DATE: DECEMBER 2, 2025

DEPARTMENT: COMMUNITY DEVELOPMENT

FROM: LISA BRINTON, DIRECTOR

THROUGH: ORLANDO REYES, ASSISTANT DIRECTOR

BY: VINCENT MONTGOMERY, PLANNING MANAGER

KAYSHLA LOPEZ, HOMELESS SERVICES MANAGER AQUONTIS GARLINGTON, ADMINISTRATIVE AIDE

LAURA GAMA, ADMINISTRATIVE ANALYST

TITLE: ESTABLISHMENT OF A PILOT RENTAL ASSISTANCE

PROGRAM

RECOMMENDED MOTION:

A motion to approve a Resolution:

- 1. Establishing the Pilot Rental Assistance Program (RAP);
- 2. Appropriating \$750,000 of Family Homeless Challenge (FHC) Grant funds for rental assistance;
- 3. Authorizing the City Manager, or designee, to negotiate and execute a subrecipient agreement with Monterey County Office Education (MCOE) to provide rental assistance for families with school age children enrolled in school at risk of homelessness for an amount not to exceed \$250,000 of the \$750,000 FHG grant funds; and
- 4. Authorizing the City Manager, or designee, to promulgate RAP Program Guidelines, and negotiate and execute all applicable forms, agreements, and subsequent amendments as needed to implement the RAP.

EXECUTIVE SUMMARY:

This report outlines a proposed Pilot Rental Assistance Program (RAP) to prevent eviction and promote housing stability. RAP will provide direct financial assistance along with coordinated referrals for tenant-landlord support and legal and financial counseling services through

community partners to City of Salinas residents at risk of eviction. For Fiscal Year 2025-26 the RAP has a total budget allocation of \$1,000,000, this includes \$500,000 of General Fund dollars appropriated in the FY 2025-26 Operational Budget and \$500,000 from the Family Homeless Challenge (FHC) grant. In addition, it is recommended that the City enter into an agreement with Monterey County Office Education (MCOE) to provide rental assistance for families with school age children enrolled in school that are at risk of homelessness for an amount not to exceed \$250,000. This agreement would also be funded by the FHC grant.

BACKGROUND:

At the May 13, 2025, City Council Meeting, staff presented an overview of established local government rental assistance programs, a summary of the City's past rental assistance activities, and an outline of rental assistance program components, such as target population, eligibility, type of assistance and delivery method for Council consideration and direction. Based on Council action and feedback provided, staff developed draft RAP Guidelines provided as Exhibit A to this staff report. The RAP is modeled after the past rental assistance efforts utilizing the Prohousing Incentive Program (PIP) and Emergency Rental Assistance Program (ERAP) funding launched through the Salinas Outreach and Response Team (SORT) December 2024-Febraury 2025.

Purpose and Key Components

RAP's purpose is to help households remain in stable housing, prevent displacement, and reduce the risk of homelessness by providing short term rental assistance and wrap around services to City of Salinas residents at risk of eviction. All rental assistance payments will be made directly to landlords to ensure timely support and proper use of funds. In addition to direct rental assistance, RAP refers households to community resources that promote long-term stability, addressing both immediate financial needs and underlying factors that may contribute to housing insecurity. Key program components include the following.

- Eviction Prevention Focus: Prioritizes households at immediate risk of displacement.
- **Equitable Access:** Ensures fair access through multilingual, accessible application support and partnerships with trusted community organizations.
- **Direct Payments:** Assistance paid directly to landlords to ensure timely rent coverage and prevent eviction filings.
- Wraparound Services: Referral network established for legal aid, mediation, financial education and supportive services to promote long term stability.
- Landlord Coordination: Requires landlord agreement to pause eviction actions and accept payment on behalf of tenant.
- **Transparent Process:** Regular applicant status updates, documented communication, and a formal appeal process to ensure fairness.
- **Data & Reporting:** Tracks program activity, equity of distribution, and outcomes to inform further funding decisions and program improvements.

Target Population and Eligibility Criteria

Table 1 below outlines RAP Eligibility Criteria and Program Framework. The RAP will serve Salinas residents who are up to 3-months in arrears in paying their rent and are facing eviction. One time assistance will be capped at \$9,000. Applications will be reviewed on a first come first served basis until RAP funds are exhausted. If funding capacity changes, the City may shift to a lottery-based or priority-based system consistent with equity goals and funding requirements.

Table 1: Eligibility Criteria and Program Framework				
Target Population	City of Salinas residents facing eviction			
Eligibility Criteria	First time recipient of homeless prevention from the City of Salinas A valid 12-month lease, 3-day notice to pay or quit, 120% or les AMI, no more than 3 months behind in rent, and cannot be receiving subsidized support through another program.			
Type of Assistance	Eviction Prevention			
Assistance Amount	No more than 3 months of rent, up to \$9,000.			
Duration of Assistance	One time assistance			
Application Intake Window	First Come First Serve			

The RAP is supported by two funding sources: City General Fund and Family Homeless Challenge Grant (FHC). See Fiscal and Sustainability Impact section for more details regarding Program funding. Households may be assisted with either funding source depending on eligibility and available resources. To be eligible for FHC funds, applicants must be a family with minor children. Households approved for assistance under the FHC Grant must be enrolled in the Homeless Management Information System (HMIS), in accordance with California Department of Housing and Community Development (HCD) requirements. HMIS enrollment will be completed by the Salinas Outreach and Response Team (SORT) as part of the intake and eligibility process for FHC funded cases.

