the Mayor, Chief of Staff, Finance Director, and other senior government staff members; community leaders; funders; and service or community partners.
 - Convening other meetings and engagements as needed.
- Determine which office, agency, or department will oversee the FEC within the local government.
- Identify or have plans to hire a staff person (Local Government Manager) who will manage the FEC within local government.
- Engage in a selection process using criteria provided by the CFE Fund to identify a qualified nonprofit or government agency that will serve as the Financial Counseling Provider and secure a commitment from the agency to serve as the provider to deliver the financial counseling services.
- Identify and secure commitments from at least 8 community organizations to serve as program partners for counseling referrals, co-location opportunities, and programmatic integration.
- Determine the size and scope of the FEC, including the staffing plan, budget and potential FEC locations.
- Develop an outreach and marketing plan to raise awareness of FEC services.
- Design a training plan for the FEC program manager and counselors that meets the FEC Counselor Training Standards.
- Secure the funding to support FEC operations in year 1, with probable prospects of funding the FEC for year 2.
- Draft an implementation plan to launch the Financial Empowerment Center initiative, based on the “Model” and submit the FEC Implementation proposal by the end of the Term.

Financial Empowerment Center Model
(the “Model”)

Please note that this provides a broad overview of the Financial Empowerment Center model (the “FEC Model” or the “Model”). During the course of engagement, the CFE Fund team will be providing further details on all components of the model. The Model has been developed by the CFE Fund in order to ensure consistency and high-quality standards. The Model should be actively followed by the Grantee. The Model may be amended, modified, supplemented, or otherwise revised by the CFE Fund. Any changes to the Model will be communicated by the CFE Fund during the course of technical assistance to the Grantee.

Model:

- Professional, one-on-one and free public service.
- Systematically track data and outcomes for client management and evaluation.
- Connects to a range of local government and nonprofit service delivery systems.
- Prioritizes sustainability efforts to become a permanent service in the locality.

Operations:

- Program implementation and management is led and overseen by the local government.
- Service provision is conducted by one or more qualified nonprofit partners or local government agencies, formalized via MOU.
- Counselors conduct financial triage with clients to determine the nature of their financial situation, set goals, and establish a specific plan of action with each client focused in five primary areas: banking, savings, debt, credit, and legacy planning.
- Client retention, critical to outcome achievement, is prioritized as counselors work with clients to make progress on their action plan.
- All program managers and counselors must be trained based on the CFE Fund’s training standards and pass a CFE Fund–administered final exam.

The Financial Counseling Session

As defined for the Model, one-on-one financial counseling and coaching represents a mix of direct service goal setting and light case management provided by highly trained professionals to advise people on their financial and personal goals in the areas of banking, savings, debt, credit, and legacy planning. One-on-one counseling, either in person or remotely, is conducted or tracked with the goal of clients achieving meaningful, defined financial outcomes. A financial counseling session is a confidential, private meeting between an FEC counselor and individual (or household) lasting a minimum of 30 minutes. Sessions can be either in person or remote (i.e. phone, video) given they meet the 30-minute requirement.

The initial counseling session consists of a comprehensive financial health assessment, where counselors conduct triage to determine the full nature of the client’s financial situation, support the client in setting goals, and establish a specific client-led action plan to manage their finances, pay down debt, increase savings, establish and build credit, access safe and affordable mainstream banking products, prepare for legacy planning, and protect assets. Retention, or returning for more than one session, is critical; clients are more likely to achieve outcomes if they participate in multiple counseling sessions. Throughout the process, counselors advise clients, and track progress towards outcomes aimed at enhancing financial stability.

Partnership Structure

The Model is a partnership between local government and community-based organizations, with critical and distinct roles for each partner.

Local Government (city or county) plays a central role of directing and coordinating the initiative on the ground. The local government partner ensures quality and consistency of service delivery by establishing protocols for monitoring and evaluation, using public channels for marketing and promotion of services, and supporting integration of service delivery within other public programs and local government access points.

Financial Counseling Providers recruit, hire and supervise the FEC counselors. They are responsible for all data collection and regular reporting to the local government and the CFE Fund. They support public marketing efforts by participating in outreach events and presentations. In addition, nonprofit providers establish and maintain relationships with other community partners hosting counselors, referral partners, and other outreach and community efforts. This provider role can also be fulfilled by a local government agency.

Local and National Counselor Training Partners deliver financial counseling training instruction based on the training standards provided by the CFE Fund, focusing on financial content, counseling and coaching skills, and cultural awareness. Partners can deliver this training in a variety of formats, including at a local college, through self-paced webinars, and/or with program managers or national training providers teaching the curriculum. Prior to working with their own clients, counselors must pass an exam that evaluates their command of training material and succeed at a period of mentored, experiential training (such as role-playing, shadowing, and observation). In addition, local government and counseling provider managers coordinate continuing education opportunities as the program evolves to further counselors' professional development and understanding of new financial issues that those with low incomes face.

Programmatic Partners are crucial to integrating the FEC services into the service streams of local government and nonprofit agencies, especially those serving people with low and moderate incomes. Partnerships deeply embed financial counseling/coaching into local government and nonprofit programs, advancing both programs' goals. Partnerships can have a variety of characteristics in a scale of increasing integration, which are: formalized via MOU, defined referral process, co-location, FEC participation fully integrated, coordinated case management, regular reporting, data sharing agreement, and Supervitamin Effects Study. Potential complementary program integrations could include: homeownership assistance, homeless prevention, foreclosure prevention, workforce development, asset building, financial access, domestic violence prevention, or other social services.

Philanthropic Partners are influential in the launch of the FEC and subsequent enhancement opportunities. At the start of the implementation phase, localities secure funding from local and/or national funders to partially match the CFE Fund's investment to launch the FEC. Funder engagement in the FEC stems from a range of interests, including geographic footprints, programmatic priorities, innovation opportunities, and issue-based giving. Once the FEC has launched, funders offer opportunities to enhance the Model with targeted pilots, while also providing support to complement the public funding.

Data Collection and Reporting

Data collection and reporting are essential to the success of the Model, used to improve service delivery, track required outcomes, and further budgetary and political sustainability efforts. The Grantee is required to use FECBOT and participate in all national data collection, tracking, and evaluation activities throughout the Grant Term. The Grantee will have access throughout the Grant Term to all local data collected and is able to create customized reports.

Learning Community

The CFE Fund operates a national learning community of local government partners engaged in FEC development and implementation. Learning community calls or events are valuable opportunities to learn and share best practices.

Grant Budget

The CFE Fund will provide a \$20,000 FEC Planning Grant to support the City of Salinas, CA, in line with the below budget. Grant funds may be used for these approved uses:

1. Staff time.
2. Food and/or logistical costs for the CFE Fund site visit or other stakeholder meetings.
3. Administrative needs.
4. Hiring a planning consultant to assist with specific elements of the planning phase.
5. Other activities relevant to achieving the Scope of Work.

The Grantee will be required to submit a financial report detailing how the FEC Planning Grant funds were spent.

FEC Planning Grant Budget

City/County Name:

Salinas, CA

<i>Category</i>	<i>Projected Expenses</i>	<i>Notes</i>
Personnel and Fringe	\$4,000	Offset personal cost for our internal and partner personnel
Indirect/Admin	\$2,000	Indirect administrative cost
Consultant(s)	\$9,000	Paid Consultant support
Meetings/Events	\$5,000	Cost to convene meetings and a trip to see a model FEC in a similar city as Salinas
Supplies		
TOTAL	\$20,000	

Reporting

The Grantee is responsible for reports using the CFE Fund's online grant portal which can be accessed here: <https://www.grantinterface.com/Home/Logon?urlkey=CitiesFE>

- **FEC Implementation Proposal:** The FEC Implementation Proposal, which is due by the end of the Grant Term, will serve as the final report.
 - **Progress Report:** If the FEC Implementation Proposal is not submitted by the end of the Grant Term, the Grantee will need to submit a progress report to outline all FEC planning activities.
- **Financial Report:** The Grantee will submit a financial overview of how the FEC Planning Grant funds were spent.

City of Salinas

FEC Academy Phase 1 Milestone and Grantee Proposal

City of Salinas

Mr. Jose Alfonso Arreola
200 Lincoln Ave.
Salinas, CA 93901

O: 831-758-7396
M: 831-262-4519

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Application Form

Question Group

Please complete the Phase 1 Milestone and Grantee Proposal below to be eligible to advance to FEC Academy Phase 2 and become a FEC planning grantee. For assistance on completing this form, please refer to the materials hosted on the FEC Planning Platform and attend the weekly FEC Office Hours.

This form must be completed by a local government entity.

Upon approval of the Phase 1 Milestone and Grantee Proposal, the local government partner will receive a \$20,000 planning grant and more in-depth technical assistance to support the submission of a FEC Implementation Proposal and the successful launch of a FEC.

FEC Locality*

City or county.

City of Salinas

Statement of Interest and Local Government Support

Question 1*

How is financial counseling, and specifically launching a Financial Empowerment Center, relevant to the city or county's priorities and efforts to assist low-income residents?

Financial counseling and the establishment of a Financial Empowerment Center (FEC) align with Salinas' strategic priorities to enhance economic mobility, reduce poverty, and foster financial stability among its residents. According to data from the United Way Monterey County (UWMC) and regional assessments, over 40,000 households in Monterey County cannot afford their basic needs, with a significant portion residing in Salinas. Launching an FEC will address systemic barriers such as limited access to affordable credit, high levels of debt, and financial literacy gaps.

The FEC model complements existing initiatives, such as the city's affordable housing programs, job creation efforts, and partnerships with organizations like UWMC and the Monterey County Business Council. By providing one-on-one financial counseling and integrating services into broader economic development programs, the FEC will empower residents to increase their savings, reduce debt, and achieve long-term financial stability. Services will be hosted at the United Way Monterey County Community Impact Center, providing a centralized, accessible hub for financial counseling and related resources.

Financial counseling and the establishment of a Financial Empowerment Center (FEC) are directly aligned with the City of Salinas' and Monterey County's strategic priorities to enhance economic mobility, reduce poverty, and foster financial stability among residents.

The City of Salinas' 2022-2025 Strategic Plan emphasizes the importance of pursuing housing options for residents of all income levels, including the unsheltered, that are safe and secure. Additionally, the City's Violence Reduction Strategy focuses on prevention, intervention, enforcement, and reentry, aiming to create a safe environment for people to achieve their potential.

Monterey County's strategic initiatives include enhancing the well-being and prosperity of residents through economic development, improving health and quality of life via health and human services, and creating safe communities through public safety efforts.

By providing one-on-one financial counseling and integrating services into broader economic development programs, the FEC will empower residents to increase their savings, reduce debt, and achieve long-term financial stability. Services will be hosted at the United Way Monterey County Community Impact Center, providing a centralized, accessible hub for financial counseling and related resources.

Question 2*

Who are the individual local government decision-makers who need to be engaged during the planning process, and how will each decision-maker be engaged?

1. City Manager's Office (José A. Arreola, Assistant to the City Manager):
 - o Role: Oversee the planning process, engage stakeholders, and secure administrative support.
 - o Engagement: Regular meetings and progress updates.
2. Salinas City Council:
 - o Role: Approve budget allocations and provide legislative backing.
 - o Engagement: Workshops and presentations to align FEC objectives with council priorities.
3. Monterey County Department of Social Services:
 - o Role: Integrate county resources with FEC services.
 - o Engagement: Coordination meetings and data sharing agreements.
4. Economic Development Department:
 - o Role: Align FEC with workforce development initiatives.
 - o Engagement: Joint strategy sessions to incorporate financial counseling into entrepreneurship programs.

Question 3*

Attach a letter of support from the locality's chief executive stating their commitment to the development of the FEC model and designating specific staff members to manage its execution.

The letter can be addressed to Fernanda Villaseñor, Principal, CFE Fund, 44 Wall Street, Suite 1050, New York, NY 10005.

FEC Letter of Support Jan 2025.pdf

The attached letter is from Rene Mendez the City Manager for the City of Salinas

Financial Empowerment Landscape

Landscape Analysis Upload*

Complete and upload your Landscape Analysis Stakeholder Map. Include at least 15 names/organizations.

Salinas Landscape Analysis Stakeholder Map.xlsx

Question 4*

Describe past and current financial empowerment programs offered by the local government directly or in partnership with others.

The City of Salinas has implemented several financial empowerment programs, both independently and in collaboration with various organizations, to support its residents:

- VITA (Volunteer Income Tax Assistance) Program: In partnership with UWMC, offering free tax preparation services that helped residents secure millions in tax refunds.
- Smart Referral Network (SRN): Facilitates closed-loop referrals to over 90 local organizations for financial and social services.
- Housing Navigation Services: Programs addressing housing affordability and stability, integrated with financial counseling efforts.
- Community Development Block Grant (CDBG) Programs: The City administers CDBG funds to support housing rehabilitation, public services, and economic development activities aimed at benefiting low- and moderate-income residents.
- Emergency Solutions Grants (ESG) Program: ESG funds are utilized to provide services such as street outreach, emergency shelter, homelessness prevention, and rapid re-housing assistance to individuals and families experiencing homelessness or at risk of becoming homeless.
- Affordable Housing Initiatives: The City has been supporting the development of affordable housing for more than five decades, facilitating the creation of housing options for residents of all income levels.
 - Rental Registry and Rent Stabilization Ordinance: In October of 2024 the City Council enacted a rental registry and rent stabilization ordinance to help keep rental costs from rising too quickly.

Question 5*

Identify non-governmental organizations doing or leading financial empowerment work in the locality and the type of work they are providing (e.g., financial education, one-on-one financial counseling and coaching, workshops, VITA programs, Bank On coalitions, etc.).

1. United Way Monterey County (UWMC):
 - o Comprehensive Services: UWMC leads financial literacy and empowerment programs throughout Monterey County, including hosting workshops, managing the Volunteer Income Tax Assistance (VITA) program, and supporting housing stability initiatives. The organization is a key partner in creating systemic change to address financial barriers for residents.
 - o Financial Literacy Workshops: These workshops, offered in English and Spanish, teach critical topics such as budgeting, debt management, credit repair, and long-term savings. UWMC uses HUD-certified counselors to ensure participants gain practical and actionable financial skills.
 - o VITA Program: UWMC provides free tax preparation services to low-income households, helping them secure essential refunds and credits like the Earned Income Tax Credit (EITC). This program returned millions of dollars to the community last year, directly impacting financial stability for participants.
 - o Housing Stability Support: UWMC offers services such as rental assistance and connects clients with other programs to prevent homelessness. Through collaborations with the Smart Referral Network, they ensure that clients can access comprehensive resources tailored to their needs.
 - o Community Impact Center: The planned Financial Empowerment Center will be housed here, providing centralized, accessible support for financial literacy and counseling services, fostering a one-stop solution for residents seeking financial stability.
2. Monterey County Business Council:
 - o Small Business Support: This organization provides entrepreneurial training, small business advisory services, and access to resources for aspiring and current business owners. Their efforts focus on fostering economic growth in sectors like healthcare, hospitality, and precision manufacturing.
3. Goodwill Central Coast:

- o Career Development Programs: Goodwill helps low-income residents with job training, skill-building, and employment placement. These services empower individuals to gain stable employment and improve their financial prospects.
- 4. Community Foundation for Monterey County:
 - o Grant Administration and Philanthropy: This foundation manages charitable funds, provides grants to nonprofits, and promotes financial empowerment initiatives across the region. Their focus includes capacity building for local organizations and supporting systemic approaches to financial stability.
- 5. Salvation Army, Salinas Corps:
 - o Emergency Financial Assistance: The Salvation Army provides essential services such as rental assistance, utility bill payment support, and food services. These programs address immediate financial crises and help residents avoid further hardship.
- 6. Housing Resource Center of Monterey County:
 - o Housing Assistance: This organization provides critical support to prevent eviction and homelessness. Their programs include rental assistance, security deposit aid, and foreclosure prevention counseling to promote housing stability.
- 7. Catholic Charities of Monterey:
 - o Multi-Faceted Financial Support: Catholic Charities offers a wide range of services, including financial literacy education, rental assistance, utility payment support, and other emergency relief. Their programs focus on empowering vulnerable populations, including undocumented residents.
- 8. Bright Beginnings and Mujeres en Acción:
 - o Empowerment Programs: These organizations focus on holistic support for families and individuals, offering financial counseling and connecting residents to childcare resources, workforce development, and health services through partnerships with UWMC and other entities.

Question 6*

Describe any current or planned city- or county-wide initiatives that could be aligned with financial counseling and into which financial counseling could be integrated (e.g., affordable housing, rent and utilities assistance, entrepreneurship programs, etc.)

Several city and county-wide initiatives in Salinas and Monterey County are aligned with the goals of financial counseling and present opportunities for integration into broader programs:

1. Affordable Housing and Homelessness Prevention Programs:
 - o The City of Salinas administers several initiatives through Community Development Block Grants (CDBG) and Emergency Solutions Grants (ESG) to address housing affordability and prevent homelessness. Financial counseling can complement these efforts by helping residents build savings, navigate rental assistance programs, and manage housing costs effectively. The SHARE Center, a 24-hour navigation hub, already supports these goals and can expand with financial counseling services.
2. Rent and Utilities Assistance Programs:
 - o As part of pandemic recovery efforts, both Salinas and Monterey County have expanded assistance for rent and utilities to prevent evictions. Financial counseling can equip residents with budgeting skills to sustain long-term housing stability, preventing repeat financial crises.
3. Entrepreneurship Support through Monterey County Business Council:
 - o The county's focus on fostering entrepreneurship in key sectors like healthcare, hospitality, and climate resilience aligns with financial counseling services. Small business owners and aspiring entrepreneurs can benefit from tailored financial education on budgeting, managing business finances, and accessing microloans.
4. Family Self-Sufficiency (FSS) Programs:
 - o Local housing authorities and nonprofits offer FSS programs to help low-income residents achieve financial independence. Integrating financial counseling can amplify these programs by providing tools for credit repair, savings growth, and long-term financial planning.
5. Youth and Family Financial Education through United Way Monterey County (UWMC):

- o UWMC leads financial literacy workshops targeting youth, families, and single mothers, aligning with county goals to reduce generational poverty. These workshops focus on practical skills like creating budgets, understanding credit, and planning for education expenses.
- 6. Economic Mobility and Workforce Development Programs:
 - o The county's partnership with Goodwill Central Coast and the Monterey Bay Economic Partnership includes job training and workforce development initiatives. Financial counseling can be integrated to help participants manage their earnings effectively and avoid predatory lending practices.
- 7. Health and Human Services Initiatives:
 - o Programs aimed at improving access to healthcare can include financial counseling to help residents understand medical billing, manage healthcare expenses, and enroll in benefit programs.
- 8. Smart Referral Network (SRN):
 - o Managed by UWMC, the SRN connects residents to over 90 community-based services. Adding financial counseling to this closed-loop referral system ensures holistic support for clients seeking economic stability. By integrating financial counseling into these initiatives, the City of Salinas and Monterey County can create a unified framework that addresses the root causes of financial instability while empowering residents to achieve long-term self-sufficiency.

