

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

REALLOCATION AND APPROPRIATION OF HOME-ARP, NATIONAL OPIOID SETTLEMENT, AND GENERAL FUNDS FOR SALINAS OUTREACH AND RESPONSE TEAM, FAIRVIEW HOMEKEY PROJECT, AND CHINATOWN NAVIGATION CENTER OPERATIONS

WHEREAS, on March 21, 2023, the City Council adopted Resolution No. 22620 approving the HOME-American Rescue Plan (HOME-ARP) Allocation Plan to support individuals experiencing homelessness; and

WHEREAS, on February 24, 2026, the City Council approved Resolution No. 2026-023 allocating HOME-ARP funds to support services in the form of rental assistance for the Fairview Homekey Project; and

WHEREAS, the Fairview Homekey Project provides permanent supportive housing for individuals experiencing homelessness, including those with behavioral health and substance use needs and is currently owned by the Housing Authority of the County of Monterey; and

WHEREAS, the Housing Authority of the County of Monterey notified the City of its intent to apply for Project Based Vouchers to sustain the program; and

WHEREAS, HOME-ARP funds, as currently structured, are not eligible for ongoing operating costs for the Fairview Homekey Project as Project Based Vouchers cannot be layered with HOME-ARP funds for the same eligible cost; and

WHEREAS, the National Opioid Settlement Funds provide the necessary flexibility to support ongoing operations at the Fairview Homekey Project including housing stabilization and services for residents with behavioral health and substance use needs; and

WHEREAS, given that the Fairview population includes individuals experiencing homelessness with high rates of mental health and substance use disorders, the use of National Opioid Settlement Funds is both appropriate and aligned with its intent to address the impacts of the opioid crisis; and

WHEREAS, the City previously anticipated the closure of the Chinatown Navigation Center in alignment with the Fairview Homekey Project, as clients being served are intended to be housed at the Fairview property, however, delays in lease-up have created the need to extend operations to prevent gaps in sheltering current tenants; and

WHEREAS, the City desires to allocate the HOME-ARP funds to eligible supportive services provided through the Salinas Outreach and Response Team (SORT), while reallocating National Opioid Settlement Funds to support Fairview Homekey Project operations, and increase the agreement with Community Homeless Solutions to extend operations of the Chinatown Navigation Center through May 30, 2026, using General Funds originally appropriated for Downtown Streets Team services; and

WHEREAS, the City Council finds that the proposed action is not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378.

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council hereby authorizes the reallocation of and appropriation of \$1,190,337 of HOME-American Rescue Plan (HOME-ARP) from the Housing Authority of the County of Monterey for the Fairview Homekey Project, to support Salinas Outreach and Response Team (SORT) supportive services.

BE IT FURHTER RESOLVED that the Salinas City Council hereby authorizes the reallocation of \$1,190,337 of National Opioid Settlement Funds to the Housing Authority of the County of Monterey for the Fairview Homekey Project operations.

BE IT FURHTER RESOLVED that the Salinas City Council hereby authorizes to increase an appropriation of \$279,306 in revenue and \$1,098,303 in expenses of National Opioid Settlement Funds to the Housing Authority of the County of Monterey.

BE IT FURHTER RESOLVED that the Salinas City Council hereby authorizes the reallocation and appropriation of \$200,000 of General Fund dollars from Downtown Streets Team in Division 3181 to extend operations of the Chinatown Navigation Center (CNC) operations; and

BE IT FURHTER RESOLVED that the Salinas City Council hereby authorizes the City Manager to execute Amendment No. 3 with Community Homeless Solutions to operate the CNC through May 30, 2026, and increase the total compensation by an additional \$200,000 for an amount not to exceed \$3,288,278.

PASSED AND APPROVED this 5th day of May 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis Donohue, Mayor

ATTEST:

Patricia M. Soratos, City Clerk