



SALINAS COUNCIL STAFF REPORT

DATE: MAY 27, 2025

DEPARTMENT: COMMUNITY DEVELOPMENT DEPARTMENT

FROM: LISA BRINTON, DIRECTOR

THROUGH: VINCENT MONTGOMERY, PLANNING MANAGER

BY: KAYSHLA LOPEZ, HOMELESS SERVICES MANAGER

TITLE: AMENDMENT TO FUNDING AGREEMENT WITH COMMUNITY HOMELESS SOLUTIONS

RECOMMENDED MOTION:

A motion to approve a resolution delegating authority to the City Manager to execute Amendment No. 1 to Agreement No. 24CIP9125-01 with Community Homeless Solutions (CHS) for the operation of the Chinatown Navigation Center (CNC) to increase the maximum compensation by \$760,000 to \$2,483,396 with Encampment Resolution Fund (ERF3L) funds and to extend the term to October 31, 2025.

EXECUTIVE SUMMARY:

Amendment No. 1 to Agreement No. 24CIP9125-01 increases the total compensation and extends the term Agreement No. 24CIP9125-01 with CHS to provide emergency shelter operations at the CNC. To maximize the use of ERF3L funds and to comply with the program's 50% expenditure deadline of June 30, 2025, the expenditure of \$760,000 of ERF3L funds will be prioritized. This will support the continued provision of emergency shelter services.

BACKGROUND:

On June 18, 2024, City Council approved the execution of a Subrecipient Funding Agreement with Community Homeless Solutions to provide emergency shelter and navigation services at the Chinatown Navigation Center (Resolution No. 23019). The approved FY 2024-2025 CNC budget is \$1,723,396. Funding sources include \$1,418,362 from CIP 9125 (Chinatown Navigation Center) and \$305,034 from American Rescue Plan Act (ARPA) funds.

In April 2023, the Emergency Motel Program (EMP) at Steinbeck Lodge was launched using ERF3L funds to provide non-congregate interim shelter, case management, and housing navigation

for individuals experiencing homelessness. The EMP program concluded on March 31, 2025, which allows the City to redirect ERF3L funding to other shelter programs.

Through Amendment No. 1, the total compensation of Agreement 24CIP9125-01 with Community Homeless Solutions will be increased by \$760,000 using ERF3L grant funds. The total compensation amount will be \$2,483,396 and the term of the agreement will be extended to October 31, 2025. The expenditure of ERF3L grant funds will be prioritized to maximize the use of grant funds and compliance with ERF3L 50% expenditure deadline of June 30, 2025.

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). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

Yes.

STRATEGIC PLAN INITIATIVE:

The proposed Amendment No. 1 with Community Homeless Solutions will advance the City of Salinas Strategic Plan 2025-2028 Housing Goal to ‘Effectively promote the health and safety of unsheltered residents through supportive services and housing with our regional partners and non-profit Community Based Organizations (CBO)’ through continued provision of immediate housing opportunities supported by housing navigation leading to permanent housing placements.

DEPARTMENTAL COORDINATION:

This agenda item was prepared by the Community Development Department Housing & Community Development Division with contributions from both the City Attorney and Finance Department.

FISCAL AND SUSTAINABILITY IMPACT:

There will be no impact to the General Fund. Amendment No. 1 with Community Homeless Solutions for operations of the Chinatown Navigation Center will be funded by available appropriations from the Encampment Resolution Fund (ERF3L).

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 24-25 Operating Budget Page	Last Budget Action (Date, Resolution)
2954	30.3240- 69.1262	Financial Assistance Community Homeless Solutions	\$760,000	\$760,000	N/A	6/18/24 Resolution No. 23019

ATTACHMENTS:

1. Resolution
2. Draft Amendment No. 1 to Subrecipient Agreement No. 24CIP9125-01 - Chinatown Navigation Center
3. Original Subrecipient Agreement No. 24CIP9125-01 – Chinatown Navigation Center