Stakeholder Discussions

Question 7*

Have an introductory meeting with one non-profit organization that you are considering as a potential programmatic partner. *(This can be an informal, 30 minute meeting)*. List the name of the organization, titles of the staff members you met with, and respond to the following questions for each organization:

- Were they interested in potentially partnering with the FEC? Why or why not?
- What insights did they offer on how financial counseling could benefit their clients?
- How would this partnership support the local government's financial empowerment goals?
- Please describe any other highlights from the conversation or noteworthy insights about the potential partnership.

Meeting Summary:

- Organization: United Way Monterey County (UWMC)
- Attendees:
 - o José A. Arreola, Assistant to the City Manager, City of Salinas
 - o Lynn Foden, Director of Financial Stability, UWMC

Insights from Meeting:

1. Interest in Partnership:
 - o United Way Monterey County expressed strong interest in partnering with the Financial Empowerment Center (FEC). They identified financial counseling as a natural extension of their existing programs and an opportunity to deepen their impact within the community.
2. Potential Benefits for Clients:
 - o UWMC emphasized how financial counseling could enhance the success of their current initiatives, including the Volunteer Income Tax Assistance (VITA) program and Smart Referral Network. They highlighted that many clients they serve lack access to personalized financial planning resources and would benefit from one-on-one financial counseling to manage debt, improve credit, and build savings.
3. Alignment with Local Government Goals:
 - o UWMC identified the FEC as a strategic asset to advancing Salinas' goals of economic mobility and financial stability. They noted that co-locating services at the United Way Community Impact Center would create a centralized hub for residents, streamlining access to vital resources.

4. FEC Location and Integration:

o The FEC could be housed at the United Way Monterey County Community Impact Center, a central and accessible location in Salinas. This hub will streamline service delivery by integrating financial counseling with other programs already offered at the center, such as VITA, housing navigation, and referrals through the Smart Referral Network.

o The center's infrastructure supports hybrid service models, offering both in-person and virtual financial counseling sessions to ensure flexibility and reach for diverse client needs.

5. Capacity for Hiring and Training Counselors:

o UWMC has experience recruiting and onboarding certified financial counselors and is prepared to scale their efforts to meet the needs of the FEC.

6. Commitment to Equity and Accessibility:

o The organization is dedicated to providing culturally relevant services, particularly for Spanish-speaking and immigrant populations.

Question 8*

Have an introductory meeting with one governmental agency that provides social services or works directly with constituents and who may serve as a program partner to refer clients to the FEC. *(This can be an informal, 30-minute meeting).* Examples include Health and Human Services, Neighborhood Services, Treasurer's office, Utility billing, etc. List the name of the agency, title(s) of the staff member(s) you met with, and respond to the following questions:

- Were they interested in potentially partnering with the FEC? Why or why not?
- What insights did they offer on how financial counseling could benefit their clients?
- How would this partnership support the local government's financial empowerment goals?
- Please describe any other highlights from the conversation or noteworthy insights about the potential partnership.

City Manager Rene Mendez has identified developing Financial Empowerment program through this fund as priority and has asked the Community Development Director to assign the Economic Development Manager Michael Gomez to support the program. We have a shared clientele group in the residents of Salinas. The intra-governmental Partnership would allow us the bandwidth necessary to maintain relationships with our partners, then design and launch the program. The economic development manager provides a different set of local contacts and relationships in the business sector that will strongly compliment my existing relationships in the not-for-profit sector.

Question 9

If you have had any discussions with potential financial counseling providers, please list the names of the organizations here and briefly describe their qualifications, as well as any conversations had. The financial counseling provider is the contracted organization that will hire and manage counselors to deliver services. Reminder: the CFE Fund will need to approve all financial counseling providers through the Implementation Proposal using CFE Fund's criteria.

United Way Monterey County (UWMC) is a strong candidate to serve as the financial counseling provider for the FEC. With an established track record of managing financial empowerment programs, UWMC has the resources and infrastructure needed to hire and manage counselors effectively. UWMC's qualifications include:

- Experience in Financial Literacy Programs:

- o UWMC has successfully conducted financial literacy workshops in English and Spanish, covering essential topics such as budgeting, credit repair, debt management, and savings growth. These workshops are led by HUD-certified counselors and tailored to meet the needs of diverse communities in Monterey County.
- Management of the VITA Program:
 - o UWMC oversees the Volunteer Income Tax Assistance (VITA) program, which has helped thousands of residents secure millions of dollars in tax refunds. This program demonstrates UWMC's ability to coordinate large-scale, impactful financial services.
- Integration with Existing Community Networks:
 - o Through its management of the Smart Referral Network, UWMC facilitates seamless referrals between over 90 partner organizations. This infrastructure positions UWMC to integrate financial counseling into a broader network of community support services.
- Proven Administrative Capacity:
 - o UWMC has a history of effectively managing grants and contracts, including those supporting financial empowerment initiatives. Their administrative expertise ensures compliance with funding requirements and efficient program delivery.
- 1. Capacity for Hiring and Training Counselors:
 - o UWMC has experience recruiting and onboarding certified financial counselors and is prepared to scale their efforts to meet the needs of the FEC.
- 2. Commitment to Equity and Accessibility:
 - o The organization is dedicated to providing culturally relevant services, particularly for Spanish-speaking and immigrant populations.
- 3. Alignment with FEC Goals:
 - o UWMC sees the FEC as an opportunity to centralize and enhance financial empowerment efforts, leveraging their Community Impact Center as the physical and operational hub for services. This alignment of expertise, infrastructure, and mission makes UWMC an ideal partner to serve as the financial counseling provider for the FEC.

Question 10*

THIS QUESTION IS NO LONGER VISIBLE TO RESPONDENTS (REPLACED BY LANDSCAPE ANALYSIS) Provide a list of stakeholders who will be invited to participate in the Advisory Group (include specific individuals, titles, and organizations). Please note that Advisory Group invitations should not be issued until your Phase 1 milestone is approved and this list has been reviewed with your CFE Technical Assistance lead.

Question 11*

THIS QUESTION IS NO LONGER VISIBLE TO RESPONDENTS (REPLACED BY LANDSCAPE ANALYSIS) What are your goals for the Advisory Group and your approach to engaging them in the planning process. Include specific examples of expertise and/or resources you wish to receive from the Advisory Group. If you have ideas about subcommittees or working groups, describe your thinking.

Planning Capacity

Question 10*

Identify the City/County staff member(s) who will serve as the CFE Fund liaison(s) for the remainder of FEC Academy and be responsible for grant deliverables, including brief biographies, any past experience with financial empowerment/anti-poverty efforts and partnerships, and role within the local administration.

- Please note that at least one staff member must be senior enough to engage senior administration officials and stakeholders to secure buy-in and must also be able to commit a significant amount of time to manage these efforts. Having the capacity to dedicate significant time to the FEC planning efforts is key to a successful development of the FEC Implementation Proposal.

Jose Arreola, Assistant to the City Manager

José Arreola is the Assistant to the City Manager for the City of Salinas and Director of the Community Alliance for Safety and Peace (CASP). CASP is a cross sector Collective Impact organization focused on preventing and eliminating violence in Salinas and throughout Monterey County. He graduated from San José State University with a B.S. in Recreation and Leisure Studies and a minor in Mexican American Studies. He served as the City of Salinas Liaison to President Obama's National Forum on Youth Violence for four years and currently serves on the Board of Directors of the California Violence Prevention Network. In addition, he serves as Chair of the Monterey County's Juvenile Justice Commission. José is the lead for the City of Salinas Governing for Race Equity community and staff steering committee and their representative in the Towards a Racially Equitable Monterey County (TREM) regional collaborative. José has completed four years of training in the Government Alliance on Race Equity by Race Forward. He has led the development and implementation of three strategic plans on violence prevention. Preventing violence and improving equity are key elements to reducing poverty.

Michael Gomez, Economic Development Manager

Michael Gomez was born and raised in Salinas giving him a rich cultural knowledge of the City and its residents. Michael is an experienced professional in Human Resources, Economic Development, and Property Management. He has the knowledge and experience to guide his clients through City processes if needed. Michael holds a B.A. degree in Collaborative Health and Human Services from the University of Monterey Bay. Michael has helped develop and deliver small business development programs in our Community Development Department.

Question 11*

Describe your plans to utilize the \$20,000 planning grant to work towards submitting a successful FEC Implementation proposal. Grant funds may be used for staff commitments, managing administrative needs, hiring a consultant, funding a local site visit, and/or other activities relevant to the FEC planning process.

We would like to fund a local site visit, offset personal cost for our non-profit partner United Way and potentially hire a consultant to support the advisory group.

Proposed Budget*

Upload a proposed budget using the first tab of the following budget template.

Salinas FEC Planning Grant Budget 2025.xlsx

Fundraising

Question 12*

Describe all public and private funding secured to date to support the development of the FEC. Note the type of funding, amount, and term for each funding source.

Funding has not yet been secured. See #13.

Question 13*

If funding has not been secured to support the development of the FEC, describe any efforts to date to secure funding, including the general fundraising strategy, potential funders to engage with, and specific sources of public funding, including federal funding, being sought.

The City of Salinas, with support from United Way Monterey County (UWMC), is committed to building a robust and diversified funding strategy for the Financial Empowerment Center (FEC). While funding has not yet been secured, the following proactive efforts and plans illustrate a collaborative approach to establishing financial sustainability for the initiative:

1. City-Led Efforts:
 - o The City of Salinas is taking the lead in identifying federal funding opportunities, such as Community Development Block Grants (CDBG), Emergency Solutions Grants (ESG), and other HUD-related funding streams. These sources align with the city's strategic priorities to enhance economic stability for low-income residents.
2. Partnership with UWMC:
 - o UWMC is committed to supporting the city by providing technical expertise and leveraging its existing relationships with philanthropic organizations, such as the Community Foundation for Monterey County. While these partnerships are still in the exploratory phase, they demonstrate the potential to secure private grants aimed at financial literacy and empowerment.
3. Collaborative Public-Private Partnerships:
 - o Both the city and UWMC are exploring partnerships with local financial institutions, including credit unions and banks, to sponsor specific FEC programs. These partnerships would provide essential funding for initiatives like counselor training and financial literacy workshops, while also building long-term collaboration opportunities.
4. Highlighting Existing Successes:
 - o Programs like VITA and the Smart Referral Network, managed by UWMC, are being used as case studies in grant proposals to showcase a proven track record of community impact. These examples strengthen the credibility of funding applications.
5. Prospecting and Outreach:
 - o The city and UWMC are engaging with private foundations, corporate donors, and high-net-worth individuals to raise awareness about the FEC's objectives. Stakeholder meetings and community forums are planned to cultivate interest and secure commitments.
6. Leveraging the United Way Community Impact Center:
 - o The FEC will be hosted at the United Way Monterey County Community Impact Center, providing a cost-effective and centralized hub for financial counseling services. This strategic location appeals to funders by maximizing resource. By aligning city leadership with UWMC's expertise, the Financial Empowerment Center's funding strategy emphasizes a collaborative and sustainable approach to building financial empowerment in the region.

Notes for TA Lead

Question 14

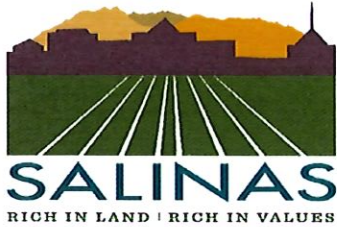
Do you have anything you want to share with your TA Lead before meeting? While your assigned TA Lead will work with you through all aspects of FEC planning, we understand that you may have specific concerns, challenges, or questions to highlight. Please list anything you would like for your TA to know before meeting.

If needed guidance on developing working relationships with local banks.

File Attachment Summary

Applicant File Uploads

- FEC Letter of Support Jan 2025.pdf
- Salinas Landscape Analysis Stakeholder Map.xlsx
- Salinas FEC Planning Grant Budget 2025.xlsx



City of Salinas

OFFICE OF THE CITY MANAGER • 200 Lincoln Ave • Salinas, California 93901

(831) 758-7201 (P) • (831) 758-7368 (F) • cityofsalinas.org

January 14, 2025

Cities for Financial Empowerment Fund
44 Wall St., Suite 1050
New York, NY 10005

Dear CEF Proposal Review Team,

I am writing to express the City of Salinas' strong support for our participation in the Cities for Financial Empowerment Fund program and to submit our City's Phase 1 Milestone and Grantee Proposal for consideration. We are excited about the opportunity to move forward to the Financial Empowerment Cities (FEC) Academy Phase 2 and ultimately become a Financial Empowerment Cities planning grantee.

Salinas is committed to building financial security for our residents, particularly those in underserved communities. Our participation in the FEC initiative represents an important step toward creating a comprehensive financial empowerment strategy for our city. We believe that by joining the FEC Academy, we will gain the necessary resources and technical assistance to develop an actionable plan that will have a meaningful impact on our community.

Upon approval of our Phase 1 Milestone and Grantee Proposal, the City of Salinas is excited to receive the \$20,000 planning grant and further in-depth technical support. We are confident that these resources will be instrumental in advancing our local financial empowerment initiatives. Through the FEC program, we aim to improve financial literacy, increase access to financial services, and empower our residents to achieve long-term financial stability.

We look forward to the opportunity to work closely with the Cities for Financial Empowerment Fund team and other cities in the FEC network to make Salinas a leader in advancing financial empowerment at the local level.

Thank you for your consideration of our proposal. We are excited about the potential for this collaboration and the positive change it will bring to our community.

Sincerely,

Rene Mendez, City Manager
City of Salinas
(831) 758-7465
renem@ci.salinas.ca.us

Stakeholder Information - At least 15 stakeholders required for

In this section, list key stakeholders that may have an interest in financial empowerment work in your community at the city/state/local level, non-profits, financial institutions, libraries, funders, private sector, and academic institutions. See the Definitions tab for examples of each stakeholder type.

Stakeholder Information				
Organization Name	Type	Stakeholder Name	Stakeholder Title	Email (optional)
United Way Monterey County	Program Partner - Nonprofit	Lynn Foden	Community Impact Director of Financial Stability	lynn.foden@unitedwaymcca.org
Salinas Mayor	Local Government - Senior Leadership	Dennis Donahue	Mayor	
Monterey Bay Federal	Potential Financial Counseling Provider (FCP)	Carrie L. Birkhofer	President & CEO	
VITA Coordinator	Program Partner - Potential Financial Counseling Provider (FCP)	Tax Prep Coordinator	Tax Prep Coordinator	
Santa Cruz Community Ventures	Program Partner - Potential Financial Counseling Provider (FCP)	Maria Cadenas	Executive Director	
small business development corporation	Program Partner - Nonprofit	Roger Gilbert	SBDC Program Director	
sparkpoint	Program Partner - Nonprofit			
Monterey County Business Council	Potential Financial Counseling Provider (FCP)	Paul Farmer	Chief Executive Officer	
Goodwill Central Coast	Program Partner - Nonprofit	Thomas Moran	President and CEO	
Community Foundation for Monterey County	Funder	Dan Baldwin	President & CEO	
Salvation Army, Salinas Corps	Program Partner - Nonprofit	Lt. Ezequial Hernandez	Executive Director	
Housing Resource Center of Monterey County	Program Partner - Local Government	Alexa Johnson	Executive Director	
Catholic Charities of Monterey County	Potential Financial Counseling Provider (FCP)	Angela Di Novella	Executive Director	
Bright Beginnings of Monterey County	Program Partner - Nonprofit	Sonja Ko		
City Manager, City of Salinas	Local Government - Senior Leadership	Rene Mendez	City Manager	

WesCom Credit Union	Financial Institution		
Monterey Credit Union	Financial Institution		
Bright Futures of Monterey County	Program Partner - Nonprofit	Jackie Cruz	Vice President
Hartnell College	Program Partner - Local Government	Michael Gutierrez	President

for Milestone r community. This can include government partners any other organizations that might touch financial stakeholder type.		Stakeholder Map - Optional for Milestone For each stakeholder, consider on a scale from 1-10 (1 is low) the level of engagement they will have in your FEC planning process as well as their level of influence over key FEC decisions. These will automatically populate the chart in the following sheet "Stakeholder Map"	
		Stakeholder Map	
Existing Relationship with Local Government?	Key Programs, Initiatives and Priorities	Level of Engagement	Level of Influence
Yes	SPARK, VITA	10	8
Yes		2	8
No		7	2
Yes	VITA	6	7
Yes	ALAS, Reimagining Our Safety Nets	7	6
Yes	Free one on one business counseling	5	6
Yes	economic self sufficiency	8	8
Yes	Free one on one business counseling	7	8
Yes	Financial Literacy Services	5	5
Yes	Grants for organizational development and neighborhood grants	5	9
Yes	food pantries and meal programs	5	5
Yes	Family Stabilization Program	3	6
Yes	emergency rental assistance	7	7
Yes	early childhood	6	8
Yes		7	10

No		2	7
No		2	7
	cradel to career pathways	6	8
	post secondary access and pathways	8	8

Site Visit Stakeholder Meeting - Optional for Milestone

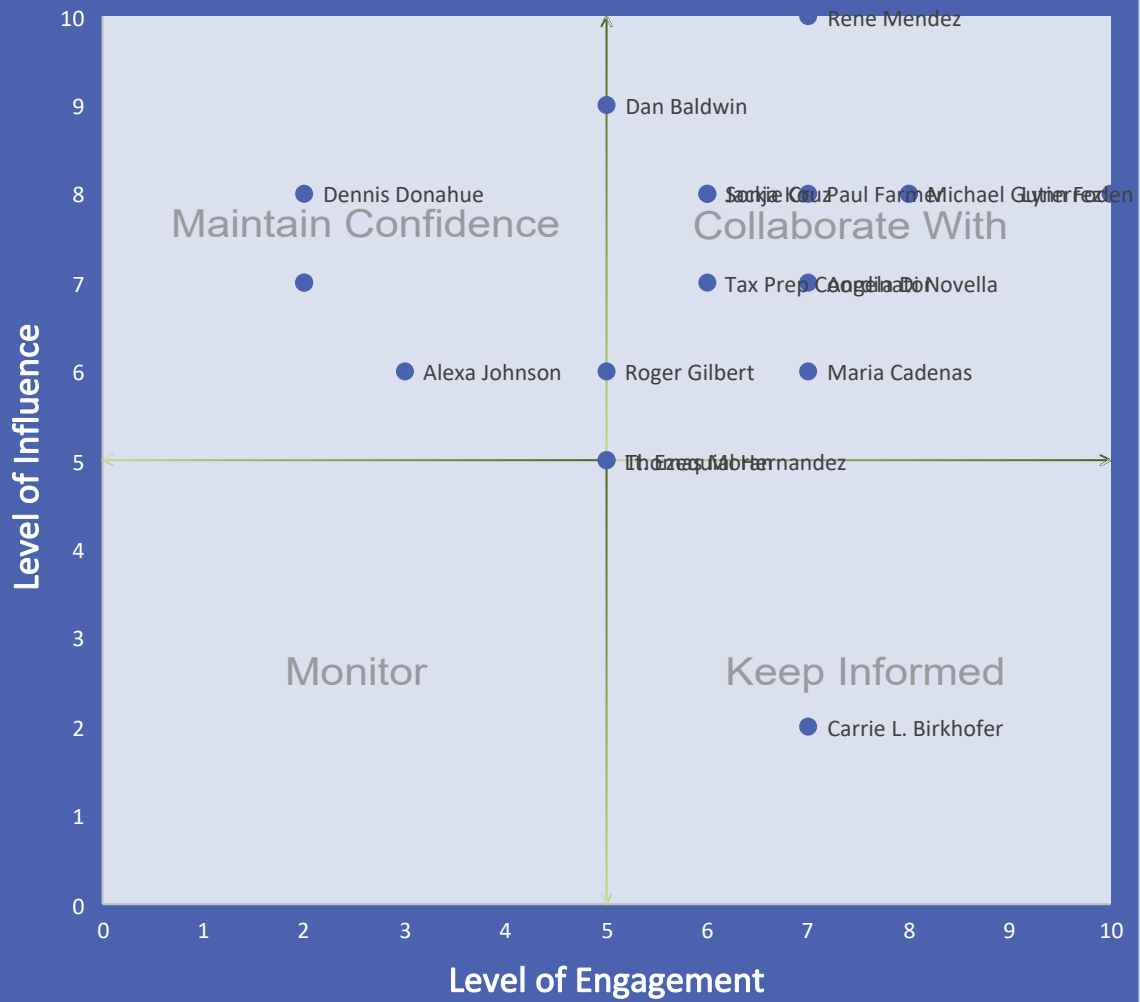
Consider how you might engage this organization or individual during the CFE site visit. See the Definitions tab for types of stakeholder meetings. Do not issue any invitations until you have had discussions with your CFE TA lead.

