



## **CITY OF SALINAS COUNCIL STAFF REPORT**

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**DATE:** OCTOBER 12, 2021

**DEPARTMENT:** COMMUNITY DEVELOPMENT

**FROM:** MEGAN HUNTER, COMMUNITY DEVELOPMENT DIRECTOR

**BY:** ROD POWELL, PLANNING MANAGER

**TITLE:** 2021 CALIFORNIA DEPARTMENT OF HOUSING AND  
COMMUNITY DEVELOPMENT EMERGENCY SOLUTIONS  
GRANTS PROGRAM CONTINUUM OF CARE ALLOCATION  
NOTICE OF FUNDING AVAILABILITY APPLICATION  
SUBMITTAL

### RECOMMENDED MOTION:

It is recommended that the City Council approve the following Resolutions:

1. California Department of Housing and Community Development (HCD) Resolution authorizing the City of Salinas (City) as the Administrative Entity (AE) to receive and administer the 2021 Emergency Solutions Grants (ESG) Program Continuum of Care (CoC) grant; and
2. Resolution approving the 2021 HCD ESG Program CoC Allocation Notice of Funding Availability (NOFA) application submittal.

### RECOMMENDATION:

Staff recommends that the City Council approve the following Resolutions: 1) HCD required Resolution authorizing the City as the AE to receive and administer the 2021 ESG Program CoC grant and 2) Resolution approving the 2021 HCD ESG Program CoC Allocation NOFA application submittal.

### EXECUTIVE SUMMARY:

HCD released a NOFA for the 2021 ESG Program CoC Allocation on August 17, 2021. The HCD ESG Program CoC Allocation NOFA application is due on October 19, 2021. On February 14, 2020, HCD approved the City as the Administrative Entity (AE) on behalf of the local Salinas/Monterey/San Benito Counties CoC #506 for the ESG Program CoC Allocation for two program years (2020 and 2021). The estimated 2021 ESG Program funding formula allocation for the local Salinas/Monterey/San Benito Counties CoC #506 is \$258,964. The City intends to submit the HCD ESG Program CoC Allocation NOFA application no later than the deadline of October 19, 2021. HCD is scheduled to announce AE funding awards by December 2021.

## BACKGROUND:

Prior to submitting the HCD 2021 ESG CoC Allocation NOFA application, the City previously published a NOFA on January 9, 2021, assembled a diverse rating and ranking panel to review and prioritize applications and funding recommendations, presented funding recommendations to the City's Housing and Land Use Committee on March 23, 2021, and received final approval from the CoC Leadership Council on March 24, 2021. The CoC Leadership Council is the final approving body regarding HCD ESG Program CoC Allocation funding. As a function of its HCD ESG AE role for the CoC, the City is required to execute and submit a Council Resolution authorizing and directing the submission of the required application and execution of City Funding Agreements/Contracts and related documents (e.g. environmental documentation, request for release of funds) to HCD in order to implement the 2021 HCD ESG CoC Allocation grant program.

## DISCUSSION:

HCD ESG funds can be utilized for multiple funding components such as rapid re-housing (min. 40%), homeless prevention, street outreach, emergency shelter, Homeless Management Information System (HMIS) and program administration. The table below shows the funding amounts per category for the 2021 ESG Program CoC Allocation application.

<b>Proposed Budget</b>		
<b>ESG Component</b>	<b>% Allocation</b>	<b>Allocation Amount</b>
Administration	2.7%	\$7,079
Emergency Shelter	47.8%	\$123,585
Street Outreach		
Homeless Prevention		
HMIS		
Rapid Re-Housing*	49.5%	\$128,300
<b>Total</b>	<b>100%</b>	<b>\$258,964</b>
<i>* Minimum 40% must be spent for Rapid Re-Housing.</i>		

The table below lists applicable activities and timeframes for the City 2021 ESG Program NOFA.

<b>Proposed Timeline</b>	
<b>Activity</b>	<b>Timeframe</b>
City Publishes NOFA	January 9, 2021
NOFA Application Workshop	January 20, 2021
City NOFA Application Deadline	February 8, 2021

City NOFA Initial Rating and Ranking	March 2021
Leadership Council Approval of City NOFA Application Funding Recommendations	March 24, 2021
City NOFA Application Submittal to HCD	October 19, 2021
HCD Award Notifications	December 2021
HCD/City Standard Agreement Executed	January 2022
City Funding Agreements Executed	January 2022

#### DEPARTMENT COORDINATION:

This agenda item is solely administered by the City’s Community Development Department Housing Division (Housing Division). However, other City departments that contributed with their staff time and resources included Finance and Legal. The Housing Division was also required to coordinate with other outside agencies such as HCD and local CoC Leadership Council regarding this agenda item.

Department	Contribution
Finance	Assists in helping manage grant revenue and expenditures related to this grant.
Legal	Provides legal guidance on all contracts and legal documents related to this grant.

#### 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. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

#### STRATEGIC PLAN INITIATIVE:

The HCD ESG Program CoC Allocation funding received by the City allows the undertaking of a variety of programs that are instrumental in providing homeless and homelessness prevention services, furthering partnerships with public service organizations and addressing the human service needs of the City’s low-income, elderly, and special needs communities. The funding and

its implementation support all of the City Council's strategic goals: 1) Investment Strategies/Risk Management; 2) New Revenue; 3) Operational Efficiencies; and 4) Public Safety.

**FISCAL AND SUSTAINABILITY IMPACT:**

There is no General Fund impact associated with this agenda item. HCD programs such as ESG return tax dollars back into the community. This additional funding provides vital resources to assist the homeless population within Monterey and San Benito Counties.

**ATTACHMENTS:**

- Resolution – City Format
- Resolution – State HCD Format