

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

A RESOLUTION AUTHORIZING AWARD AND APPROPRIATION OF \$1,450,000 OF FAMILY HOMELESS CHALLENGE ROUND 2 FUNDS TO THE HOUSING AUTHORITY OF MONTEREY COUNTY FOR ACQUISITION OF PERMANANT SUPPORTIVE HOUSING PROPERTIES

WHEREAS, the State of California (the “State”), Business, Consumer Services and Housing Agency (“Department”) issued a Notice of Funding Availability (NOFA) dated March 1, 2022 under the California Interagency Council on Homelessness’ Family Homelessness Challenge Grant (FHC) Program (“Program”); and

WHEREAS, in June 2022 the City of Salinas was awarded \$2,668,383 in FHC Round 1 funds to acquire permanent housing assets and provide supportive services to families with dependent minor children experiencing homelessness; and

WHEREAS, in December 2023 the State released FHC Round 2 funding exclusively to eligible Round 1 grantees demonstrating compliance and progress; and

WHEREAS, the City of Salinas was awarded \$2,838,211 under FHC Round 2 to expand and strengthen its strategy to make family homelessness rare, brief, and one-time; and

WHEREAS, the Community Development Department issued a competitive Notice of Funding Availability/Letter of Interest (NOFA/LOI) in January 2026 to identify a qualified organization with capacity to acquire and operate scattered sites as permanent supportive housing (PSH) units serving families experiencing homelessness; and

WHEREAS, following evaluation by a City staff review panel, the Housing Authority of the County of Monterey (HACM) was determined to be the most qualified organization based on experience, operational capacity, partnerships, and readiness to meet State expenditure deadlines; and

WHEREAS, on February 2, 2026, the City issued a Notice of Intent to Award recommending HACM for the full allocation of \$1,450,000 in FHC funds, subject to City Council approval; and

WHEREAS, the FHC funds are restricted to eligible capital acquisition costs and must be fully expended by June 30, 2026, consistent with State requirements; 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 as follows:

1. \$1,450,000 of Family Homeless Challenge (FHC) Round 2 Funds are hereby awarded to the Housing Authority of the County of Monterey (HACM) for acquisition of up two single family homes to serve families experiencing homelessness;

2. The City Manager is hereby authorized to increase the award by up to 25% should additional FHC funds become available; and
3. The City Manager is hereby authorized to execute a Subrecipient Agreement with HACM and all documents, including amendments, necessary to implement the project consistent with FHC program requirements.

PASSED AND APPROVED this 17th day of March 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis Donohue, Mayor

ATTEST:

Patricia M. Soratos, City Clerk