Stakeholder Meeting		
Stakeholder Meeting Type	Invite sent?	RSVP received?

Individual Meetings	Yes	Yes
Individual Meetings	No	Yes
Funders Roundtable	No	No
Advisory Group	No	N/A
Advisory Group	No	N/A
Individual Meetings	No	N/A
Stakeholder Meeting	No	N/A
Stakeholder Meeting	No	N/A
Advisory Group	No	N/A
Funders Roundtable	No	N/A
Stakeholder Meeting	No	N/A
Advisory Group	No	N/A
Stakeholder Meeting	No	N/A
Advisory Group	No	N/A
Individual Meetings	Yes	Yes

Funders Roundtable	No	N/A
Funders Roundtable	No	N/A
Stakeholder Meeting	No	N/A
Stakeholder Meeting	No	N/A

Stakeholder Map



Stakeholder Categories

Funder

Program Partner - Nonprofit

Program Partner - Local

Government

Financial Institution

Potential Financial Counseling

Provider (FCP)

Local Government - Senior

Leadership

Local Government - Other

Other

Stakeholder Meeting Types

Advisory Group

Stakeholder Meeting

Individual Meetings

Funders Roundtable

Definitions

Organizations that could provide public or private funding for your FEC

NGO agencies or programs that would be interested in partnering with a FEC to offer financial counseling to their clients and/or that would help your FEC reach priority populations.

Government agencies or programs that would be interested in partnering with a FEC to offer financial counseling to their clients and/or that would help your FEC reach priority populations.

Organizations that offer financial products or services that may be of interest to clients. Fi

Organizations that have experience with financial empowerment programming or direct client services that may be interested in becoming the FEC Financial Counseling Provider (i.e. the organization hiring counselors)

Decision makers that are needed to launch and sustain the program.

Local government offices or agencies that are important to administrative functions of the planning and implementation process.

Definitions

The FEC Advisory Group consists of 15-25 individuals representing diverse stakeholder groups and will provide input on your FEC planning process including operations, program partnerships, fundraising, and marketing.

Stakeholder meetings are stand alone meetings for different stakeholder groups. These meetings are helpful if you want to make sure individuals are aware of FEC planning but don't necessarily need to be as involved as your Advisory Group.

Individual meetings are best when you have specific questions or issues that need to be discussed with an individual or small group or when an individual's position is best suited for an individual meeting.

A Funders Roundtable is an opportunity to bring together potential funders, and share an introduction to the FEC with a specific lens for funders.

Examples

Community Foundations, Corporate Foundations, United Ways, Banks, Credit Unions, CDBG office, Local Government Housing Repair, Homeownership, Reentry organizations, Small Business support organizations, Multi-service agencies, Workforce development, Legal Aid, Utility offices, Refugee/Immigrant services, Neighborhood organizations, etc.

Property Tax programs, Housing Authority, Public Benefits agencies, Municipal Court, etc.

Banks, Credit Unions, CDFI, small dollar loan programs, programs with IDA accounts

Organizations that offer free tax prep, housing counseling, financial education workshop, or credit/savings program

Mayor/County Executive, Councilmembers, Deputy Mayor Department head

Budget office, Fiscal/Legal, Procurement, Council members, Department leadership

Considerations

Select individuals who you feel will be beneficial to have more deeply engaged in the planning process and who have the time to dedicate to 2-3 meetings during the planning period.

Examples of stakeholder meetings include meeting with Agency Department Heads or Local Government Senior Leaders, meeting with Nonprofit Program Partners, or hosting a Funders Roundtable.

Examples of individual meetings including meeting with the Mayor, County Executive, and/or Chief of Staff to brief them on the FEC, meeting with the Procurement and Legal teams about specific questions related to RFPs and contracting, or meeting with the CDBG department to get buy-in for FEC funding.

This group can be a mix of financial institutions, foundations, or corporate donors. Engage funders as you would an advisory group. Not only do they have insights into local needs, but it will make funders feel more engaged in the planning process. This type of meeting is most beneficial if your community has a diverse mix of funders and it isn't possible to include them all in the Advisory Group.

rent budget office

m

Stakeholder Type	Stakeholder Meeting Type	Invite Options	RSVP Option
Funder	Advisory Group	Yes	Yes
Financial Institution	Stakeholder Meeting	No	No
Potential Financial Counseling Provider (FCP)	Individual Meetings	N/A	Maybe
Program Partner - Local Government	Funders Roundtable	Other	N/A
Program Partner - Nonprofit			Other
Local Government - Senior Leadership			
Local Government - Other			
Other			

Chart Axis	5	5
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FEC Planning Grant Proposed Budget

City/County Name:

*Note: You may adjust line items as necessary. At the end of the grant term you will fill out the Budget v. Actuals (second tab in this spreadsheet) documenting how grant funds were spent
If approved for the FEC Implementation Grant, any funds not spent down from the FEC Planning Grant may be carried over to the FEC Implementation Grant*

Category	Projected Expenses	Notes
Personnel and Fringe	\$4,000	Offset personal cost for our internal and partner personal
Indirect/Admin	\$2,000	indirect administrative cost
Consultant(s)	\$9,000	Paid consultant support
Meetings/Events	\$5,000	Cost to convene meetings and a trip to see a model FEC in a similar City as Salinas.
Supplies		
TOTAL	\$20,000.00	

FEC Planning Grant Budget vs. Actuals

City/County Name: 0

Note: you may adjust line items as necessary. Grantee will be required to submit a financial report detailing how the FEC Planning Grant funds were spent at the end of the grant term.

Category	Projected Expenses		Actual Expenditures	Notes
Personnel and Fringe	\$	4,000.00		
Indirect/Admin	\$	2,000.00		
Consultant(s)	\$	9,000.00		
Meetings/Events	\$	5,000.00		
Supplies	\$	-		
TOTAL	\$	20,000.00	\$ -	



Cities for
**FINANCIAL
EMPOWERMENT**
Fund



Financial Empowerment Centers (FEC) City of Salinas, CA



**Thank you to our
supportive partners**

**Bloomberg
Philanthropies**



CFE Fund Approach: Helping government leaders embed financial empowerment strategies into municipal infrastructure



ASSET BUILDING



BANKING ACCESS



CONSUMER PROTECTION



FINANCIAL EDUCATION AND COUNSELING

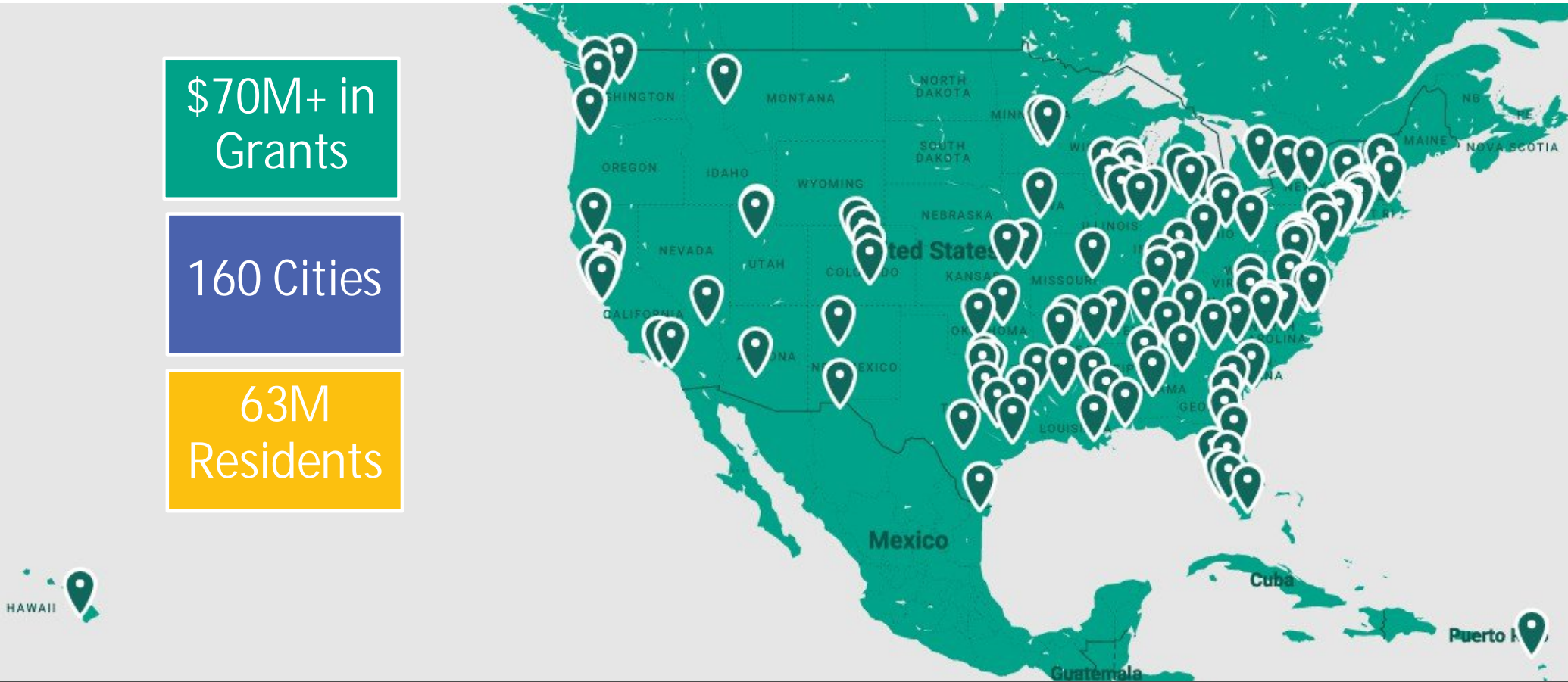
- Design and fund multi-city programs
- Pilot new initiatives and research
- Provide robust technical assistance
- Replicate and share knowledge and best practices

Local Governments in Action

\$70M+ in
Grants

160 Cities

63M
Residents



Financial Empowerment Center (FEC) Background



Financial Empowerment Centers



The Financial Empowerment Center initiative offers professional, one-on-one financial counseling as a no-cost public service for all residents.

55 (37)

FEC PARTNERS (OPEN)

201,000+

CLIENTS SERVED

\$344+M

DEBT REDUCED

\$69+M

SAVINGS INCREASED



Core Elements of the FEC Model

The Financial Empowerment Center initiative offers professional, one-on-one financial counseling as a no-cost public service for all residents.



No Cost



One-on-One



Professional



Integrated



Data Driven



Sustainable



Government Led

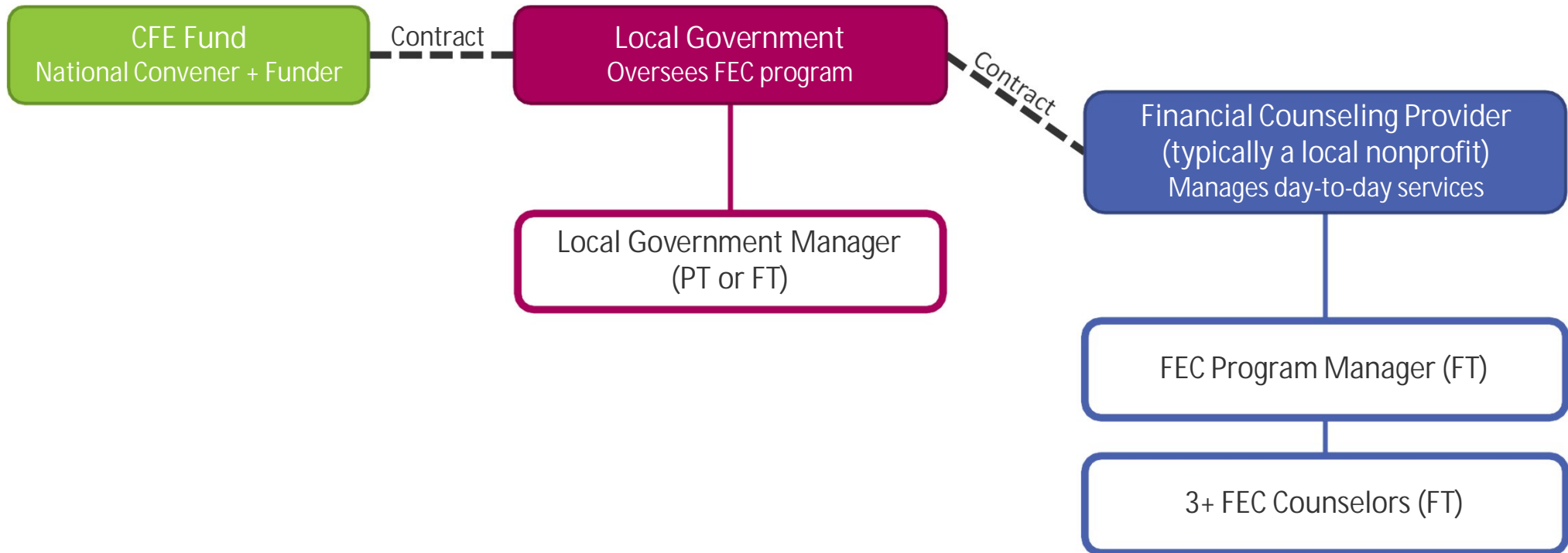
Unique Role of Local Governments

- Interest in resident financial stability
- Connections to unique stakeholders
- Access to funding streams
- Ability to build lasting infrastructure
- Regulatory and enforcement authority
- Legitimate voice among scams and costly fringe financial services



FEC Launch Event, Detroit

FEC Structure



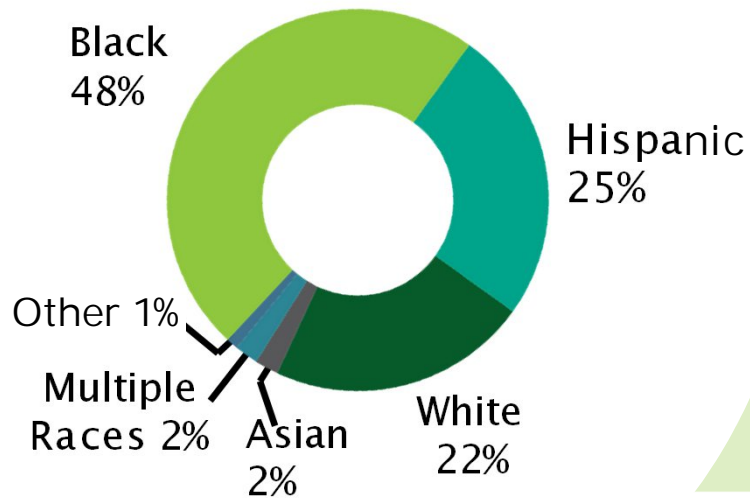
Financial Counseling Client Journey

- Five main counseling areas: **Banking**, **Credit**, **Debt**, **Savings**, **Legacy Planning**
- Sessions are client-focused and centered on the client's priorities
- FEC relationships are intended to be multi-session



FECs by the Numbers

DEMOGRAPHICS



72%
are female

\$38,400
average income

50%
are renters

68%
are employed -
full or part time

63%
attended 2 or
more sessions

\$36,000
average debt
load

ACHIEVEMENTS

Med. for clients with an
achievement in these
service plans

\$1,400
in savings
increased

\$2,400
in debt
reduced

34 point
increase in
credit score

2
delinquent
accounts
closed

FECs and Local Priorities

FECs support local priorities through strategic partnerships:

- Government Agencies
- Housing Services
- Libraries
- Workforce Development
- Utilities Companies
- Reentry Services
- Legal Services
- Veteran Services
- And many more...



Planning for a Financial Empowerment Center

Implementation Proposal Checklist

- ☐ Hire (or plan to hire) a dedicated Local Government Manager
- ☐ Secure financial counseling provider(s)
- ☐ Secure local government and community partnerships
- ☐ Design a Counselor training plan
- ☐ Design a marketing plan
- ☐ Secure year 1 funds
 - ☐ Eligible for CFE Fund grant of up to \$150,000 for two years



Thank You



Legislation Text

File #: ID#25-304, **Version:** 1

First Substantial Amendment to HUD FY 2023-2024 Annual Action Plan

Approve a Resolution authorizing the submission of a First Substantial Amendment to Fiscal Year (FY) 2023-2024 Annual Action Plan (AAP) to the United States Department of Housing and Urban Development (HUD); authorizing the allocation of an additional \$595,000 in available Community Development Block Grant (CDBG) program funds to the Sherwood Recreation Center Building Improvement project (CIP 9535) for a total appropriation of \$4,546,796; and authorizing the City Manager, or designee, to incorporate any necessary modifications to the First Substantial Amendment based on community feedback, and to execute, on behalf of the City, any agreements and related documents for HUD-funded projects and activities as outlined in the attached First Substantial Amendment Summary to the FY 2023-2024 AAP.



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: SEPTEMBER 9, 2025

DEPARTMENT: COMMUNITY DEVELOPMENT

FROM: LISA BRINTON, DIRECTOR

THROUGH: ORLANDO REYES, ASSISTANT DIRECTOR

BY: VINCENT MONTGOMERY, PLANNING MANAGER
FRANCISCO BRAMBILA, MANAGEMENT ANALYST
ERIC SOTELO, COMMUNITY DEVELOPMENT ANALYST

TITLE: FIRST SUBSTANTIAL AMENDMENT TO HUD FY 2023-2024
ANNUAL ACTION PLAN

RECOMMENDED MOTION:

A motion to approve a Resolution authorizing:

1. The submission of a First Substantial Amendment to Fiscal Year (FY) 2023-2024 Annual Action Plan (AAP) to the United States Department of Housing and Urban Development (HUD);
2. The allocation of an additional \$595,000 in available Community Development Block Grant (CDBG) program funds to the Sherwood Recreation Center Building Improvement project (CIP 9535) for a total appropriation of \$4,546,796; and
3. The City Manager, or designee, to incorporate any necessary modifications to the First Substantial Amendment based on community feedback, and to execute, on behalf of the City, any agreements and related documents for HUD-funded projects and activities as outlined in the attached First Substantial Amendment Summary to the FY 2023-2024 AAP.

