



# City of San Juan Bautista

*The "City of History"*

[www.san-juan-bautista.ca.us](http://www.san-juan-bautista.ca.us)

## **AGENDA**

### **CITY COUNCIL SPECIAL MEETING**

**TUESDAY ~ OCTOBER 26, 2021 ~ 6:00 P.M.**

### **~ PUBLIC PARTICIPATION BY ZOOM ONLY ~**

**Join Zoom Webinar [https://zoom.us/j/828 6607 0991](https://zoom.us/j/82866070991)**

**or call 1 (669) 900-6833**

**Webinar ID: 828 6607 0991**

**PUBLIC COMMENTS WILL BE TAKEN ON AGENDA ITEMS BEFORE ACTION IS TAKEN BY THE CITY COUNCIL. DURING THE MEETING: TO PROVIDE VERBAL PUBLIC COMMENTS ON AN AGENDA ITEM DURING THIS MEETING CALL THE PHONE NUMBER LISTED ABOVE OR LOG INTO ZOOM AND ENTER THE MEETING ID NUMBER AS LISTED ABOVE.**

**THIS MEETING WILL BE CONDUCTED PURSUANT TO GOVT. CODE §54953(e)(1)(A).**

In order to minimize the spread of the COVID 19 virus the City Council is conducting this meeting by Zoom webinar and will be offering alternative options for public participation. You are encouraged to watch the meeting live on Zoom or Facebook.

When the Mayor announces public comment is open for the item which you wish to speak, press \*9 on your telephone keypad or if joining by Zoom, use the raise your hand icon. When called to speak, please limit your comments to three (3) minutes, or such other time as the Mayor may decide, consistent with the time limit for all other speakers for the particular agenda item. Comments from other platforms will not be considered during the meeting. If you would like to participate you MUST log in to Zoom.

Written comments may be mailed to the Deputy City Clerk at City Hall (P.O. Box 1420, San Juan Bautista, CA 95045), or emailed to [deputycityclerk@san-juan-bautista.ca.us](mailto:deputycityclerk@san-juan-bautista.ca.us) not later than 5:00 p.m., October 26, 2021, and will be read into the record during public comment on the item.

In compliance with the Americans with Disabilities Act, the City will make reasonable arrangements to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the Deputy City Clerk a minimum of 48 hours prior to the meeting at (831) 623-4661.

If you challenge any planning or land use decision made at this meeting in court, you may be limited to raising only those issues you or someone else raised at the public hearing held at this meeting, or in written correspondence delivered to the City Council at, or prior to, the public hearing. Please take notice that the time within which to seek judicial review of any final administrative determination reached at this meeting is governed by Section 1094.6 of the California Code of Civil Procedure.

A Closed Session may be called during this meeting pursuant to Government Code Section 54956.9 (d)(2) if a point has been reached where, in the opinion of the legislative body of the City on the advice of its legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against the City.

Materials related to all items on this agenda are available in the agenda packet on the City website [www.san-juan-bautista.ca.us](http://www.san-juan-bautista.ca.us) subject to Staff's ability to post the documents before the meeting, or by emailing [deputycityclerk@san-juan-bautista.ca.us](mailto:deputycityclerk@san-juan-bautista.ca.us) or calling the Deputy Clerk (831) 623-4661 during normal business hours.

- 1. Call to Order**  
**Pledge of Allegiance**  
**Roll Call**
  
- 2. Action Items**
  - A. Adopt a Resolution of the City Council of the City of San Juan Bautista Authorizing an Amended Memorandum of Understanding With The City of Hollister and San Benito County To Use \$231,284 of Community Development Block Grant Cares Act Cv2 and Cv3 Funds that Changes the Use Of Funds From Homeless Public Services, to Rehabilitate a Facility Used as the County's Homeless Shelter**
  
- 3. Adjournment**



## CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

**AGENDA TITLE:**                    **AMENDED MEMORANDUM OF UNDERSTANDING WITH THE CITY OF HOLLISTER AND SAN BENITO COUNTY TO USE \$231,284 OF COMMUNITY DEVELOPMENT BLOCK GRANT CARES ACT CV2 AND CV3 FUNDS THAT CHANGES THE USE OF FUNDS FROM HOMELESS PUBLIC SERVICES, TO REHABILITATE A FACILITY USED AS THE COUNTY'S HOMELESS SHELTER**

