



**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