



CITY OF SALINAS

COUNCIL STAFF REPORT

DATE: **JANUARY 13, 2025**

DEPARTMENT: **COMMUNITY DEVELOPMENT**

FROM: **LISA BRINTON, DIRECTOR**

THROUGH: **ORLANDO REYES, ASSISTANT DIRECTOR**

BY: **KAYSHLA LOPEZ, HOMELESS SERVICES MANAGER**

TITLE: **MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SALINAS AND THE COUNTY OF MONTEREY TO ADMINISTER AND OPERATE THE SHARE CENTER**

RECOMMENDED MOTION:

A motion to approve a Resolution authorizing the City Manager to execute a new Memorandum of Understanding (MOU) between the City of Salinas (City) and the County of Monterey (County) for joint governance, funding, and operation of the SHARE Center and take all necessary actions to implement its provisions in an amount not to exceed fifty percent of the amount required to administer the program

EXECUTIVE SUMMARY:

The proposed 2025 MOU establishes a comprehensive five-year framework (FY 2025–2029) for joint administration of the SHARE Center, located at 845 E. Laurel Dr, with two optional five-year renewals. This MOU replaces the original 2018 MOU and 2021 MOU Amendment. The 2025 MOU further strengthens governance by clearly defining City and County responsibilities related to fiscal oversight, procurement, capital improvements, data sharing, dispute resolution and public communications. This agreement formalizes a (50/50) cost sharing structure for the SHARE center operating costs based on funding availability, establishes joint performance reporting aligned with Continuum of Care benchmarks, and introduces defined procedures for capital improvements, maintenance and corrective action. These collaborative protocols are intended to ensure accountability, sustainable service delivery and improved outcomes for unhoused residents. The Monterey County Board of Supervisors is scheduled to consider approval of the MOU on January 13, 2026.

DISCUSSION:

Background

In 2018, the City and County executed the original MOU for the development of a year-round emergency shelter and by 2020, both the Monterey County Board of Supervisors and Salinas City Council adopted the official name of Salinas Housing Advancement, Resources & Education Center (SHARE Center) and secured an operator to manage the daily operations of the facility. The SHARE Center serves as an emergency shelter facility for individuals and families experiencing homelessness for Salinas and Monterey County residents.

In 2021, the MOU was amended to extend the term to continue coordinated oversight and operations. Since then, the SHARE Center has remained a critical resource for unhoused residents offering shelter and case management services. To further strengthen the City/County partnership, increase transparency, and support long-term planning, both entities have prepared a 2025 MOU that replaces the 2018 MOU and 2021 Amendment.

2025 Memorandum of Understanding Key Provisions

The 2025 MOU further establishes the City and County roles and responsibilities to jointly operate, fund, and oversee the SHARE Center, strengthen interagency coordination, clarify roles and responsibilities, and ensure sustainable service delivery. The MOU outlines a five-year framework (FY 2025–2029) for joint administration and financial responsibility. It includes provisions for shared operating costs contingent on funding availability, coordinated reporting and performance monitoring, and joint pursuit of funding opportunities. The MOU also allows for two five-year renewal options, for a total term not to exceed fifteen years (2040).

Key provisions include:

- **County Responsibilities:** Maintain ownership of the property; serve as fiscal lead including compiling and reviewing the proposed annual operations and services budget in coordination with the City; oversee facility maintenance, repairs, and capital improvements necessary to maintain a safe and functional environment; and coordinate environmental, property, and facility-related compliance requirements.
- **City Responsibilities:** Lead the competitive bidding process for selecting a shelter operator every three years, or upon termination of the current operator, in accordance with City procurement requirements; manage RFP documentation, records retention and compliance; collaborate with the County on operator selection, responses to appeals, and contract development; and coordinate City Council and Board of Supervisors approval for operator selection and execution of related agreements.

- **Shared Responsibilities:**

- Equally share (50/50) operating costs, subject to federal, state, and local funding availability.
- Jointly develop of annual budgets, cost reconciliation, and financial reporting.
- Jointly prepare annual reporting, data sharing, and performance monitoring aligned with Continuum of Care benchmarks.
- Jointly pursue funding opportunities and develop contracts with aligned metrics.
- Collaborate on public communications and convene regular operational review meetings with the operator.

The 2025 MOU also outlines compliance with federal and state laws, indemnification and insurance requirements, and dispute resolution procedures. In addition, this MOU establishes formal definitions and procedures for capital improvements versus routine maintenance and repairs. The City and County will jointly develop an annual schedule identifying planned capital improvements, maintenance activities, associated costs, and cost-sharing strategies. The parties agree to meet and confer prior to incurring major or emergency capital expenses and to coordinate repairs to minimize service disruption.

The MOU introduces a structured dispute resolution and corrective action process requiring good-faith administrative negotiation prior to initiation of legal remedies. This framework is intended to ensure continuity of SHARE Center operations while providing both parties a clear pathway for resolving disagreements related to compliance or performance.

Adoption of the 2025 MOU will formalize the City–County partnership, strengthen interagency coordination, and provide a clear governance structure for the SHARE Center. This agreement supports the City’s commitment to addressing homelessness through collaborative, transparent, and sustainable solutions.

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). Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

STRATEGIC PLAN INITIATIVE:

The proposed MOU directly supports the Salinas City Council 2025-2028 strategic goals under Housing. This partnership advances the City's goal to promote housing stability and supportive

services for unsheltered residents and reinforces the City's commitment to promoting equitable access to essential services.

DEPARTMENTAL COORDINATION:

Preparation of this agenda item was led by the Community Development Department (CDD), Housing Division in consultation with the City Manager's and City Attorney's office, and in collaboration with the County of Monterey.

FISCAL AND SUSTAINABILITY IMPACT:

The City and County will equally share operating costs subject to the availability of federal, state, and local funding. Operating costs include, but are not limited to, operator contracts, housing navigation and rapid rehousing services, utilities, maintenance and janitorial services, security, supplies and equipment, and insurance. The total annual operational budget for Fiscal Year 2025-26 is approximately \$3 million and is funded through a combination of City general funds, state contributions and other available resources listed in the table below. Any programmatic expansions or service model changes will be implemented through future operator agreements and funding approvals consistent with the MOU framework. The City will be responsible for the costs related to managing the city-led procurement process. Future operating budgets and funding needs will be brought to the City Council for consideration as part of the City's budgeting processes.

FY 25-26 SHARE Center Funding Sources

Funding Source	Amount
County PLHA	\$ 346,831
County General Fund	\$ 51,086
County HHAP 4	\$ 103,241
County HHAP 5	\$ 798,842
City General Fund	\$ 551,724
City Family Homeless Challenge	\$ 111,560
City ERF 3L	\$1,050,000
Total	\$3,013,284

ATTACHMENTS:

1. Resolution
2. SHARE Center MOU