EXECUTIVE SUMMARY:

Following the bid opening for the Sherwood Recreation Center (SRC) Building Improvement project (CIP 9535) and a reassessment of associated construction costs, the City has identified a project funding shortfall of approximately \$595,000. To close this funding gap, the City proposes its First Substantial Amendment to the FY 2023-2024 Annual Action Plan (AAP), reallocating \$550,000 in unspent Community Development Block Grant (CDBG) funds from the Republic Café project and \$45,000 from the Housing Referrals and Tenant/Landlord Services project. These funds, originally designated through the FY 2023-2024 AAP, would be redirected to support the SRC improvements. The reallocated CDBG funds will be used to cover administrative expenses, construction activities, and contingency costs associated with the project.

BACKGROUND:

The SRC project is located at 920 N. Main Street in Salinas, CA, on a City-owned parcel. The project involves converting the former Municipal Swimming Pool Building (approximately 12,895 sq ft) into a fully functional recreation center focused on youth sports programs. Interior improvements were completed in prior phases.

The current phase includes exterior upgrades such as hazardous material remediation, roof and façade repairs, installation of new windows and doors, enhanced accessibility features, parking lot improvements, landscaping, and additional interior enhancements. Through its FY 2021-2022, 2022-2023, 2023-2024, and 2024-2025 Annual Action Plans (AAPs), the City allocated a total of \$3,951,796 of CDBG funds toward preliminary design, soft costs, and construction.

On July 15, 2025, the City opened bids for the proposed scope of work and identified a funding shortfall of approximately \$595,000. To address this gap, the City proposes reallocating funds from two delayed projects to a new project as shown below in Table 1.

Table 1

AAP FY	Project No.	CDBG Project Name	Funding to Reallocate	New Funding Amount
2023-24	4	Republic Café Museum at 37 Soledad St	\$550,000	\$0
	6	City of Salinas - Housing Referrals and Tenant/Landlord Services	\$45,000	\$0
	12	Sherwood Recreation Center Building Improvement (CIP 9535)		\$595,000
Total			\$595,000	\$595,000

Pre-development activities for the Republic Café Museum are funded by the Regional Early Action Plan (REAP) grant, which currently includes predevelopment activities across multiple City owned properties within the Chinatown Revitalization Plan area including 34-38 and 45 Soledad. This area is envisioned to include mixed-use developments featuring affordable housing units and a museum. Activities include concept and schematic design for the Republic Café, stabilization of the fire-damaged façade, and weatherproofing to prevent further deterioration. The goal includes to preserve the building as a historic resource.

Currently, in the schematic design phase, the target date for completing the construction plan bid set is the first quarter of 2026. As the project approaches the construction phase, the City plans to allocate funding from future grant sources, including the Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), Housing Successor Agency (HSA), Local Housing Trust Fund, and Permanent Local Housing Allocation (PLHA). Additionally, funding will be pursued from the California Department of Housing and Community Development (HCD), and other sources to support the museum's construction. As a result, shifting these funds

as proposed will not impact this project. To keep the community informed, public meetings will be held throughout the project’s development, with regular updates provided at the monthly Downtown Community Board meetings.

Regarding the Housing Referral and Tenant/Landlord Services project. under the FY 2023–2024 Annual Action Plan (AAP), the City planned to partner with Monterey College of Law to offer legal clinics aimed at preventing displacement and eviction, along with individualized legal assistance for eligible households. However, the project did not proceed, requiring the City to reprogram the original funds to meet the current CDBG program expenditure deadline. The City is now in active discussions with ECHO Housing, a nonprofit support services organization to deliver assistance to tenant and landlords as originally envisioned in the FY 2023–2024 AAP. Funding is appropriated through the adopted FY 2025–2026 AAP for the Housing Referral and Tenant/Landlord services.

With the addition of these funds, the total allocation for the SRC project would increase to \$4,546,796. Table 2 below breaks down project cost by task. These funds will support architectural planning, predevelopment activities, construction, and activity delivery. On September 9, 2025, the Public Works department will seek City Council award of contract to the lowest responsive and responsible bidder. Construction is expected to begin shortly thereafter.

Table 2

Task	Original Project Amount	Additional Allocation	Revised Project Amount
Activity Delivery	\$220,000	\$ 60,191	\$280,191
Predevelopment	\$454,184	0	\$454,184
Construction	\$2,979,647	\$245,253	\$3,224,900
Construction Management	\$297,965	\$289,556	\$587,521
Total Project Cost	\$3,951,796	\$595,000	\$4,546,796

In accordance with the City’s Citizen Participation Plan, public notices in English and Spanish were published in *The Monterey Herald* and on the City’s website on or before July 27, 2025. Notices were also posted at the Community Development Department (65 W. Alisal Street), City Hall (200 Lincoln Avenue), and city libraries. Additionally, the draft amendment summary was distributed via email to the Community Development Department’s Housing Distribution list.

The Housing and Land Use Committee discussed proposed Amendment on Tuesday, August 19, 2025. The original Public Hearing was scheduled for August 26, 2025, however during this meeting the City of Salinas City Council announced continuation of the discussion, public hearing and public comment period of this amendment to September 9, 2025. Revised public notices announcing this change were distributed and posted in the same locations as the original notices.

The draft First Substantial Amendment FY 2023-2024 Summary is available for public review during the mandatory minimum 30-day comment period, beginning July 27, 2025, and concluding with the scheduled City Council hearing on September 9, 2025. Documents are accessible at the Community Development Department, City Hall, City libraries, and online. Copies may also be

requested via email. The public is encouraged to review and provide feedback on the proposed amendment.

This First Substantial Amendment will also help the City to expedite the timing of expenditures, reduce its available CDBG balance and maintain compliance with HUD's expenditure ratio requirements.

CEQA CONSIDERATION:

The City of Salinas has determined that the proposed action (First Substantial Amendment) is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA and National Environmental Policy Act (NEPA) applicability.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

Yes.

STRATEGIC PLAN INITIATIVE:

This action furthers objectives under the 2025-2028 City Council Goal of Youth and Seniors by funding the conversion of the former Municipal Swimming Pool Building (approximately 12,895 sq ft) into a fully functional recreation center focused on youth sports programs.

DEPARTMENTAL COORDINATION:

Community Development's Housing and Community Development Division has coordinated proposed First Substantial Amendment with other City departments including Finance, Legal, Library Community Services and Public Works.

FISCAL AND SUSTAINABILITY IMPACT:

There is no General Fund impact associated with this agenda item as available City of Salinas HUD entitlement funds will be used to support this allowable CDBG project.

Fund	CIP No.	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 25-26 Operating Budget Page	Last Budget Action (Date, Resolution)
2910	n/a	30.3240-61.xxxx	Salaries & Benefits	\$194,549.51	\$160,926.19	N/A	May 16, 2023, Reso No. 22658
2910	n/a	30.3240-63.5010	Professional Services	\$414,113.30	\$375,135.84	N/A	
2910	n/a	30.3240-63.5900	Other Professional Services	\$25,000.00	\$0	N/A	
2910	n/a	30.3240-63.6010	Other Outside Services	\$9,003.86	\$0	N/A	
2910	n/a	30.3240-64.1100	Other Charges Legal Publications	\$4,973.60	\$0	N/A	
2910	n/a	30.3240-66.3600	Capital Outlays Contribution - Bldg Construction	\$3,621,173.34	\$58,937.97	N/A	
2910	9535	55.9535-6x.xxxx	Various	\$0	\$595,000.00	n/a	n/a

ATTACHMENTS:

1. Resolution
2. First Substantial Amendment Summary
3. PowerPoint – First Substantial Amendment – FY 23-24 AAP

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

**A RESOLUTION OF THE SALINAS CITY COUNCIL APPROVING A FIRST
SUBSTANTIAL AMENDMENT TO HUD FY 2023-2024 ANNUAL ACTION PLAN**

WHEREAS, the City of Salinas (City) as an Entitlement City, receives and administers United States Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME) and Emergency Solutions Grants (ESG) program funding; and

WHEREAS, through its Fiscal Years (FY) 2021-2022, 2022-2023, 2023-2024, and 2024-2025 Annual Action Plans (AAPs) the City allocated a total of \$3,951,796 in CDBG funds toward preliminary design, soft costs, and construction for the Sherwood Recreation Center (SRC) Building Improvement project (CIP 9535); and

WHEREAS, following the bid opening for the Sherwood Recreation Center (SRC) Building Improvement project (CIP 9535) and a reassessment of associated construction costs, the City has identified a funding shortfall of approximately \$595,000; and

WHEREAS, the City of Salinas has identified \$550,000 in unspent CDBG funds from the Republic Café project and \$45,000 from the Housing Referrals and Tenant/Landlord Services project, both previously allocated through the FY 2023-2024 Annual Action Plan, to help close the funding gap for the project; and

WHEREAS, the City proposes its first Substantial Amendment to the FY 2023-2024 Annual Action Plan (AAP), reallocating \$550,000 in unspent Community Development Block Grant (CDBG) funds from the Republic Café project and \$45,000 from the Housing Referrals and Tenant/Landlord Services project to support the SRC improvements; and

WHEREAS, in accordance with the City's HUD-approved Citizen Participation Plan, execution of a formal Substantial Amendment process is required when a determination by the Community Development Director, that the change is substantial even though it falls below the standards in Section 1 and 2; and

WHEREAS, the proposed action (Substantial Amendment) is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). Any subsequent discretionary projects resulting from this action will be assessed for CEQA and National Environmental Policy Act (NEPA) applicability; and

WHEREAS, public notices in English and Spanish were published in *The Monterey Herald*, the City's website, posted at the Community Development Department (65 W. Alisal Street), City Hall (200 Lincoln Avenue), City libraries, and sent via email to the Community Development Department's Housing Distribution List on or before July 27, 2025, requesting public review and comments regarding the proposed First Substantial Amendment; and

WHEREAS, the draft First Substantial Amendment Summary is available for public review during the mandatory 30-day comment period, where the public is encouraged to review

and provide feedback; and

WHEREAS, the City Council conducted a public hearing to consider the proposed First Substantial Amendment to the AAP for FY 2023-24, to reallocate \$595,000 in CDBG Funds to the SRC project and sought to obtain public comment on September 9, 2025.

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council hereby approves the First Substantial Amendment to the FY 2023-2024 Annual Action Plan to reallocate \$595,000 in available CDBG funds to the Sherwood Recreation Center Building Improvement project (CIP 9535) and authorizes its submittal to HUD.

BE IT FURTHER RESOLVED that the Salinas City Council hereby authorizes the City Manager or designee to incorporate any necessary modifications to the First Substantial Amendment based on community feedback, and to execute, on behalf of the City, any agreements and related documents for HUD-funded projects and activities as outlined in the First Substantial Amendment Summary to the FY 2023-2024 AAP.

PASSED AND APPROVED this 9th day of September 2025, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

Dennis Donohue, Mayor

ATTEST:

Patricia M. Barajas, City Clerk



CITY OF SALINAS SUMMARY OF FIRST SUBSTANTIAL AMENDMENT TO FY 2023-2024 ANNUAL ACTION PLAN (JULY 1, 2023, THROUGH JUNE 30, 2024)

The City of Salinas ("City") is an Entitlement City in the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) Program, Emergency Solutions Grant (ESG) Program, and HOME Investment Partnership Program (HOME).

The City proposes its first Substantial Amendment to the FY 2023–2024 Annual Action Plan (AAP), reallocating \$550,000 in unspent Community Development Block Grant (CDBG) funds from the Republic Café project and \$45,000 from the Housing Referrals and Tenant/Landlord Services project. These funds, originally designated through the FY 2023–2024 AAP, would be redirected to support the SRC improvements. Per the Citizen Participation Plan, a Substantial Amendment ("Amendment") is defined as follows:

1. For larger projects, over \$200,000, an increase of 25 percent or more in project funding. Changes that are less than \$50,000 are not considered substantial.
2. An increase of 25 percent or more in project beneficiaries (i.e. income groups, limited clientele groups, residents of a targeted area) or a change in purpose, scope or location which would change the project beneficiaries by more than 25 percent.
3. A determination by the Community Development Director, that the change is substantial even though it falls below the standards in Section 1 and 2 above.
4. For ESG components, as long as the maximum 60% threshold for Street Outreach and Emergency Shelter is not exceeded, funding can be moved within the other components to meet expenditure requirements without a substantial amendment.

The reallocation of funds from the Republic Café project and from the Housing Referrals and Tenant/Landlord Services project to SRC project would meet section 3 above.

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

Introduction

Through its FY 2021–2022, 2022–2023, 2023–2024, and 2024–2025 Annual Action Plans (AAPs), the City allocated a total of \$3,951,796 in CDBG funds toward preliminary design, soft costs, and construction for the Sherwood Recreation Center (SRC) Building Improvement project (CIP 9535). On July 15, 2025, the City opened bids for the proposed scope of work. Following the bid opening for the Sherwood Recreation Center (SRC) Building Improvement project (CIP 9535) and a reassessment of associated construction costs, the City has identified a funding shortfall of approximately \$595,000. To close this funding gap, the City proposes its first Substantial Amendment to the FY 2023-2024 Annual Action Plan (AAP), reallocating \$550,000 in unspent Community Development Block Grant (CDBG) funds from the Republic Café project and \$45,000 from the Housing Referrals and Tenant/Landlord Services project. These funds, originally designated through the FY 2023-2024 AAP, would be redirected to support the SRC improvements.

The SRC retrofit project is located at 920 N. Main Street in Salinas, CA, on a City-owned parcel. The project involves converting the former Municipal Swimming Pool Building (approximately 12,895 sq ft) into a fully functional recreation center focused on youth sports programs. Interior improvements were completed in prior phases.



The current phase includes exterior upgrades such as hazardous material remediation, roof and façade repairs, installation of new windows and doors, enhanced accessibility features, parking lot improvements, landscaping, and additional interior enhancements.

With the addition of these funds, the total allocation for the SRC project would increase to \$4,546,796. These funds will support architectural planning, predevelopment activities, construction, and activity delivery. The Public Works department will seek City Council approval on September 9, 2025, to award the contract to the lowest responsive and responsible bidder. Construction is expected to begin shortly thereafter.

AP-12 Participation - 91.115, 91.300(c)

Summary of citizen participation process/Efforts made to broaden citizen participation

In accordance with the City's Citizen Participation Plan, public notices in English and Spanish were published in *The Monterey Herald* and on the City's website on or before July 27, 2025. Notices were also posted at the Community Development Department (65 W. Alisal Street), City Hall (200 Lincoln Avenue), and City libraries. Additionally, the draft amendment summary was distributed via email to the Community Development Department's Housing Distribution List. The draft Substantial Amendment Summary is available for public review during the mandatory minimum 30-day comment period, beginning on or before July 27, 2025, and concluding with the scheduled City Council hearing on September 9, 2025. Documents are accessible at the Community Development Department, City Hall, public libraries, and online. Copies may also be requested via email. The public is strongly encouraged to review and provide feedback on the proposed amendments.

These Public Notices and the First Substantial Amendment to FY 2023-2024 Annual Action Plan documents are available for review at the following locations:

- Public Notices – at City of Salinas' website:
<https://www.cityofsalinas.org/Newsroom/Public-Notices>
- Draft First Substantial Amendment to FY 2023-2024 AAP – at City of Salinas website:
<https://www.cityofsalinas.org/Residents/Community/Housing-Community-Development>
- Public notices and draft Amendment can also be reviewed in person at the following locations:
 - Community Development Department, 65 W. Alisal Street, Salinas, CA 93901;
 - City Clerk's Office, City Hall, 200 Lincoln Avenue, Salinas, CA 93901;
 - John Steinbeck Library, 350 Lincoln Avenue, Salinas, CA 93901;
 - Cesar Chavez Library, 615 Williams Road, Salinas, CA 93905;
 - El Gabilan Library, 1400 North Main Street, Salinas, CA 93901.

The documents can also be requested via email at housingwebmail@ci.salinas.ca.us. Write "Substantial Amendment to the Fiscal Year 2023-2024 Annual Action Plan" in the subject line of the email.

The City will present the proposed amendment to the Housing and Land Use Committee on:

Tuesday, August 19, 2025, at approximately 3:30 p.m. or soon after
City Council Rotunda, 200 Lincoln Ave Salinas, CA 93901

The public is encouraged to make comments in person during the Public Hearing to consider final adoption of proposed Amendment which will take place on:

Tuesday, September 9, 2025, at approximately 4:00 p.m. or soon after
City Council Rotunda, 200 Lincoln Ave Salinas, CA 93901



Public comments can also be submitted via email to the Community Development Department at housingwebmail@ci.salinas.ca.us prior to the Public Hearing; or can be mailed to:

City of Salinas
Community Development Department Housing Division
Attn: Lisa Brinton, Community Development Director
City of Salinas
65 W. Alisal Street, 2nd Floor
Salinas, CA 93901

AP-15 Expected Resources – 91.320(c) (1,2)

The City of Salinas has identified \$550,000 in unspent Community Development Block Grant (CDBG) funds from the Republic Café project and \$45,000 from the Housing Referrals and Tenant/Landlord Services project. These funds, originally designated through the FY 2023–2024 AAP, would be redirected to support the SRC improvements. The reallocated CDBG funds will be used to cover administrative expenses, construction activities, and other unforeseen costs associated with the project.

AP-38 Project Summary

Project Summary Information – FY 2023-2024

4	Project Name	Republic Café Museum at 37 Soledad St
	Target Area	Chinatown Area
	Goals Supported	Enhanced Neighborhood Conditions
	Needs Addressed	Public Facilities and Infrastructure Improvements
	Funding	CDBG: \$550,000 \$0
	Description	Rehabilitation of the Republic Café building located in Chinatown at 37 Soledad St. to convert into an Asian experience museum. Matrix Code: 03E National Objective: LMA Presumed Benefit: No
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	This project would benefit the 1,200 low/moderate income persons
	Location Description	The Republic Café building located in Chinatown at 37 Soledad St. Salinas, CA 93901
	Planned Activities	This project will provide for the rehabilitation of the Republic Café building located in Chinatown at 37 Soledad St. to convert the building into an Asian experience museum.
6	Project Name	City of Salinas - Housing Referrals and Tenant/Landlord Services
	Target Area	Citywide



	Goals Supported	Enhanced Neighborhood Conditions
	Needs Addressed	Public Services
	Funding	CDBG: \$45,000 \$0
	Description	Legal clinics to prevent displacement and/or eviction, provide individualized legal assistance to qualified households. Matrix Code: 05K National Objective: LMC Presumed Benefit: No
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	This program anticipates assisting 150 persons
	Location Description	Services are provided citywide.
12	Project Name	Sherwood Recreation Center
	Target Area	Not applicable
	Goals Supported	Enhanced Neighborhood Conditions
	Needs Addressed	Public Facilities and Infrastructure Improvements
	Funding	CDBG: \$595,000
	Description	Funds will be used to provide Phase IV improvements and rehabilitation to the Sherwood Recreation Center. Budget for this project includes \$100,000 of program delivery costs. Matrix Code: 03F National Objective: LMA Presumed Benefit: No
	Target Date	06/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	This project would benefit the 50,000 low/moderate income persons citywide.
	Location Description	Sherwood Recreation Center is located at 920 N. Main Street, Salinas The project is not located within a target area but is within City limits.
	Planned Activities	Phase IV involves the completion of the multi-phase community recreation center project. This will include exterior improvements like hazardous material remediation, roof repairs, façade repairs, installation of new windows and doors, improved accessibility features, parking area upgrades, landscaping, and interior improvements.