**MEETING DATE:**                October 26, 2021

**DEPARTMENT HEAD:**        Don Reynolds, City Manager

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**RECOMMENDED ACTION(S):**

It is recommended that the City Council adopt the attached Resolution authorizing the City Manager to execute an amended Memorandum of Understanding (“MOU”) to continue its partnership with the City of Hollister and San Benito County by changing the use of its \$231,284 CDBG-CV2 and CV3 allocation, from homeless public outreach and services, to renovate the public facility used as a homeless shelter for the whole County for a total County project of \$1,150,872.

**BACKGROUND INFORMATION:**

At its regular meeting October 19, 2021, the City Council received a report that updated them on the Memorandum of Understanding (“MOU”) approved by Resolution 2021-16 on April 13, 2021. At that time the City agreed to contribute its allocation of \$231,284 for homeless services and to help repair the homeless shelter. The collaboration between Hollister, the County and the City amounted to \$1,110,872; \$300,000 for the shelter repairs and \$850,872 for public services and outreach. Before the May 7, 2021 deadline, the County as lead agency, submitted two CDBG applications to the State Department of Housing and Community Development, (“HCD”); one for facility rehabilitation, and one for public services. The City’s allocation was to support the public services.

On October 1, 2021, the City learned that the County has to re-program the use of public funds to facility rehabilitation. A large portion of the funds were to support a new managed homeless camp,

and they lost control of the property intended for this project. The City brought a memorandum to the City Council from its grant writer after they had spoken to the State HCD. That memorandum states that the HCD will allow the City to submit a new allocation, if it was not interested in its CDBG funds being used for facility rehabilitation. It first recommended that the City talk directly to HCD to confirm the details. The City held a public discussion on the 19<sup>th</sup>, and postponed taking action until staff could verify the details. It considered every kind of use possible for CDBG in hopes of submitting its own new application. This was the preferred choice.

If the City decides to continue its collaboration with Hollister and the County, the HCD deadline to re-submit a new revised application is October 31. A special meeting would have to be scheduled Tuesday the 26<sup>th</sup> so the City's action can occur before the deadline (if applicable).

**DISCUSSION:**

On the morning of the 20<sup>th</sup>, the County informed the City that its information was incorrect and that HCD would not receive any new applications after May 7<sup>th</sup>. That morning at 11:15, the City Manager and three staff members from HCD held a conference call. It included the HCD staff member identified in the grant writer's memorandum.

HCD stated that the City was limited to just two choices: it can assume the responsibility for the existing public service application that County was ready to abandon, or it could choose to support facility renovations. The City does not have the capacity to develop its own homeless public service program, which is why it decided to work in collaboration with Hollister and the County. It does not employ case workers, or specialists in homeless services, or have the overhead to support it. That leaves the City with only one choice; support the rehabilitation/renovation of the homeless shelter that serves the whole County. If the City does not agree to continue its collaboration, and terminates its MOU with the Hollister and the County, the \$231,850 will be returned to the CDBG program at HCD for another jurisdiction to use. Attached is the conversation with HCD from October 20, 2021.

In summary, in April, the City agreed to support the CDBG collaboration in part because these funds are complicated to use, and the alternative seemed like it met a true need for San Juan Bautista and the region. If homeless services are needed in the City, the City will use the "211" call-in for County Health and Human Services to request assistance. Since April, the City has retained the services of a grant writer that will help administer these complicated federal grant programs. In the future, City will be capable of assessing the use of these grant funds locally, if it chooses.

**FISCAL IMPACT:**

By agreeing to collaborate with Hollister and the County, the City's CDBG allocation of \$231,284 will be used in the County to help the homeless population. If it decides not to collaborate and make this change from public services to facility rehabilitation, its CDBG allocation will be returned to the State HCD for use by a different local government.