Program Staffing

Housing Division staff will support RAP implementation. The Salinas Outreach and Response Team (SORT) will serve as the primary point of contact for individuals and families seeking rental assistance or related housing support. SORT will conduct application intake, review and approval. The Housing Management team will be responsible for approving and processing financial assistance requests. Rental Registration and Rent Stabilization Program (RR/RSO) staff will promote the RAP through the RR/RSO program and will confirm rental units are registered

through the RR/RSO program. Utilizing existing staff with subject-matter expertise, case management capacity, and customer support infrastructure enables the program to immediately launch.

Application and Selection Process

RAP applications will be processed on a first-come, first-served basis until funds are exhausted, consistent with grant requirements. If funding capacity or equity requirements change, the City may transition to a lottery or priority-based system.

Initial intake will occur through the Homeless Services Information Line, operated by the Salinas Outreach and Response Team (SORT), which will complete a basic eligibility screening and assist applicants with submitting required documentation. Housing staff will conduct an initial completeness review, notify applicants of missing items within five business days, and allow seven days for resubmission. Staff will then verify residency, tenancy, income, arrears, and eviction risk, and, with written consent, coordinate with landlords or third parties to confirm information.

Program participation requires landlords to complete onboarding documentation, accept direct City payment, suspend eviction proceedings during the assistance period, and sign a participation agreement acknowledging program rules. Approved applicants and landlords will receive written notice within seven days of application completion, including an estimated 2–4 week payment issuance timeline.

Supportive Services

In addition to financial assistance, the City is committed to long-term housing stability for the community. To that end, staff plan to collaborate with local organizations to deliver comprehensive wraparound supportive services for tenants. These will include referrals to legal counseling, mediation, tenant-landlord education, financial literacy training, job-search assistance, childcare support, and help with utility costs. All referrals will be intended to help tenants regain stability and prevent future loss of housing.

MCOE

The Monterey County Office of Education operates the Connections Program that provides emergency financial assistance for families with school-aged children enrolled in school that are at risk of homelessness. Due to funding cuts, MCOE is seeking additional funding sources to continue their Connections Program for Salinas Residents through the FY 2025-26. It is recommended that the City enter into an agreement with Monterey County Office Education (MCOE) for amount not to exceed \$250,000 to continue to operate the Connections Program. This agreement would also be funded by the FHC grant. MCOE's use of FHC funding will follow the City's RAP Guidelines which are also in compliance with FHC graft funding requirements.

Program Monitoring and Reporting

In July 2026, staff will present an administrative report summarizing the RAP outcomes. This report will highlight key performance metrics, including the number of households assisted, total funds disbursed, average processing times, and the Program's impact on eviction and homelessness prevention rates. It will also include data on equitable resource distribution, client satisfaction, and system drop-off rates.

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 RAP furthers the 2025-2028 City Council Strategic Plan Housing strategy of promoting health and safety of unsheltered residents through supportive services and eviction prevention.

DEPARTMENTAL COORDINATION:

This agenda item was prepared by the Community Development Department in coordination with the City Attorney and Finance Department.

FISCAL AND SUSTAINABILITY IMPACT:

There will be no additional fiscal impact to the General Fund. Personnel costs for the SORT team are funded within the FY 2025-26 SORT program budget, which is grant funded. Housing division staff salaries are funded under the FY 2025-26 Operating Budget and various grant funds. Council also approved \$500,000 for rental assistance in the FY 2025-26 Budget. It is recommended that \$750,000 of Family Homeless Challenge (FHC) grant funds be appropriated to the RAP to increase program capacity and leverage city dollars. It is also recommended that the City enter into an agreement with Monterey County Office Education (MCOE) to provide rental assistance for families with school age children for an amount not to exceed \$250,000, also funded by the FHC grant.

For the remainder of Fiscal Year 2025-26, the RAP has a total budget allocation of \$1,000,000 for rental assistance. With an average monthly rent of \$3,000 the Program offers up to a maximum of

\$9,000 in rental assistance per household. Based on these figures, it is projected to support approximately 111 households.

Pilot Rental Assistance Program Budget				
Family Homeless Challenge Grant	\$750,000			
General Fund	\$500,000			
Allocated Funding	\$1,250,000			
Subrecipient Monterey County Office of				
Education	(\$250,000)			
Funds For Rental Assistance	\$1,000,000			

It is important to note that FHC funds are set to expire June 30, 2026. Program continuity beyond this initial period will require identification of ongoing funding sources. Potential future funding could include continued General Fund support, and/or other state and federal homelessness and housing stability funding programs.

	General Ledger	General Ledger	Remaining Budget	Amount Requested
Fund	Number	Account Name	Appropriation	
	(Operating/CIP)			
1000	80.8005-69.1650	Financial Assistance	\$500,000	\$500,000
		Rental Assistance		
2956	30.3240-Various	FHC Various	\$750,000	\$750,000

ATTACHMENTS:

Resolution
Exhibit A - Draft Program Guidelines
PowerPoint Presentation