SUBSTANTIAL AMENDMENT TO HUD FY 2023- 2024 ANNUAL ACTION PLAN

September 9, 2025

City Council

Vincent Montgomery,
Planning Manager
Community Development
Department – Housing
Division

Sherwood Recreation Center (SRC) Building Improvement Project (CIP 9535)



Project Funding

Task	Original Amount	Revised Amount
Activity Delivery	\$220,000	\$280,191
Predevelopment	\$454,184	\$454,184
Construction	\$2,979,647	\$3,224,900
Construction Management	\$297,965	\$587,521
Total Project Cost	\$3,951,796	\$4,546,796

Proposed Amendment

AAP FY	Project No.	CDBG Project Name	Funding to Reallocate	New Amount
2023-24	4	Republic Café Museum at 37 Soledad St	\$550,000	\$0
	6	City of Salinas - Housing Referrals and Tenant/Landlord Services	\$45,000	\$0
	12	Sherwood Recreation Center Building Improvement (CIP 9535)	\$0	\$595,000
	Total		\$595,000	\$595,000

Citizen Participation Plan


30-day Notice of Public Hearing and Public Comment Period

- Started on July 27, 2025
- Ends on September 9, 2025

Notices of Public Hearing posted on July 27, 2025

- The Monterey Herald, City's website, Community Development Department, City Hall, Libraries, and Housing Division Distribution List

Draft Amendment for Public Review

- Available from July 27, 2025, through September 9, 2025
 - City's website, Community Development Department, City Hall, Libraries, Housing Division Distribution List, and per email request
- 

CEQA Consideration

The proposed action (Substantial Amendment) is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). Any subsequent discretionary projects resulting from this action will be assessed for CEQA/NEPA applicability.

Strategic Plan Initiative

- Youth and Seniors

Fiscal and Sustainability Impact

- No General Fund Impact
 - Project funded with CDBG Entitlement Funds
- 

Recommended Motion

Motion to approve a Resolution authorizing:

1. The submission of a Substantial Amendment to Fiscal Year (FY) 2023-2024 Annual Action Plan (AAP) to the United States Department of Housing and Urban Development (HUD); and
2. The allocation of an additional \$595,000 in available Community Development Block Grant (CDBG) program funds to the Sherwood Recreation Center Building Improvement project (CIP 9535); and
3. The City Manager, or designee, to incorporate any necessary modifications to the Substantial Amendment based on community feedback, and to execute, on behalf of the City, any agreements and related documents for HUD-funded projects and activities as outlined in the Substantial Amendment Summary to the FY 2023-2024 AAP.



Questions?

For more information, contact Housing Division
(831) 758-7334

<https://www.cityofsalinas.org/Your-Government/Departments/Community-Development>



City of Salinas

200 Lincoln Ave., Salinas,
CA 93901
www.cityofsalinas.org

Legislation Text

File #: ID#25-394, **Version:** 1

Minutes

Approve minutes of August 26, 2025.



Legislation Text

File #: ID#25-369, **Version:** 1

Enterprise Vehicle Leasing

Approve a Resolution authorizing the City Manager to enter into a Master Equity Lease Agreement with Enterprise Fleet Management for the lease of ten vehicles from September 9, 2025 to December 9, 2030 in the amount of \$105,600 per year for a total cost of \$658,000.



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: **SEPTEMBER 9, 2025**

DEPARTMENT: **PUBLIC WORKS DEPARTMENT**

FROM: **DAVID JACOBS, PUBLIC WORKS DIRECTOR**

TITLE: **ENTERPRISE VEHICLE LEASING**

RECOMMENDED MOTION:

A motion to approve a Resolution authorizing the City Manager to enter into a Master Equity Lease Agreement with Enterprise Fleet Management for the lease of ten (10) vehicles from September 9, 2025, to December 9, 2030 for an estimated amount of \$105,600 per year for a total cost of \$658,000.

EXECUTIVE SUMMARY:

The City of Salinas maintains a vehicle fleet that serves citywide operational needs. The present fleet management practice is to own and operate vehicles until the useful service life has been exceeded and the vehicle has depreciated to a low resale value. Staff recommends the City Council approve implementing a small-scale vehicle fleet leasing program to replace ten (10) vehicles at the optimum time and better accommodate an effective vehicle lifecycle. Improving the process and vehicle replacement timing will reduce operating costs (fuel, maintenance, repairs), provide staff with up-to-date vehicle safety features, improve vehicle procurement productivity, and increase staff efficiency.

BACKGROUND:

The City uses multiple vehicles in the Police, Community Development, Parks and Recreation, and Public Works Departments to help provide City services. The City's standard fleet practice historically has been to purchase vehicles in full, requiring the City to include 100% of the purchase price in the budget any year a vehicle is purchased. This causes the City's budget to periodically spike when vehicles need replacement. The need for a large capital outlay in the first year to purchase any vehicle has required the City to keep some vehicles beyond their useful life, increasing maintenance costs and staff time in maintaining the older vehicles.

Leasing vehicles would require the City to budget for the payment of the leases annually and agree to replace the vehicles on a 5-year schedule. This will allow for a consistent budgeting process and help maintain the fleet in a much more cost-effective manner. Enterprise's analysis shows a savings based on vehicle equity, fuel savings, and maintenance savings and, of the 377 vehicles currently in the City's fleet, it has been determined that 294 of those vehicles would be eligible for the lease program.

The City's research indicates mixed results from the cities that were surveyed. However, city to city comparisons may not be uniform and therefore it's hard to determine if the results are reflective of the program itself or the city's implementation of the program. Staff is recommending a pilot program with 10 vehicles to see how the program works and what kind of savings, if any, will be realized.

Pursuant to Salinas Municipal Code section 12-25, the City can utilize cooperative purchases with other government agencies as a means of making purchases without having to go through a competitive process. Enterprise was awarded a Sourcewell contract through an RFP process. The Sourcewell contract is 03122-EFM.

The 10-vehicle lease program is currently planned to include six (6) Ford F150 Lightning trucks, one mid-size electric SUV, a half ton cargo van, and two (2) full size sedans. The estimated lease is \$8,800 per month or \$105,600 per year. This amount could change depending on when the vehicles are ordered.

The lease program will also allow the City to electrify its fleet, since the lease will include electric vehicles when they are available.

This item was presented to the Finance Committee on August 12, 2025. The Committee recommended the City proceed with the pilot program of leasing ten (10) vehicles as outlined in this Report.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

Yes.

STRATEGIC PLAN INITIATIVE:

This action supports the City Council goals of "Ensure fiscal responsibility and financial management" and "Provide high quality customer service."

DEPARTMENTAL COORDINATION:

The Public Works Department has worked with Finance Department and the City Attorney's office to review the financial impacts and the lease agreements for this proposed pilot program.

FISCAL AND SUSTAINABILITY IMPACT:

The pilot program will have no impact on the FY 2025-26 budget. Existing Vehicle Replacement Fund appropriations will be used to cover the cost of the lease and correspondingly vehicle(s) planned to be purchased are now included in the leasing program.

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 24-25 Operating Budget Page	Last Budget Action (Date, Resolution)*
7121	50.5233-66.5500	Capital outlay Vehicles	\$112,013	\$105,600	N/A	6/17/25, 23269

* The FY 25-26 Adopted Budget was adopted on June 17, 2025.

ATTACHMENTS:

Resolution

Lease Agreement

Addendum to Lease

Self-Insurance Addendum

Menu Pricing City of Salinas

City of Salinas – Fleet Synopsis

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

**A RESOLUTION OF THE SALINAS CITY COUNCIL AUTHORIZING THE CITY
MANAGER TO ENTER INTO A MASTER EQUITY LEASE AGREEMENT WITH
ENTERPRISE FLEET MANAGEMENT**

WHEREAS, the City currently has a fleet of 377 vehicles that range in age from 1 year to 29 years; and

WHEREAS, Enterprise Fleet Management reviewed the City's fleet and found 294 vehicles that would be eligible for their lease program; and

WHEREAS, the City Council has determined to implement a pilot program to include ten (10) vehicles to be leased through the program in order to determine the extent of time savings, if any, may be realized through an ongoing implementation of a lease program; and

WHEREAS, the pilot program will consist of six (6) Ford F150 Lightning trucks, a mid-size SUV, a half ton cargo van, and two (2) full sized sedans; and

WHEREAS, the cost to lease the ten (10) vehicles through this program is estimated to cost \$8,800 per month, or \$105,600 per year, for a total cost of \$658,000 for the term of the Lease Agreement.

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council authorizes the City Manager to enter into a master equity lease agreement for ten (10) vehicle with Enterprise Fleet Management Trust.

PASSED AND APPROVED this 9th day of September 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis Donohue, Mayor

ATTEST:

Patricia M. Barajas, City Clerk

City of Salinas

Vehicle Type and Equipment	Year	Make	Model	Trim Level
Half Ton Electric Truck	2025	Ford	F150 Lightning	Pro AWD SuperCrew Cab 5.5ft box
Mid Size Electric SUV	2025	Chevrolet	Blazer EV	LT 4dr AWD
Half Ton Cargo Van	2025	Ford	Transit 150 Cargo	RWD Medium Roof Van 148 in.
Full Size Sedan	2025	Toyota	Camry	LE 4dr FWD

Quantity	Term	Estimated Annual Mileage	Monthly Cost (Lease Rate, including tax)*	Full Maintenance**	Annual Cost Including Maintenance	Annual Cost Including Maintenance by Quantity	Estimated Equity at Term	Net Monthly payment	Quote #
6	60	5000	\$965.00	\$30.00	\$11,940.00	\$71,640.00	\$9,500.00	\$806.67	
1	60	5000	\$985.00	\$28.00	\$12,156.00	\$12,156.00	\$8,500.00	\$843.33	
1	60	5000	\$995.00	\$33.00	\$12,336.00	\$12,336.00	\$9,500.00	\$836.67	
2	60	5000	\$515.00	\$32.00	\$6,564.00	\$13,128.00	\$11,000.00	\$331.67	
10						\$109,260.00			

Total Annual Cost Including Maintenance	\$109,260.00
Total Equity At Term	\$38,500.00
Total Annual Cost After Equity	\$101,560.00
Total One Time Aftermarket Cost	n/a

*Lease rates are based upon factory order pricing and miles per year. Government Bid is subject to change and is confirmed at time of order.
**Maintenance does not include replacement brakes or tires



Fleet Synopsis

PREPARED FOR:

City of Salinas



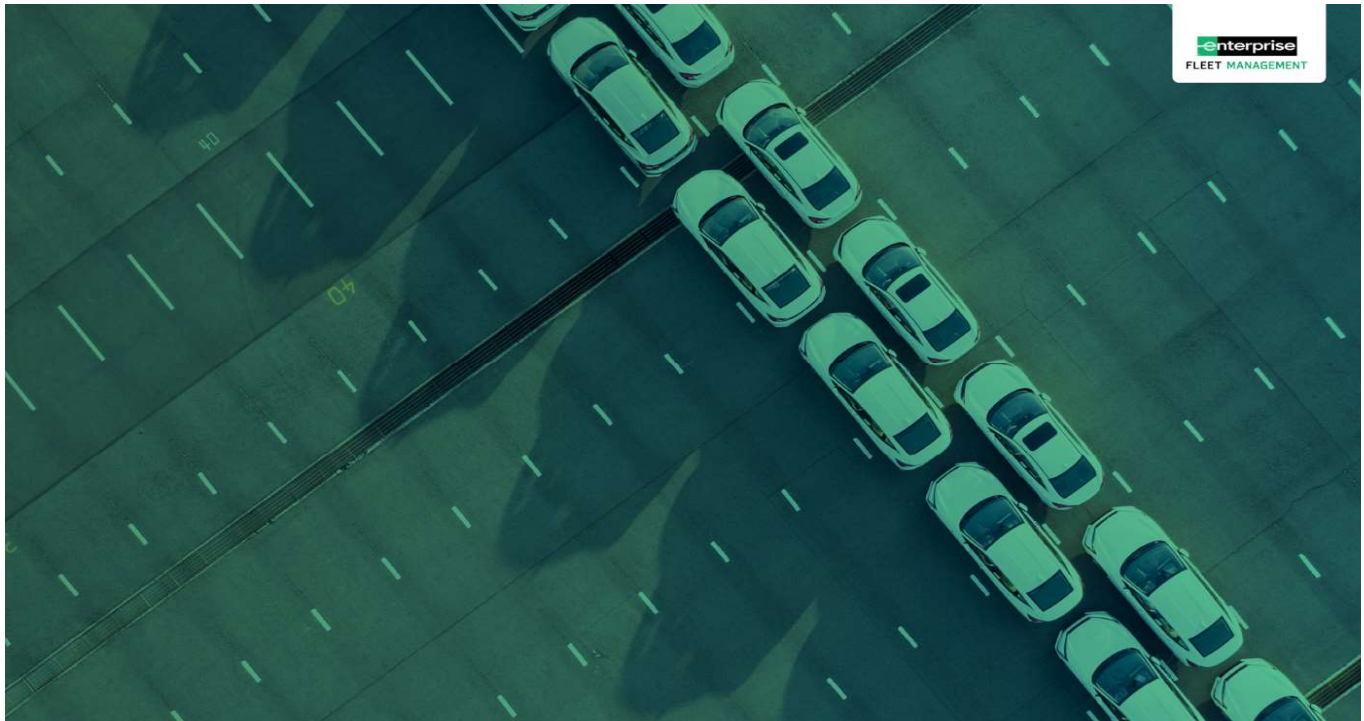
Prepared By:

Daniel Manning
Fleet Consultant

2633 Camino Ramon, San Ramon CA 94583

Email: Daniel.M.Manning@efleets.com

Direct: 408-504-5605 |



Prepared on 8/12/2025 Version 1222025

City of Salinas | IMPACT OF PARTNERSHIP

CURRENT SITUATION

Current fleet age is negatively impacting the overall budget and fleet operations

- 25% of the current light and medium duty fleet is over 10 years old
- Resale of the aging fleet is significantly reduced
- Newer vehicles have a significantly lower maintenance expense
- Newer vehicles have increased fuel efficiency with new technology implementations
- Challenged by inconsistent yearly budgets
- Currently vehicle budget is underfunded

FLEET SIZE**188****FLEET BUDGET****1,032,653****ODOMETER AVG****50,487****VEHICLE CYCLE****13 Years**

KEY CONSIDERATIONS | OBJECTIVES

Identify an effective vehicle life cycle that maximizes potential equity at time of resale creating a conservative savings of over \$2,359,062 in 10 years

- Shorten the current vehicle life cycle from 12.5 years to 5 years
- Free up more than \$365,925 in capital from the salvage of 32 vehicles in the first year
- Significantly reduce Maintenance to an average monthly cost of \$54.97 vs. current \$104
- Provide a lower sustainable fleet cost that is predictable year over year
- Leverage an open-ended lease to maximize cash flow opportunities and recognize equity
- Single consolidated source for all areas of the fleet and locations.

Increase employee safety with newer vehicles

Currently:

- 26 vehicles predate Anti-Lock Brake standardization (2007)
- 44 vehicles predate Electronic Stability Control standardization (2012)
- 162 vehicles predate standardization of back up camera (2018)
- ESC is the most significant safety invention since the seatbelt

Piggyback Sourcewell awarded Contract # 030122 that addresses the following:

Access to all fleet management services as applicable to the needs of the city

Supports the city's need for fleet evaluation on a quarterly basis assessing costs and reviewing best practices

THE IMPACT**Reduce** Fleet Spend
by \$2,359,062**Decrease** Administrative
Burden and Downtime**Enhanced** Reporting,
Oversight, & Control**Local** Team to Support
Needs Nationwide**Newer** Safer Vehicles
Replace Every 4-5 yrs

THE RECOMMENDATION

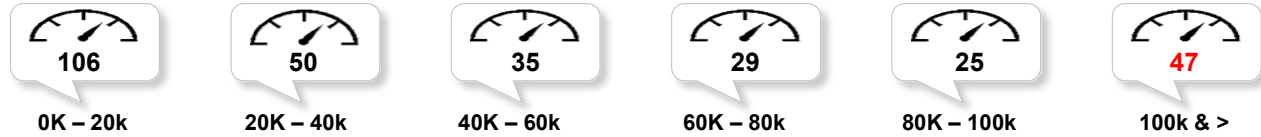
By partnering with Enterprise Fleet Management, City of Salinas will be better able to leverage its buying power, implement a tighter controlled resale program to lower total cost of ownership and in turn minimize operational spend. City of Salinas will reduce fuel costs by 24% and reduce maintenance costs from \$104 on average to \$54.97 per unit. Leveraging an open-end lease maximizes cash flow and recognizes equity from vehicles sold creating an internal replacement fund. Furthermore, City of Salinas will leverage Enterprise Fleet Management's ability to sell vehicles at an average of 10% above Black Book value. By shifting from reactively replacing inoperable vehicles to proactively planning vehicle purchases, City of Salinas will be able to replace all of its vehicles over the course of 5 years while creating a sustainable savings of \$4,459.53.



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City of Salinas | FLEET STATISTICS

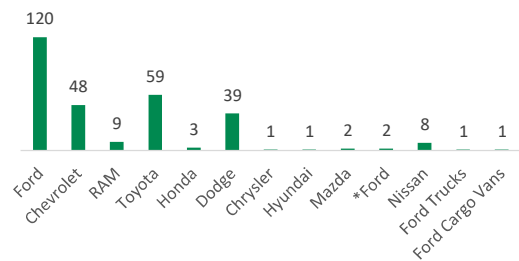
FLEET SIZE	AVG AGE	AVG ANNUAL MILEAGE	AVG ANNUAL ACQUISITIONS	AVG MODEL YEAR	HOLDING PERIOD
294	8.6	5,700	15.0	2012	12.5



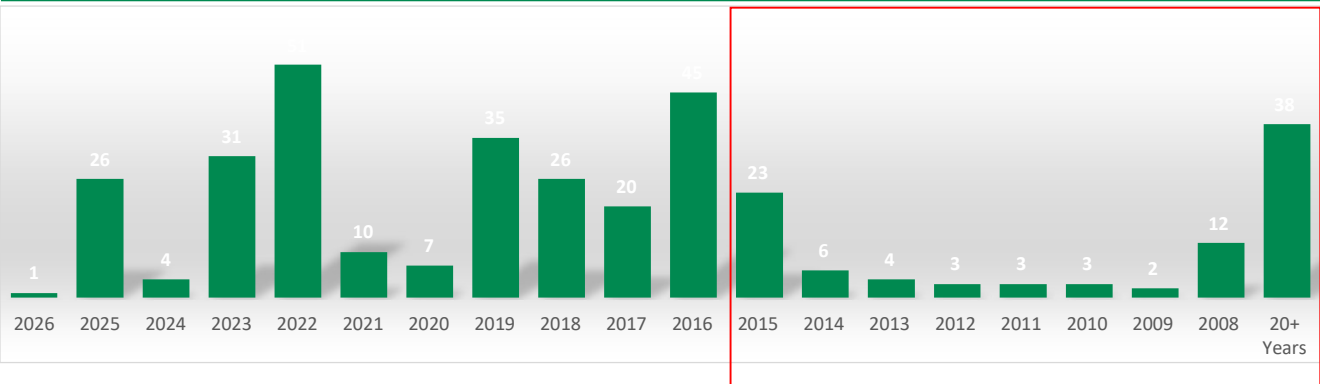
Vehicle Type	Quantity	Avg Age	Avg Annual
TRUCK	103	8.6	4,014
CAR	89	9.3	7,204
SUV	83	7.1	6,434
VAN	19	11.8	3,882
Totals/Averages:	294	8.6	5,654

Vehicle Classes
4
Average Odometer
50,487

Manufacturer Profile



MODEL YEAR ANALYSIS



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City of Salinas | TESTIMONIAL

CASE STUDY | CITY OF SAN MARCOS



The City of San Marcos Reduces Costs by 27% and Replaces Aging Vehicles.