**STRATEGIC PLAN:**

Staff's recommendation for the City to continue its collaboration with the City of Hollister and the County is consistent with the City's first priority in its Strategic Plan;

- 1) Create, promote, and nurture partnerships within our community
  - a. Public
  - b. Private
  - c. Arts and Culture
  - d. Community based
  - e. Governmental and Public Safety
  - f. Non-profit
  - g. Business
  - h. Schools, Community Colleges, and Universities
  - i. Agriculture

**ATTACHMENTS:**

Proposed Resolution and Amended MOU

Emails from October 20, 2021 with the State HCD

## Don Reynolds

---

**From:** Berru, Alexandra@HCD <Alexandra.Berru@hcd.ca.gov>  
**Sent:** Thursday, October 21, 2021 8:49 AM  
**To:** Don Reynolds; Miwa, Jim@HCD  
**Cc:** Hicks, Brenda@HCD; Acurso, Dolores@HCD; Anderson, Candye@HCD; 'Junior V'; Sylvia Jacquez; Cecily Harris; Steve Samuelian; Enrique Arreola  
**Subject:** Re: County of San Benito CDBG-CV2-3 Application Modifications

Thank you for the update, Don. I look forward to working with you in future.

With Gratitude,

Lexy

---

**From:** Don Reynolds <citymanager@san-juan-bautista.ca.us>  
**Sent:** Wednesday, October 20, 2021 12:14 PM  
**To:** Miwa, Jim@HCD <Jim.Miwa@hcd.ca.gov>; Berru, Alexandra@HCD <Alexandra.Berru@hcd.ca.gov>  
**Cc:** Hicks, Brenda@HCD <Brenda.Hicks@hcd.ca.gov>; Acurso, Dolores@HCD <Dolores.Acurso@hcd.ca.gov>; Anderson, Candye@HCD <Candye.Anderson@hcd.ca.gov>; 'Junior V' <sweetearth63@gmail.com>; Sylvia Jacquez <SJacquez@cosb.us>; Cecily Harris <cecily@californiaconsulting.org>; Steve Samuelian <steve@californiaconsulting.org>; Enrique Arreola <EARreola@cosb.us>  
**Subject:** RE: County of San Benito CDBG-CV2-3 Application Modifications

Thank you everyone for your time today. It is clear that the City cannot begin a brand new project application now, it is too late (May 7 deadline). I will recommend that the City not follow through with the already open public service idea, but instead support the roof for the shelter.

Don Reynolds  
City Manager  
San Juan Bautista  
P.O. Box 1420  
311 Second Street  
San Juan Bautista CA 95045  
(831) 623-4661 x 14  
C (831) 594-6322

**From:** Miwa, Jim@HCD <Jim.Miwa@hcd.ca.gov>  
**Sent:** Wednesday, October 20, 2021 10:07 AM  
**To:** Don Reynolds <citymanager@san-juan-bautista.ca.us>; Berru, Alexandra@HCD <Alexandra.Berru@hcd.ca.gov>  
**Cc:** Hicks, Brenda@HCD <Brenda.Hicks@hcd.ca.gov>; Acurso, Dolores@HCD <Dolores.Acurso@hcd.ca.gov>; Anderson, Candye@HCD <Candye.Anderson@hcd.ca.gov>; 'Junior V' <sweetearth63@gmail.com>; Sylvia Jacquez <SJacquez@cosb.us>; Cecily Harris <cecily@californiaconsulting.org>; Steve Samuelian <steve@californiaconsulting.org>  
**Subject:** RE: County of San Benito CDBG-CV2-3 Application Modifications

Hi Don ... During my call with Enrique I did not tell Enrique that the City could not submit a new application. Rather to work with Lexy to restructure the project since ICF is responsible for managing this CV award and conversation with Cecily Harris. Please refer to the October 20, 2021 email to Enrique.

**Jim Miwa, Assoc. AIA**

Department of Housing and Community Development  
NOFA Section  
2020 W. El Camino Avenue, Suite 200  
Sacramento, CA 95833

Tel: 916-263-1644

Cell: 916-776-7721

E-mail: [jim.miwa@hcd.ca.gov](mailto:jim.miwa@hcd.ca.gov)

**From:** Don Reynolds <[citymanager@san-juan-bautista.ca.us](mailto:citymanager@san-juan-bautista.ca.us)>

**Sent:** Wednesday, October 20, 2021 9:25 AM

**To:** Berru, Alexandra@HCD <[Alexandra.Berru@hcd.ca.gov](mailto:Alexandra.Berru@hcd.ca.gov)>

**Cc:** Miwa, Jim@HCD <[Jim.Miwa@hcd.ca.gov](mailto:Jim.Miwa@hcd.ca.gov)>; Hicks, Brenda@HCD <[Brenda.Hicks@hcd.ca.gov](mailto:Brenda.Hicks@hcd.ca.gov)>; Acurso, Dolores@HCD <[Dolores.Acurso@hcd.ca.gov](mailto:Dolores.Acurso@hcd.ca.gov)>; Anderson, Candye@HCD <[Candye.Anderson@hcd.ca.gov](mailto:Candye.Anderson@hcd.ca.gov)>; 'Junior V' <[sweetearth63@gmail.com](mailto:sweetearth63@gmail.com)>; Sylvia Jacquez <[SJacquez@cosb.us](mailto:SJacquez@cosb.us)>; Cecily Harris <[cecily@californiaconsulting.org](mailto:cecily@californiaconsulting.org)>; Steve Samuelian <[steve@californiaconsulting.org](mailto:steve@californiaconsulting.org)>

**Subject:** FW: County of San Benito CDBG-CV2-3 Application Modifications

**Importance:** High

We are very confused having received two very different messages from HCD in the past few days. Attached is the memorandum from California Consulting received after talking with Jim Miwa. The staff report is a better description of our city's situation. . I left a message on VM for Alexandra this morning- that is my cell phone. Please call as soon as possible.

Attached are the background and comprehensive description of our situation. Please consider these facts so we can talk soon. Thank you

Don Reynolds  
City Manager  
San Juan Bautista  
P.O. Box 1420  
311 Second Street  
San Juan Bautista CA 95045  
(831) 623-4661 x 14  
C (831) 594-6322

**From:** Enrique Arreola <[EArreola@cosb.us](mailto:EArreola@cosb.us)>

**Sent:** Wednesday, October 20, 2021 9:14 AM

**To:** Don Reynolds <[citymanager@san-juan-bautista.ca.us](mailto:citymanager@san-juan-bautista.ca.us)>

**Subject:** FW: County of San Benito CDBG-CV2-3 Application Modifications

**Importance:** High

Hi Don, according to HCD, the City of SJB cannot submit a new application since the deadline has passed.

This is getting very time consuming and confusing the process. Somehow your City Counsel is not well informed with the application process. See below and let's connect this morning.

Thank you

Enrique Arreola, Deputy Director  
San Benito County HHSA  
Community Services & Workforce Development  
1161 San Felipe Road, Bldg. B  
Hollister, CA 95023  
831-637-9293-Office  
831-634-0785-Fax



San Benito  
County  
**Migrant  
Center**

America's Job Center

"Those who are happiest are those who do the most for others."  
Booker T. Washington

**From:** Berru, Alexandra@HCD <[Alexandra.Berru@hcd.ca.gov](mailto:Alexandra.Berru@hcd.ca.gov)>

**Sent:** Wednesday, October 20, 2021 8:54 AM

**To:** Enrique Arreola <[EARreola@cosb.us](mailto:EARreola@cosb.us)>

**Cc:** Miwa, Jim@HCD <[Jim.Miwa@hcd.ca.gov](mailto:Jim.Miwa@hcd.ca.gov)>; Hicks, Brenda@HCD <[Brenda.Hicks@hcd.ca.gov](mailto:Brenda.Hicks@hcd.ca.gov)>; Acurso, Dolores@HCD <[Dolores.Acurso@hcd.ca.gov](mailto:Dolores.Acurso@hcd.ca.gov)>; Anderson, Candy@HCD <[Candy.Anderson@hcd.ca.gov](mailto:Candy.Anderson@hcd.ca.gov)>; 'Junior V' <[sweetearth63@gmail.com](mailto:sweetearth63@gmail.com)>; Sylvia Jacquez <[SJacquez@cosb.us](mailto:SJacquez@cosb.us)>