BACKGROUND

Location: San Marcos, CA
 Industry: Government
 Total vehicles: 90 vehicles

THE CHALLENGE

Half of The City of San Marcos' vehicles were operating past their useful life. The City's fleet was deteriorating rapidly, and many of the vehicles needed to be replaced to mitigate escalating repair and maintenance costs. Budget challenges prevented the City from purchasing new vehicles. Major repairs reduced the number of available vehicles, and the City vehicle downtime was significantly affecting its operations. Maintenance costs continued to erode the budget and interfere with the efficiency of City operations.

THE SOLUTION

Enterprise Fleet Management evaluated the City's entire fleet to identify the most cost-effective way to replace its aging vehicles. Ten vehicles were identified as under-utilized and completely removed from service. By implementing an open-ended lease structure, the City was able to replace the remaining ninety vehicles within a three-year period. The program did not require a large initial outlay of funds. The City of San Marcos was not burdened with extensive capital requirements for vehicle replacement, allowing them to replace highly important, heavy-duty and emergency vehicles first.

"The Enterprise Fleet Management lease program has not only alleviated some of the maintenance burden placed on our lean fleet maintenance staff and budget, it has also provided a level of flexibility that allows my team to promptly address the City's dynamic fleet needs without sacrificing service."

— Lisa Fowler, Public Works Manager- Administration & Fleet

The Full Maintenance Program provides a low fixed monthly cost, which is easily budgeted for every year. The program eliminates the need for City resources to work on the light-duty fleet, so the maintenance staff can solely focus on the heavy-duty equipment.

THE RESULTS

The partnership with Enterprise Fleet Management has significantly reduced the portions of the Public Works-Fleet Operations budget and the Vehicle Replacement fund that was affected by the declining condition of the light-duty fleet. The City realized a 27% decrease in the cost to purchase and maintain the light duty fleet. The program will result in a combined fund savings of \$1.1 million over a five-year period.

To learn more, visit efleets.com or call 877-23-FLEET.

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Key Results

27%
 DECREASE
 IN FLEET COSTS



**RIGHT-SIZED
 FLEET BY 10%**
 FOR BETTER
 UTILIZATION

**REPLACED
 90 VEHICLES**
 OVER A 3-YEAR PERIOD



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City of Salinas | PROGRAM RESOURCES

SAFETY

25% of all vehicles are older than 10 years of age and do not contain the most up to date safety features, such as electronic stability control, airbag standardization and anti-lock brake control.

ACCOUNT MANAGEMENT

City of Salinas will have a dedicated, local account team to proactively manage and develop your fleet while delivering the highest level of customer service to facilitate your day-to-day needs."

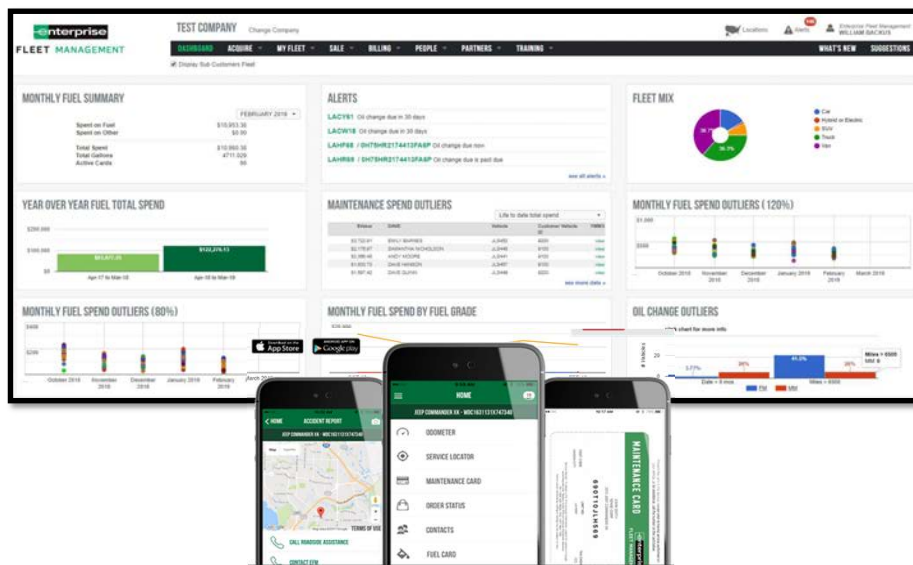
Your dedicated Account Team meets with you 3-4 times a year for both financial and strategic planning.

Account team will provide on-going analysis – this will include most cost-effective vehicle makes/models, cents per mile, total cost of ownership, and replacement analysis.

TECHNOLOGY

Enterprise Fleet Management's website provides vehicle tracking, reporting, and metrics. Our website can be customized to view a wide range of data so that you may have a comprehensive and detailed look at all aspects of your fleet and the services provided. Our Mobile App gives drivers all of the convenience and functionality they need.

- Consolidated Invoices - Includes lease, maintenance, and any additional ancillaries
- Maintenance Utilization - Review the life-to-date maintenance per vehicle
- Recall Information - See which units have open recalls
- License & Registration - See which plate renewals are being processed by Enterprise and view status
- Alerts - Set customizable alerts for oil changes, lease renewals, license renewals, and billing data
- Lifecycle Analysis - See data regarding all transactions for the lifecycle of the entire fleet, with drill-down capability to specific lease or transaction



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City of Salinas | REFERENCES

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City of Downey
City of Eureka
City of Oceanside
City of Rialto

REFERENCES

Below is a list of client references including company name, contact person, and telephone number.

City of King City, Soledad, Gonzales

Business Phone #: 831-674-5562

Contact Person: Mike Howard, Finance Director

City of Marina

Business Phone #: 831-884-1215

Contact Person: Brian McMinn, PW Director

City of Petaluma

Business Phone #: 707-778-4345

Contact Person: Peggy Flynn, City Manager

COOPERATIVE PARTNERS:

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City of Salinas

200 Lincoln Ave., Salinas,
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Legislation Text

File #: ID#25-374, **Version:** 1

2024 Pavement Crack Treatment on Various Streets Project, CIP No. 9981

Approve a Resolution accepting the 2024 Pavement Crack Treatment on Various Streets Project, CIP No. 9981 for maintenance and responsibility.



CITY OF SALINAS

COUNCIL STAFF REPORT

DATE: SEPTEMBER 9, 2025

DEPARTMENT: PUBLIC WORKS DEPARTMENT

FROM: DAVID JACOBS, P.E., L.S., PUBLIC WORKS DIRECTOR

BY: PHAVANA ARAMKUL, JUNIOR ENGINEER
ADRIANA ROBLES, P.E., C.F.M., CITY ENGINEER

TITLE: 2024 PAVEMENT CRACK TREATMENT ON VARIOUS STREETS
PROJECT CIP 9981

RECOMMENDED MOTION:

A motion to approve a Resolution accepting the 2024 Pavement Crack Treatment on Various Streets Project, CIP No. 9981 for maintenance and responsibility.

EXECUTIVE SUMMARY:

On November 12, 2024, the City Council awarded the 2024 Pavement Crack Treatment on Various Streets Project, CIP No. 9981, to Carter Enterprises Group Inc DBA Pavement Rehab Company via Resolution No. 23155 for a contracted amount of \$ 505,888. Construction began on February 24, 2025, with an allowance of 25 working days for project completion. Pavement Rehab Company has completed pavement maintenance for 41 road segments under this contract, including one deductive contract change order, for a grand total of \$465,206.55. Substantial completion was on April 11, 2025.

BACKGROUND:

On May 7, 2024, the City Council established the Pavement Management and Street Selection Policy (Resolution No. 22953) to strategically distribute funding to address pavement deterioration. The policy identified crack treatment as a stop gap/maintenance strategy to prevent water migration into existing pavements. On June 25, 2024, the City Council approved the 5-Year Pavement Preservation Street List (Resolution No. 23031). This list identified the streets that were to receive pavement treatment (maintenance or rehabilitation) in the coming years. In an effort to prevent the selected streets from deteriorating more rapidly, crack treatment was identified as a lower cost effort to provide a short-term protection from water intrusion into the pavement subsurface.

On July 22, 2024, the City Engineer approved the project specifications and authorized the call for bids for the crack treatment project. However, due to a miscalculation that would have allowed for negotiation of the contract unit pricing and would have jeopardized the competitive bid process, bids were rejected on October 22, 2024, via Resolution No. 23135.

The City Engineer approved the revised project plans and specifications on October 4, 2024. On October 25, 2024, City staff opened bids at a public meeting held via Zoom meeting. The lowest responsive and responsible bidder Carter Enterprises Group Inc. dba Pavement Rehab Company submitted a bid that was below the engineer's estimate and was awarded a contract for \$505,888 on November 12, 2024, via Resolution No. 23155.

The 2024 Pavement Crack Treatment on Various Streets Project, CIP 9981 called for pavement crack treatment on various streets. Exhibit A, attached to this report, provides the project location map and Table No. 1 below, identifies the street segments that received pavement crack treatment.

Table 1. Street Maintenance Segments

Street Name	Begin	End
N DAVIS RD	W ROSSI ST	FREEWAY ON/OFF RAMP
CONSTITUTION BLVD	E LAUREL DR	BEACON HILL DR (S)
N MAIN ST	HARDEN PKWY	SANTA CLARA AVE / US 101 ON RAMP
S SANBORN RD	ABBOTT ST	RAILROAD Overpass (PCC START/END)
S SANBORN RD	RAILROAD Overpass (PCC END)	E ALISAL ST
E BLANCO RD	ABBOTT ST	CITY LIMIT (1,725') E/O LA MESA WAY
ABBOTT ST	CITY LIMITS (1,322' E/O Harris Rd)	S SANBORN RD
BORONDA RD	N MAIN ST	FREEWAY ON/OFF RAMP
GREEN ST	DEL MONTE AVE	GARNER AVE
SKY PL	ALMA AVE	END
CORTEZ ST	NEW DEAL ST	END
ACOSTA ST	TOWT ST	2ND AVE
WIREN ST	WILLIAMS RD	N. END
BARDIN CIR	BARDIN WAY (N)	BARDIN WAY (S)
BARDIN WAY	BARDIN CIR (N)	WILLIAMS RD
VIA PARAISO	LOS PALOS DR	LA MESA DR
PARAISO CT	VIA PARAISO (N)	VIA PARAISO (S)
SAN MARINO WAY	E ROMIE LN	SANTA CRUZ AVE
LA MIRADA DR	SAN BRUNO WAY	LA MESA DR
SAN ANGELO DR	SANTA CRUZ AVE	LA MESA DR
PEACH DR	CALLE CEBU	COMMISSION ST
SUN ST	CALLE CEBU	E MARKET ST
RIANDA ST	GRIFFIN ST	PRADER ST
RIANDA CIR	PRADER ST	END
MURPHY ST	E ALISAL ST	END
PRADER ST	RIANDA ST	E ALISAL ST

Street Name	Begin	End
NEIL ST	MERCED ST	GRIFFIN ST
MERCED ST	E MARKET ST	END
SEMINOLE WAY	SHAWNEE WAY	CHEROKEE DR
DURAN ST	CHEROKEE DR	SEVILLE ST
DURAN CIR	CHEROKEE DR	END
EBRO CIR	CHEROKEE DR	END
CACERAS CIR	CHEROKEE DR	END
BARCELONA CIR	CHEROKEE DR	END
ARAGON CIR	CHEROKEE DR	END
TYLER ST	N 4TH ST	W LAUREL DR
HOLLY ST	RIDER AVE	END
ELM DR	RIDER AVE	END
GEE ST	RIDER AVE	END
PACIFIC AVE	GARNER AVE	DEL MONTE AVE
RIDER AVE	GEE ST	GARNER AVE
ATHERTON WAY	MILLBRAE ST	CAMBRIAN DR
ATHERTON WAY	CAMBRIAN DR	MILLBRAE ST
LEXINGTON DR	INDEPENDENCE BLVD	LITTLE RIVER DR

Table 2 summarizes the project's measurable outputs.

Table 2 Project Summary

Construction Activity Description	Quantity	Unit
Pavement Crack seal	~ 15	Miles

One (1) contract change order (CCO), for a credit of \$40,681.45 was issued for a total construction cost of \$465,206.55. No working days adjustment was issued for the deduction of East and West Laurel Drive. Contract change orders were approved in accordance with Department Policy 75-1, revised December 4, 2018.

Table 3: Contract Change Orders

Contract Change Order	Description	Working Days	Change Order Amount	Cumulative Contact Total
Contract	Base Bid 1	25		\$505,888.00
CCO 1	Removal of W Laurel Dr & E Laurel Dr from project.	0	\$40,681.45	\$40,681.45
TOTAL		25	\$40,681.45	\$465,206.55

The project was substantially completed on April 11, 2025.

The construction methods and materials met the Project Specifications as set forth by the contract documents and the project has been deemed complete.

CEQA CONSIDERATION:

Categorically exempt: The City of Salinas has determined that the project is exempt from the California Environmental Quality Act (CEQA) Guidelines (Section 15301(c), Class 1), because the project proposes maintaining existing roadways, crosswalks, signage, and pavement striping.

Furthermore, the project does not qualify for any of the exceptions to the categorical exemptions found at CEQA Guidelines Section 15300.2 as all exceptions do not relate to the project scope of work for this project.

CALIFORNIA GOVERNMENT CODE §84308:

No, this project was advertised and competitively bid and is therefore exempt from California Government Code §84308.

STRATEGIC PLAN INITIATIVE:

This project relates to the Council's Goals of Infrastructure by maintaining the City's existing roadways.

DEPARTMENTAL COORDINATION:

Public Works staff and Finance staff have worked together on the funding of the 2024 Pavement Crack Treatment on Various Streets Project CIP 9981.

FISCAL AND SUSTAINABILITY IMPACT:

Accepting the 2024 Pavement Crack Treatment on Various Streets Project (CIP 9981) for maintenance and responsibility has no fiscal impact. The project which was funded through Gas Tax, was constructed within its allocated budget and contingencies.

Fund	CIP	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 25-26 CIP Budget Page	Last Budget Action (Date, Resolution)
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

ATTACHMENTS:

Resolution

Exhibit A Location Map

Before/After Photos

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

**A RESOLUTION ACCEPTING THE 2024 PAVEMENT CRACK TREATMENT
ON VARIOUS STREETS PROJECT, CIP 9981 FOR MAINTENANCE AND
RESPONSIBILITY**

WHEREAS, on May 7, 2024, the City Council approved the 2023 Pavement Management Program Update and the Pavement Management and Street Selection Policy (Resolution No. 22953); and

WHEREAS, on June 25, 2024, the City Council approved the 5-Year Pavement Preservation Street List (Resolution No. 23031); and

WHEREAS, on July 22, 2024, the City Engineer approved the project specifications and authorized the call for bids for this project; and

WHEREAS, on August 13, 2024, bids were publicly opened for the 2024 Pavement Crack Treatment on Various Streets Project, CIP 9981, but due to a miscalculation that would have allowed for negotiation of the contract unit pricing and would jeopardize the competitive bid process, bids were rejected on October 22, 2024 via Resolution No. 23135; and

WHEREAS, On October 4, 2024, the City Engineer approved the revised project specifications and authorized a new call for bids for the updated project scope for the 2024 Pavement Crack Treatment on Various Streets Project No. 9981; and

WHEREAS, On October 25, 2024, three bids were electronically received and publicly opened and read via a Zoom meeting with Carter Enterprises Group Inc dba Pavement Rehab Company as the apparent low bidder; and

WHEREAS, on November 12, 2024, the City Council pursuant to Resolution No. 23155 awarded a contract to Carter Enterprises Group Inc dba Pavement Rehab Company for the 2024 Pavement Crack Treatment on Various Streets Project, CIP 9981 with a 21% contingency for the project; and

WHEREAS, the total construction cost including following a deductive change order was \$465,206.55; and

WHEREAS, the project output included approximately 15 miles of pavement crack treatment; and

WHEREAS, the project was substantially completed on April 14, 2025.

NOW, THEREFORE, BE IT RESOLVED; that the Salinas City Council accepts the 2024 Pavement Crack Treatment on Various Streets Project, CIP 9981 for maintenance and responsibility.