**Subject:** Re: County of San Benito CDBG-CV2-3 Application Modifications

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hello Enrique,

Thank you for bringing this matter to our attention. Unfortunately the window to submit new applications is closed, so HCD will not be able to accept a new application from the City of San Juan Bautista. There are two options for us to utilize in this scenario:

- San Juan Bautista may take over the rescinded application for the Homeless Shelter Services and resubmit with new content. You would then be able to remove them from your current Homeless Center Rehab application and resubmit the new budget, resolution, and MOU.
- There is a form (forthcoming by the end of this week) for amendments to an application that is already routing. You could get together with San Juan Bautista and Hollister to fill out this form and see if you are able to come to an agreement that suits all jurisdictions and submit the form to me.

Please let me know your thoughts on the above notes. Perhaps we can all hop on a call to talk through these options with all three jurisdictions present?

With Gratitude,

Lexy

---

**From:** Enrique Arreola <[EARreola@cosb.us](mailto:EARreola@cosb.us)>

**Sent:** Tuesday, October 19, 2021 4:51 PM

**To:** Berru, Alexandra@HCD <[Alexandra.Berru@hcd.ca.gov](mailto:Alexandra.Berru@hcd.ca.gov)>

**Cc:** Miwa, Jim@HCD <[Jim.Miwa@hcd.ca.gov](mailto:Jim.Miwa@hcd.ca.gov)>; Hicks, Brenda@HCD <[Brenda.Hicks@hcd.ca.gov](mailto:Brenda.Hicks@hcd.ca.gov)>; Acurso, Dolores@HCD <[Dolores.Acurso@hcd.ca.gov](mailto:Dolores.Acurso@hcd.ca.gov)>; Anderson, Candy@HCD <[Candy.Anderson@hcd.ca.gov](mailto:Candy.Anderson@hcd.ca.gov)>; 'Junior V' <[sweetearth63@gmail.com](mailto:sweetearth63@gmail.com)>; Sylvia Jacquez <[SJacquez@cosb.us](mailto:SJacquez@cosb.us)>

**Subject:** RE: County of San Benito CDBG-CV2-3 Application Modifications



Hi Lexy,

The City of San Juan Bautista just informed me that it's highly possible that they will apply on their own behalf. If that is the case, I may need a few more weeks to further update our Resolution and MOU. Plus, it's past the County's deadline to make changes to agenda items. I am doing my best to keep this agenda item for next week's Board of Supervisor's meeting (10/26). However, this item may need to be moved to November 9. If that is the case, will there be an issue with this?

Thank you.

Enrique Arreola, Deputy Director  
San Benito County HHSA  
Community Services & Workforce Development  
1161 San Felipe Road, Bldg. B  
Hollister, CA 95023  
831-637-9293-Office  
831-634-0785-Fax



San Benito  
County  
**Migrant  
Center**

America's Job Center  
HOLLISTER

"Those who are happiest are those who do the most for others."  
Booker T. Washington

**From:** Berru, Alexandra@HCD <[Alexandra.Berru@hcd.ca.gov](mailto:Alexandra.Berru@hcd.ca.gov)>

**Sent:** Thursday, October 14, 2021 9:39 AM

**To:** Enrique Arreola <[EARreola@cosb.us](mailto:EARreola@cosb.us)>

**Cc:** Miwa, Jim@HCD <[Jim.Miwa@hcd.ca.gov](mailto:Jim.Miwa@hcd.ca.gov)>; Hicks, Brenda@HCD <[Brenda.Hicks@hcd.ca.gov](mailto:Brenda.Hicks@hcd.ca.gov)>; Acurso, Dolores@HCD <[Dolores.Acurso@hcd.ca.gov](mailto:Dolores.Acurso@hcd.ca.gov)>; Anderson, Candye@HCD <[Candye.Anderson@hcd.ca.gov](mailto:Candye.Anderson@hcd.ca.gov)>; 'Junior V' <[sweetearth63@gmail.com](mailto:sweetearth63@gmail.com)>; Sylvia Jacquez <[SJacquez@cosb.us](mailto:SJacquez@cosb.us)>

**Subject:** Re: County of San Benito CDBG-CV2-3 Application Modifications

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hello Enrique,

I wanted to follow up on the application modifications that we discussed a couple weeks ago. Do you need any assistance making the corrections? Do you have any questions that I can answer?