PASSED AND APPROVED this 9th day of September 2025, by the following vote:

AYES:

NOES:

ABSENT:

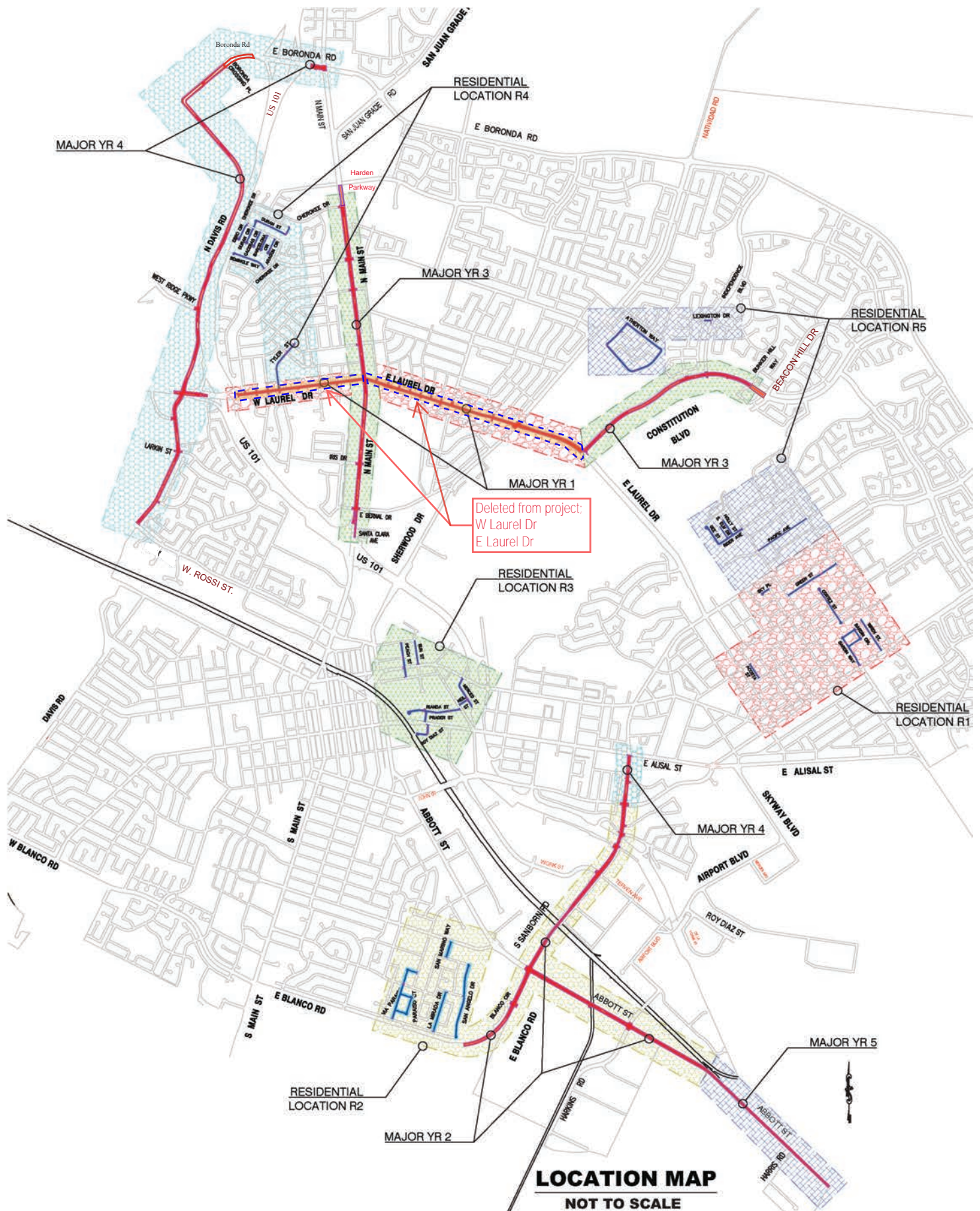
ABSTAIN:

APPROVED:

Dennis Donohue, Mayor

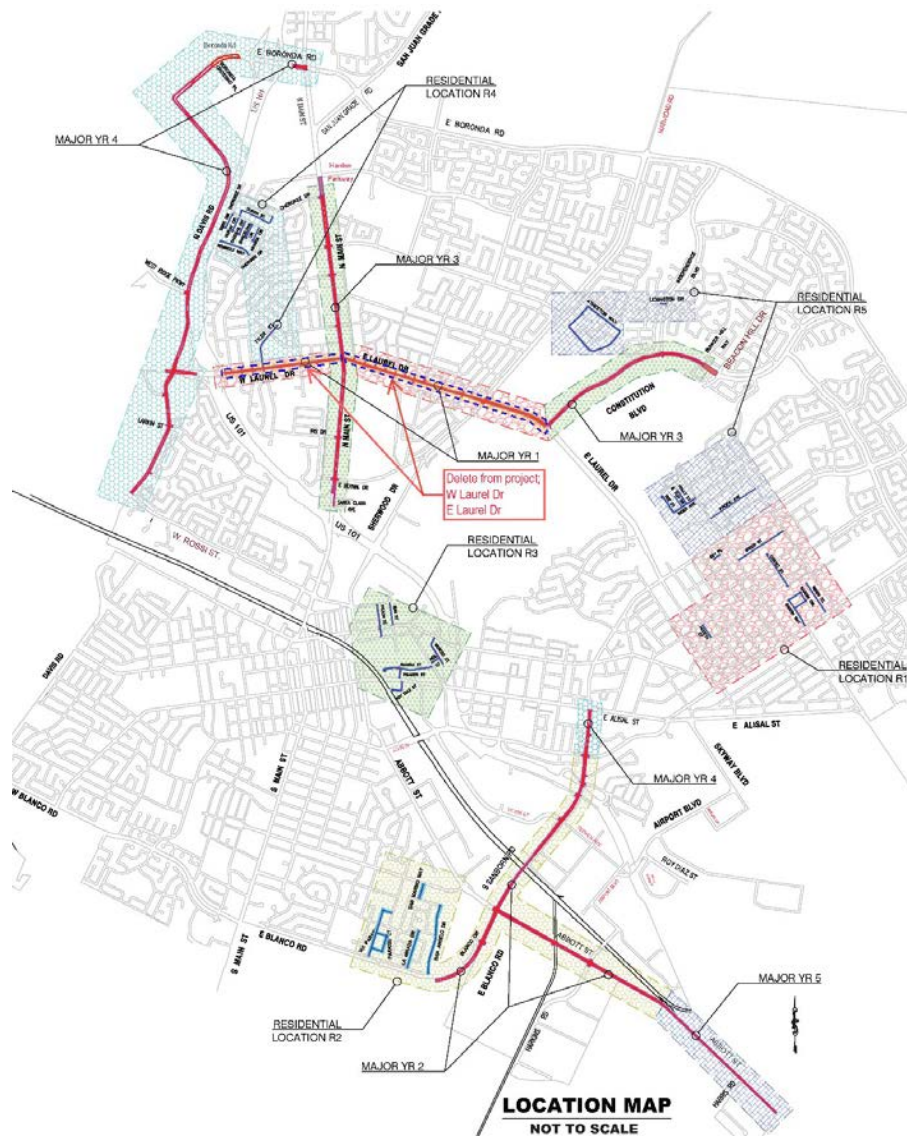
ATTEST:

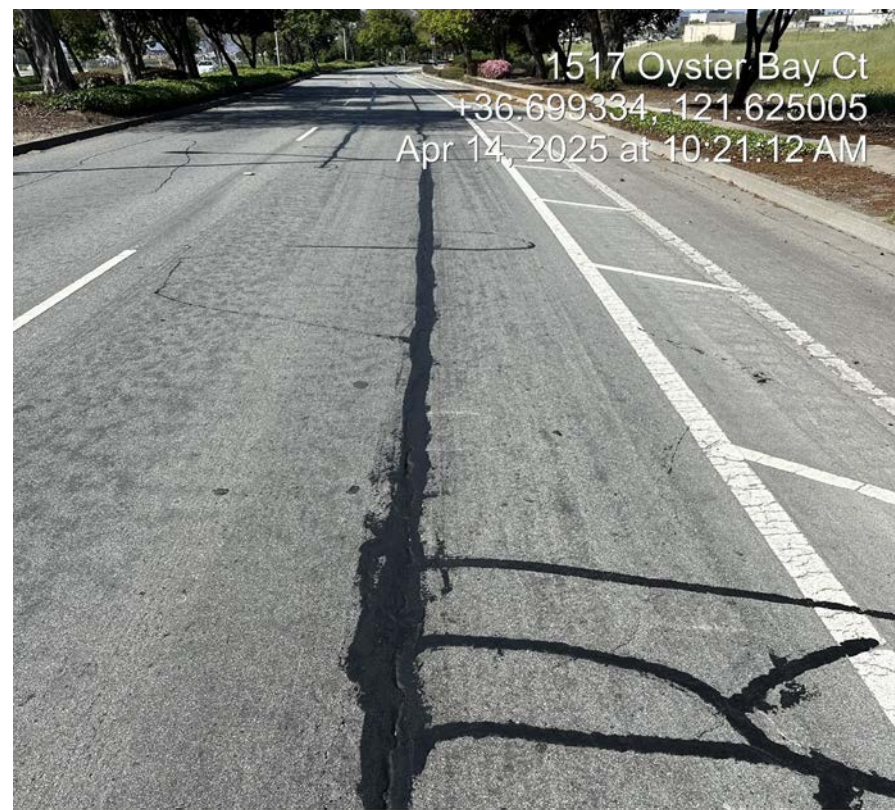
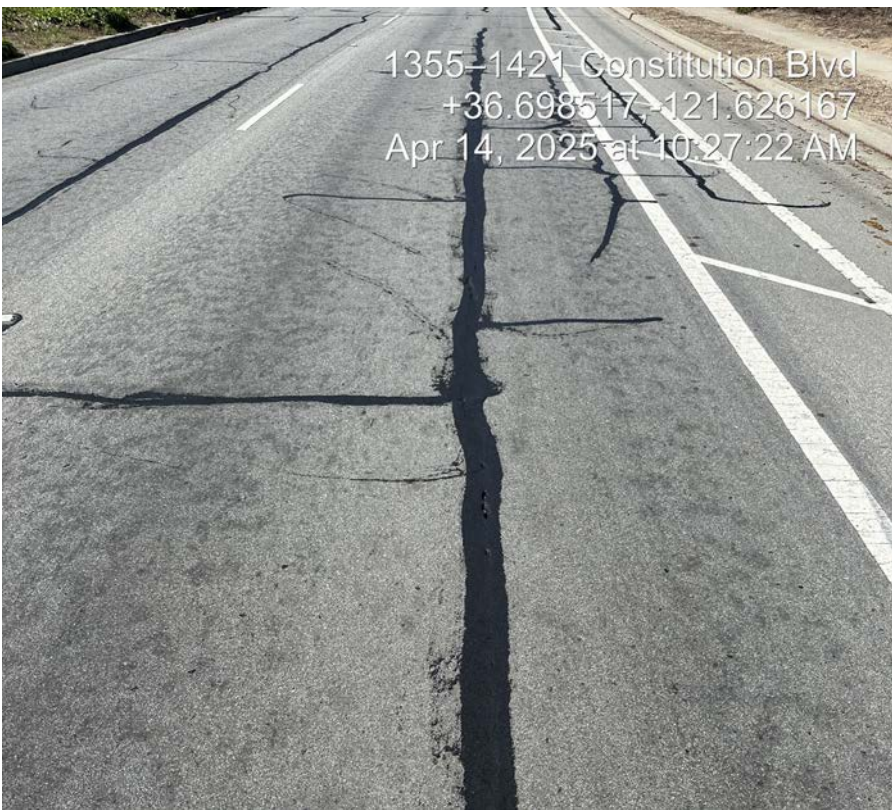
Patricia M. Barajas, City Clerk





2024 Pavement Crack Treatment Project ACCEPTANCE





Crack Treatment – Constitution BLVD



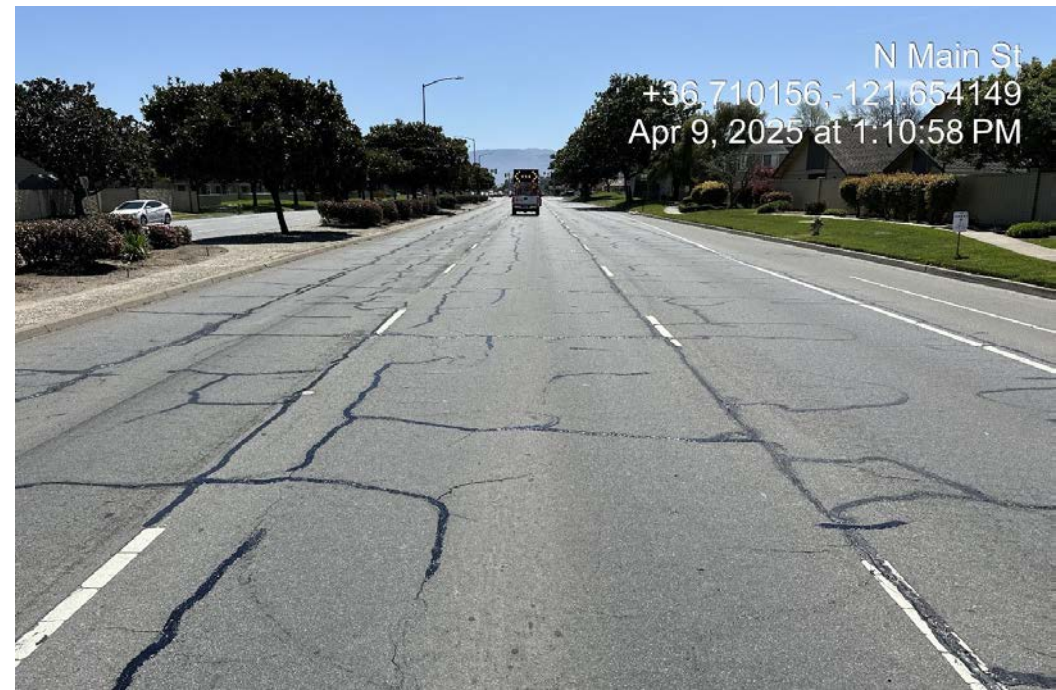
Crack Treatment – Merced St.



Crack Treatment – N. Main St.



Crack Treatment
Duran St & Cherokee Dr.



Crack Treatment N. Main St.



Crack Treatment
Boronda Rd



Crack Treatment
N Davis Rd



Crack Treatment Rianda St.



Crack Treatment Constitution Blvd



Crack Treatment Tyler St



Crack Treatment Abbott St



Crack Treatment
Abbott St.





Crack Treatment S Sanborn Rd



Crack Treatment E Blanco Rd



Crack Treatment
E Blanco Rd



Crack Treatment
Via Paraiso



Crack Treatment Santa Cruz Ave. & San Marino Way



Crack Treatment
Towt St & San Angelo Dr



Crack Treatment
Garner Ave & Caceras Cir.



Crack Treatment Atherton Way



City of Salinas

200 Lincoln Ave., Salinas,
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Legislation Text

File #: ID#25-386, **Version:** 1

Modification to Classification - Salary Schedule

Approve a Resolution modifying the Classification - Salary Schedule to adjust the hourly rates for temporary classifications designated as Retired Annuitant.



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: SEPTEMBER 9, 2025

DEPARTMENT: HUMAN RESOURCES

FROM: MARINA HORTA-GALLEGOS, HUMAN RESOURCES DIRECTOR

TITLE: MODIFICATION TO CLASSIFICATION – SALARY SCHEDULE

RECOMMENDED MOTION:

A motion to approve a resolution modifying the Classification – Salary Schedule to adjust the hourly rates for temporary classifications designated as Retired Annuitant.

EXECUTIVE SUMMARY:

The modification to the Classification – Salary Schedule effective July 7, 2025, did not include modification to Retired Annuitant classifications. CalPERS requires that the hourly rates for these classifications fall within the regular salary schedule for the regular positions.

BACKGROUND:

On July 1, 2025, the City Council approved a modification to the Classification- Salary Schedule that was effective July 7 and included salary adjustments for the Association of Management Personnel of Salinas, Service Employees International Union (SEIU) Blue Collar, SEIU Crew Supervisors, and Salinas Municipal Employees Association. The hourly adjustments were to include retired annuitant classifications listed under temporary positions pursuant to California Public Employees' Retirement System (CalPERS) regulations. CalPERS requires that retirees be placed in retired annuitant designated positions and that the salary must be an hourly rate that falls within the regular salary schedule for that position.

The classifications requiring adjustment are listed below:

Benefit Group	Grade	Position	Step 1 Hourly	Step 2 Hourly	Step 3 Hourly	Step 4 Hourly	Step 5 Hourly
29	29.9131	Retired Annuity Deputy Fire Marshal	61.3054	64.3707	67.5892	70.9686	74.5171
29	29.9641	Retired Annuitant Fire Inspector I	35.1414	36.9012	38.7435	40.6837	42.7217
29	29.9647	Retired Annuitant Librarian I	27.5272	28.9065	30.3444	31.8632	33.4553
29	29.9650	Retired Annuitant Office Tech	25.5903	26.8669	28.2097	29.6183	31.1001
29	29.9646	Retired Annuitant Sr. Civil Engineer	59.2729	62.2326	65.3439	68.6143	72.0448

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

The proposed action supports the City Council 2025 Strategic Goal of City Services ensuring fiscal responsibility and finance management.

DEPARTMENTAL COORDINATION:

The Human Resources Department collaborates with all City departments as necessary in staffing extra help retired annuitant positions and in ensuring the positions are compliant with CalPERS regulations.

FISCAL AND SUSTAINABILITY IMPACT:

No impact to the approved fiscal year budget is anticipated as a result of this action since budgets for temporary staffing were approved through the FY 25-26 budget process.

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 24-25 Operating Budget Page	Last Budget Action (Date, Resolution)
N/A	N/A	N/A	N/A	N/A	N/A	N/A

ATTACHMENTS:

Resolution

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

RESOLUTION MODIFYING THE CLASSIFICATION - SALARY SCHEDULE

BE IT RESOLVED BY THE CITY COUNCIL OF SALINAS that the Classification-Salary Schedule previously adopted by the City Council by Resolution is hereby amended to include hourly adjustments to the temporary Retired Annuitant classifications as listed below:

Benefit Group	Grade	Position	Step 1 Hourly	Step 2 Hourly	Step 3 Hourly	Step 4 Hourly	Step 5 Hourly
29	29.9131	Retired Annuity Deputy Fire Marshal	61.3054	64.3707	67.5892	70.9686	74.5171
29	29.9641	Retired Annuitant Fire Inspector I	35.1414	36.9012	38.7435	40.6837	42.7217
29	29.9647	Retired Annuitant Librarian I	27.5272	28.9065	30.3444	31.8632	33.4553
29	29.9650	Retired Annuitant Office Tech	25.5903	26.8669	28.2097	29.6183	31.1001
29	29.9646	Retired Annuitant Sr. Civil Engineer	59.2729	62.2326	65.3439	68.6143	72.0448

PASSED AND APPROVED this 9th day of September 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dennis Donohue, Mayor

ATTEST:

Patricia Barajas, City Clerk



City of Salinas

200 Lincoln Ave., Salinas,
CA 93901
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Legislation Text

File #: ID#25-384, **Version:** 1

Referendum Against Ordinance No. 2687; City Council Action on the Referendum (Elections Code Section 9241)

This report presents the options available to the City Council as they relate to the Referendum Against Ordinance No. 2687.



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: SEPTEMBER 9, 2025

DEPARTMENT: ADMINISTRATION
CITY ATTORNEY'S OFFICE

FROM: RENÉ MENDEZ, CITY MANAGER
CHRISTOPHER A. CALLIHAN, CITY ATTORNEY
PATRICIA M. BARAJAS, CITY CLERK
ALEXIS MEJIA, ASSISTANT CITY CLERK

TITLE: REFERENDUM AGAINST ORDINANCE NO. 2687;
CITY COUNCIL ACTION ON THE REFERENDUM
(ELECTIONS CODE SECTION 9241)

RECOMMENDED MOTION:

This Report presents the City Council with options to consider related to the Referendum Against Ordinance No. 2687:

1. Repeal Ordinance No. 2687 (the "Repeal Ordinance");
2. Submit Ordinance No. 2687 to the voters, at the next regular municipal election occurring not less than 88 days after the order of the City Council;
3. Submit Ordinance 2687 to the voters at a special election occurring not less than 88 days after the order of the City Council; or
4. Provide other direction to City staff.

Should the City Council choose to repeal the Repeal Ordinance, an ordinance to that effect is attached as Exhibit A.. Pursuant to City Charter section 11.3, an ordinance can be passed on the day of its introduction only upon the unanimous vote of the City Council. If the ordinance receives less than unanimous support, it may be introduced on September 9, 2025, and will return to the City Council on September 23, 2025, for adoption. In either case, the ordinance would become effective until thirty (30) days after the date of adoption.

EXECUTIVE SUMMARY:

On August 15, 2025, the Monterey County Registrar of Voters issued a Certificate of Signature Verification related to a Referendum Against Ordinance No. 2687 (the "Referendum"). With the

Referendum having met the minimum criteria established by Salinas Charter section 4.2 and California Elections Code, on August 15, 2025, the City Clerk certified the results, pursuant to Elections Code section 9114 and 9115, and presented to the City Council following receipt of the Registrar's Certificate of Signature Verification. Following receipt of a report from the City Clerk, on August 26, 2025, the City Council approved a Resolution accepting the Certificate of Signature Verification related to the Repeal Ordinance.

Following the City Council's approval of Resolution 23324 accepting the Certificate of Signature Verification and as required by Elections Code section 9241, the City Council must now consider and select from between two options: (1) adopt an ordinance repealing the Repeal Ordinance, or (2) submit the Repeal Ordinance to the voters of Salinas, either at the next regular municipal election on November or at a special election called for that purpose. The Elections Code does not provide a time frame by which the City Council must make its determination on those two options; however, the Council should not unnecessarily delay its consideration of this matter. The City Council could also provide additional direction to staff.

BACKGROUND:

Referendum Petition

On May 13, 2025, the City Council introduced an ordinance to repeal four rent-related ordinances previously adopted by the City Council (the Repeal Ordinance): Ordinance No. 2663 (Residential Rental Registration Program), Ordinance No. 2681 (Rent Stabilization), Ordinance No. 2682 (Tenant Protection and Just Cause Eviction), and Ordinance No. 2683 (Tenant Anti-Harassment). These four ordinances are collectively referred to in this Report as the "Ordinances." On June 3, 2025, the City Council adopted the Repeal Ordinance (Ordinance No. 2687) and it was attested to by the City Clerk on that same date.

The Repeal Ordinance was due to become effective thirty (30) days after its adoption on July 3, 2025, pursuant to Government Code section 36937. Within the thirty (30) day period prescribed in Elections Code section 9237, "Protect Salinas Renters 2026" (the "Proponents") submitted a referendum of the Repeal Ordinance to the City Clerk. Consistent with the obligations imposed by Elections Code sections 9239 and 9210, on July 3, 2025, the City Clerk determined that, based solely on a raw count, that the number of signatures affixed to the Referendum petition was in excess of the minimum number of signatures required and accepted the Referendum petition for filing. Upon the City Clerk's acceptance of the Referendum petition for filing, the effective date of Ordinance No. 2687 was automatically suspended by operation of law. (Elections Code section 9237)

On July 3, 2025, the City Clerk delivered the Referendum petition to the Monterey County Registrar of Voters ("Registrar") for a full check and examination of signatures; to verify the signatures affixed to the Referendum petition were from registered voters of Salinas and otherwise met the requirements of the Elections Code. The City's instructions to the Registrar requested examination of signatures and certification be accomplished by full check pursuant to Elections Code section 9114. Based on the Registrar's determination that valid signatures of more than 10% of the City's voter registration were present on the Referendum petition, on August 15, 2025 (thirty

(30) days after the date of filing, excluding weekends and holidays), the Registrar issued a Certificate of Signature Verification and was received by the City Clerk on that same day. On August 15, 2025, the City Clerk forwarded the Certificate of Sufficiency to the Proponents; the City Council was also informed of the results of the Registrar's signature verification.

In accordance with Elections Code sections 9114 and 9115, certification of the qualified Referendum petition was presented to the City Council for acceptance on August 26, 2025. Following receipt of a report from the City Clerk, on August 26, 2025, the City Council approved Resolution 23324 accepting the Certificate of Signature Verification related to the Repeal Ordinance.

With the City Council's acceptance of the Certificate of Signature Verification related to the Repeal Ordinance, pursuant to Elections Code section 9241 the City Council is thus presented with options:

1. Repeal the Repeal Ordinance; or
2. Submit the Repeal Ordinance to the voters, either at the next regular municipal election occurring not less than 88 days after the order of the City Council, or at a special election called for that purpose, not less than 88 days after order of the City Council.

Repealing the Repeal Ordinance.

The City Council may choose to repeal the Repeal Ordinance. A draft ordinance to that effect is attached to this Report should the City Council choose that option. The ordinance may be introduced and passed at the September 9, 2025, meeting only upon the unanimous vote of the City Council, otherwise it may be introduced on September, 9, 2025, and may be adopted on September 23, 2025. In either case, the ordinance would not become effective until thirty (30) days after its adoption. (Charter Section 11.3).

Choosing to repeal the Repeal Ordinance would leave the four rent-related ordinances in place and effective thereby ending the referendum process. The City Council would be prohibited by Elections Code section 9241 from reconsidering the Repeal Ordinance for a period of twelve (12) months after adoption of the ordinance. During that period the City Council could, however, make amendments to the four rent-related ordinances.¹

Election Options.

Should the City Council not choose to repeal Ordinance No. 2687, as outlined above, the City Council must submit Ordinance No. 2687 to the voters, either at the next regular municipal election occurring not less than 88 days after the order of the City Council, or at a special election called for the purpose, not less than 88 days after the order of the City Council.

¹ Amendments to one or more of the four rent-related ordinances may be necessary to address issues with enforceability or implementation.

The election on the Referendum could be held on the following dates:

November 3, 2026 General Municipal Election

The City Council may choose to present the Repeal Ordinance to the voters at the next regular municipal election occurring on November 3, 2026, within no less than 88 days after the order of the City Council. The City Council will also need to request consolidation of said election as required by California Elections Code Division 10 which outlines the general provisions and procedures for the conduct of local and consolidated elections. Council will also be asked to consider ordering the election pursuant to California Elections Code section 10002, Salinas City Charter section 3.3, and request that it be consolidated with the regularly scheduled November 3, 2026, General Municipal Election.

June 2, 2026 Statewide Primary Election – Consolidated Special Municipal Election

The City may also submit the Repeal Ordinance to the voters at a special election called for that purpose not less than 88 days after the order of the legislative body. The County of Monterey is conducting a Statewide Primary Election on Tuesday, June 2, 2026. If the City Council decides to submit the Referendum to the voters during the Statewide Primary, the City Council will also need to request for consolidation of said election as required by California Elections Code Division 10.

April 16, 2026 Special Municipal Election – Standalone

The City Council may also submit the Repeal Ordinance to the voters at a special standalone election, called for that purpose not less than 88 days after the date of the order of election in accordance with Elections Code section 1410 and 1000(c). Election Code 1000(c) establishes the second Tuesday of April in each even-numbered year as a potential election date. An election in April is considered a special standalone election as there are no other elections scheduled for April 16, 2026.

Other Tuesday

Election Code section 1003(e) allows elections related to referendum and initiative petitions may be held on a date other than what is provided in Election Code 1000(c), provided that the requirements of Election Code 1100 are met which states that elections cannot be held on a Tuesday before, on or after a state holiday. As such, a standalone election may be held on any Tuesday not earlier than December 6, 2025 (88th day from September 9, 2025).

Should the City Council determine to present Ordinance No. 2687 to the voters, a Resolution to that effect is attached to this Report. City staff will need to return to the City Council with additional action items for consideration related to the election at a later date.

Projected Election Costs.

The City will incur costs associated with submitting Ordinance No. 2687 to the voters, whether that be at the next regular election (November 2026) or at a special election for that purpose.

Election costs are estimated based on historical average election costs including all districts in the county across all election types.

The estimated cost for a general municipal election can range between \$494,445 and \$706,350; \$7 to \$10 per registered voter for a total of 70,635 voters as of September 3, 2025.

The estimated cost for a special election can range between \$1,130,160 and \$1,695,240; \$16 to \$24 per registered voter for a total 70,635 voters as of September 3, 2025.

Attached to this report is guide prepared by the Monterey County Elections Department “Election Cost Estimates” to better understand how election cost range based on historical election costs are calculated and the variables impacting actual cost.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15061(b)(3)). Additionally, the City Council’s adoption of this ordinance is exempt because it does not meet the definition of a “project” under CEQA, pursuant to CEQA Guidelines sections 15060(c)(1) and 15378(a), because it has no potential to result in a direct or reasonably foreseeable physical change in the environment.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

While not directly aligned with any of the goals or objectives of the City Council’s 2025 Strategic Plan, the City Council’s consideration of options related to the Referendum on the Repeal Ordinance may implicate the City Services goal as it relates to ensuring fiscal responsibility and financial management.

DEPARTMENTAL COORDINATION:

The City’s Administration Department—City Manager and City Clerk—coordinated with the City Attorney on this Report.

FISCAL AND SUSTAINABILITY IMPACT:

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 25-26 Operating Budget Page	Last Budget Action (Date, Resolution)
1000		80.8002- 63.6010- Other Outside Services	0		Unknown	N/A

There is no immediate impact to the City's General Fund associated with the City Council's determination between the two options; however, should the City Council choose to put the Repeal Ordinance to the voters at either the next regular municipal election or a special election, there will be an impact on the City's General Fund as outlined above.

As outlined above, it is important to summarize that the costs would range from \$494,445 to \$1,695,240. It is also important to understand that if the election is scheduled and held before June 30, 2026, a future item would be brought back to the Council to amend the budget to cover the costs. At a minimum, it would use up all the remaining resources available in the Budget Stabilization Contingency Fund (of \$605,714) and would require additional fund balance and/or use of reserves. Should the election be scheduled after July 1, 2026, the costs would be programmed in the FY 2026/27 City Budget.

ATTACHMENTS:

Ordinance

Resolution

Election Cost Estimates

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

AN ORDINANCE REPEALING ORDINANCE NO. 2687

WHEREAS, on June 3, 2025, the City Council adopted and the City Clerk attested to the adoption of Ordinance No. 2687 which was to have the effect of repealing Ordinance No. 2663, Ordinance No. 2681, Ordinance No. 2682, and Ordinance No. 2683; and

WHEREAS, prior to Ordinance No. 2687 becoming effective pursuant to Government Code section 36937, within the thirty (30) day period prescribed in Elections Code section 9237, on July 3, 2025, “Protect Salinas Renters 2026” submitted a referendum of Ordinance No. 2687 to the City Clerk; and

WHEREAS, consistent with the obligations imposed upon the City Clerk by Elections Code sections 9239 and 9210, on July 3, 2025, the City Clerk determined that, based solely on a raw count, the number of signatures affixed to the Referendum petition was in excess of the minimum number of signatures required and accepted the Referendum petition for filing; and

WHEREAS, upon the City Clerk’s acceptance of the Referendum petition for filing, the effective date of Ordinance No. 2687 was automatically suspended by operation of law pursuant to Elections Code section 9237; and

WHEREAS, on July 3, 2025, the City Clerk delivered the Referendum petition to the Monterey County Registrar of Voters for a full check and examination of the signatures affixed to the Referendum petition. Based on the Registrar’s determination that valid signatures of more than 10% of the City’s voter registration were present on the Referendum petition, on August 15, 2025, the Registrar issued a Certificate of Signature verification which was received by the City Clerk on that same date. On August 15, 2025, the City Clerk forwarded the Certificate of Sufficiency to the proponents of the referendum and informed the City Council of the results; and

WHEREAS, on August 26, 2025, in accordance with Elections Code sections 9114 and 9115, certification of the qualified Referendum petition was presented to the City Council for acceptance and following receipt of a report from the City Clerk, the City Council approved a Resolution accepting the Certificate of Signature Verification related to the Repeal Ordinance; and

WHEREAS, on September 6, 2025, having accepted the Certificate of Verification related to the referendum of Ordinance No. 2687, the City Council considered the options available to it under Elections Code section 9241 and determined to repeal Ordinance No. 2687.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF SALINAS, AS FOLLOWS:

SECTION 1. Ordinance No. 2687 is hereby repealed in its entirety.

SECTION 2. All ordinances and parts of ordinances and all resolutions and parts of resolutions in conflict herewith are hereby repealed as of the effective date of this ordinance.

SECTION 3. Publication. The City Clerk shall cause a summary of this ordinance to be published once in a newspaper published and circulated in Salinas within fifteen (15) days after adoption. (Salinas Charter Section 11.9)

SECTION 4. CEQA Compliance. The City Council’s adoption of this ordinance is not a project subject to environmental review under the California Environmental Quality Act (CEQA Guidelines Section 15061(b)(3) because it would not have a significant effect on the environment. Additionally, the City Council’s adoption of this ordinance is exempt because it does not meet the definition of a “project” under CEQA, pursuant to CEQA Guidelines sections 15060(c)(1) and 15378(a), because it has no potential to result in a direct or reasonably foreseeable physical change in the environment.

SECTION 5. Severability. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The Salinas City Council hereby declares that it would have passed this ordinance and each and every section, subsection, clause, and phrase thereof not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

SECTION 6. Effective Date. This ordinance will take effect thirty (30) days from and after its adoption.

INTRODUCED on the 9th day of September, 2025, and ADOPTED the ____ day of September, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis Donohue, Mayor

APPROVED AS TO FORM:

Christopher A. Callihan, City Attorney

ATTEST:

Patricia M. Barajas, City Clerk

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

**A RESOLUTION OF THE SALINAS CITY COUNCIL DIRECTING THE CITY CLERK
TO SUBMIT ORDINANCE NO. 2687 TO THE VOTERS OF SALINAS**

WHEREAS, on June 3, 2025, the City Council adopted and the City Clerk attested to the adoption of Ordinance No. 2687 which was to have the effect of repealing Ordinance No. 2663, Ordinance No. 2681, Ordinance No. 2682, and Ordinance No. 2683; and

WHEREAS, prior to Ordinance No. 2687 becoming effective pursuant to Government Code section 36937, within the thirty (30) day period prescribed in Elections Code section 9237, on July 3, 2025, “Protect Salinas Renters 2026” submitted a referendum of Ordinance No. 2687 to the City Clerk; and

WHEREAS, consistent with the obligations imposed upon the City Clerk by Elections Code sections 9239 and 9210, on July 3, 2025, the City Clerk determined that, based solely on a raw count, the number of signatures affixed to the Referendum petition was in excess of the minimum number of signatures required and accepted the Referendum petition for filing; and

WHEREAS, upon the City Clerk’s acceptance of the Referendum petition for filing, the effective date of Ordinance No. 2687 was automatically suspended by operation of law pursuant to Elections Code section 9237; and

WHEREAS, on July 3, 2025, the City Clerk delivered the Referendum petition to the Monterey County Registrar of Voters for a full check and examination of the signatures affixed to the Referendum petition. Based on the Registrar’s determination that valid signatures of more than 10% of the City’s voter registration were present on the Referendum petition, on August 15, 2025, the Registrar issued a Certificate of Signature verification which was received by the City Clerk on that same date. On August 15, 2025, the City Clerk forwarded the Certificate of Sufficiency to the proponents of the referendum and informed the City Council of the results; and

WHEREAS, on August 26, 2025, in accordance with Elections Code sections 9114 and 9115, certification of the qualified Referendum petition was presented to the City Council for acceptance and following receipt of a report from the City Clerk, the City Council approved a Resolution accepting the Certificate of Signature Verification related to the Repeal Ordinance; and

WHEREAS, on September 6, 2025, having accepted the Certificate of Verification related to the referendum of Ordinance No. 2687, the City Council considered the options available to it under Elections Code section 9241 and determined to submit Ordinance No. 2687 to the voters of Salinas at a **special election for that purpose (DATE TBD)/the next regular election (November 2026)**.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF SALINAS that the City Clerk is hereby directed to submit Ordinance No. 2687 to the voters of Salinas at a **special election for that purpose (DATE TBD)/the next regular election (November 2026)** and to return to return to the City Council, as needed, for additional action required to meet the intent of this Resolution and to take whatever additional actions may necessary to meet the intent of this Resolution.

PASSED AND APPROVED this 9th day of September, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis Donohue, Mayor

ATTEST:

Patricia M. Barajas, City Clerk

A Guide for Districts

ELECTION COST ESTIMATES



MONTEREY COUNTY ELECTIONS

1441 SCHILLING PLACE - NORTH BUILDING

SALINAS, CA 93901

PHONE : (831) 796-1499

FAX: (831) 755-5485

COUNTYOFMONTEREY.GOV/ELECTIONS

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Election Cost Estimates

Local districts can calculate an estimated cost range based on historical election costs. These cost estimates are calculated to provide districts with the information they need to budget for an election. These estimates are based on historical averaged election costs including all districts in the county across all election types. The estimates are provided in the following categories:

- Consolidated Election: an election in which other districts are also holding an election and costs are shared. Typically includes polling places and mail ballot.
- Standalone Election, Polling Places: a special election in which no other districts share the cost of the election. This estimate includes polling places and mail ballot.
- Standalone Election, All-Mail: a special election in which no other districts share the cost of the election. This estimate does not include polling places.

Variables Impacting Actual Costs

The estimated range is not a fixed fee and will differ from the actual rate billed based on variables that impact the actual cost. These variables include but are not limited to the size of the district (district registration varies from 18 voters to over 218,000 voters); the number of districts sharing the cost of the election; the number of contests and candidates the district has on the ballot; the length of candidate statements and the party responsible for candidate statements; printing full measure text, the addition of arguments, rebuttals and additional pages in the voter information guide related to the measure, the actual number of registered voters at the time of the election; as well as changes in legislation will all impact the actual cost of any election.

A district consolidating with a primary election, with fewer districts sharing the cost, will experience a higher per registered voter cost than if they consolidate with a general election in which all districts are now participating, reducing the individual district's share of the election. Both of these scenarios are considered consolidated elections. The average cost of consolidating in these scenarios is reflected in the range.

The estimated cost range is based on historical costs inclusive of all variables and all districts. Considering the various scenarios, a district may experience election costs well below the range, within the range, or slightly above the range for any given election. Given the number of variables, the estimated range is provided to districts to ensure the district is prepared for their potential proportional share of the election.

When calculating cost estimates, the range is based on all districts and all scenarios. The estimated range is inclusive of varying numbers of contests. The range for a district will not double in a single election with the addition of a contest.

Example: If District A is scheduled to have their board member election in the November General Election, their estimated range for that election will be the standard range for consolidated

elections. If District A then adds a measure on the ballot, the estimated range for District A remains unchanged. District A will still use the standard estimated range for their district in budgeting for the election.

Calculating Election Cost Estimates

To calculate cost estimates, the district will multiply the number of registered voters in the area going to election by the dollar amount representing the average “low” of election costs and then separately for the average “high” of election costs. (Again, these are historical averages based on all districts and scenarios). For the categories of elections, these include:

- Consolidated Election: \$7 to \$10
- Standalone Election, Polling Places: \$16 to \$24
- Standalone Election, All-Mail: \$14 to \$22

Amounts on the range have recently been adjusted to reflect increases in costs related to staffing, printing, mailing, etc. Medium to large-sized districts may experience actual costs below the estimated range for consolidated elections during a regular scheduled general election. Each district will have record of their actual election costs.

The number of registered voters as of the last report of registration to the Secretary of State is available at [Voter Registration Counts](#). For current registration counts, please contact elections@countyofmonterey.gov.

Election Invoices

Election billing takes 4 to 5 months on average. This timeframe is needed to ensure all invoices related to the election and any potential funding sources that would off-set election costs are received and processed.

Election Disclaimer

Please note that calculating an estimate using the formula provided in this material is not consent or agreement to hold, consolidate or provide support services for an election. Requests from districts for any election scenario must be received in the form of an adopted resolution and considered by the Elections Department and brought to the Board of Supervisors. For more information, please contact elections@countyofmonterey.gov.