I would like to get your application routing as soon as possible with the updated budget.

Please let me know if there is any way that I can support you in this process.

With Gratitude,

Lexy

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**From:** Enrique Arreola <[EARreola@cosb.us](mailto:EARreola@cosb.us)>

**Sent:** Wednesday, September 29, 2021 5:26 PM

**To:** Berru, Alexandra@HCD <Alexandra.Berru@hcd.ca.gov>  
**Cc:** Miwa, Jim@HCD <Jim.Miwa@hcd.ca.gov>; Hicks, Brenda@HCD <Brenda.Hicks@hcd.ca.gov>; Acurso, Dolores@HCD <Dolores.Acurso@hcd.ca.gov>; Anderson, Candye@HCD <Candye.Anderson@hcd.ca.gov>; 'Junior V' <sweetearth63@gmail.com>; Sylvia Jacquez <SJacquez@cosb.us>  
**Subject:** RE: County of San Benito CDBG-CV2-3 Application Modifications

Thank you Lexy for your summary.  
We will upload the updated budget for the entire request amount for the Public Facilities application. In addition, we will rescind the Public Services application.  
We will amend the resolutions and MOU. The earliest the Board of Supervisors can take action on this is on October 26<sup>th</sup>

Thanks again for your support.  
Have a great evening.

Enrique Arreola, Deputy Director  
San Benito County HHSA  
Community Services & Workforce Development  
831-634-4918-Office



San Benito  
County  
**Migrant  
Center**

America's Job Center

"Those who are happiest are those who do the most for others."  
Booker T. Washington

**From:** Berru, Alexandra@HCD <Alexandra.Berru@hcd.ca.gov>  
**Sent:** Wednesday, September 29, 2021 9:38 AM  
**To:** Enrique Arreola <EArreola@cosb.us>  
**Cc:** Miwa, Jim@HCD <Jim.Miwa@hcd.ca.gov>; Hicks, Brenda@HCD <Brenda.Hicks@hcd.ca.gov>; Acurso, Dolores@HCD <Dolores.Acurso@hcd.ca.gov>; Anderson, Candye@HCD <Candye.Anderson@hcd.ca.gov>  
**Subject:** County of San Benito CDBG-CV2-3 Application Modifications

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hello Enrique,

It was great to connect with you via teams this morning! As promised, below you will find a summary of action items required for us to move the Homeless Facilities (not operating costs) application approved:

- The application has been re-opened for you to access via eCivis. Please resubmit a new budget that reflects the increase in funds requested.
- An Exhibit F will be included in your application files which will give you 30 additional days to obtain the updated resolution from the date the award is given.
- As mentioned, the Exhibit F is not able to cover adjustments to the MOU - please coordinate that adjust as soon as possible.

Please feel free to reach out to me directly with any questions or concerns. Please also let me know once you have uploaded the new budget and the plan for adjusting the MOU.

I look forward to working with you and our team to get this application submitted and approved so that you can access your funds!

With Gratitude,

Lexy



**Alexandra Berru**

Grant Administrator

Housing & Community Development

Email: [Alexandra.Berru@hcd.ca.gov](mailto:Alexandra.Berru@hcd.ca.gov) | Phone: 916.231.9787

Pronouns: she/her/hers



**RESOLUTION 2021-XX**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN  
BAUTISTA AUTHORIZING AN AMENDED MEMORANDUM OF  
UNDERSTANDING WITH THE CITY OF HOLLISTER AND SAN BENITO  
COUNTY TO USE \$231,284 OF COMMUNITY DEVELOPMENT BLOCK GRANT  
CARES ACT CV2 AND CV3 FUNDS THAT CHANGES THE USE OF FUNDS  
FROM HOMELESS PUBLIC SERVICES, TO REHABILITATE A FACILITY USED  
AS THE COUNTY'S HOMELESS SHELTER**

**WHEREAS**, the federal government delegated a portion of its CARES Act relief funds to its various departments, and the Department of Housing and Urban Development ("HUD") received a generous allocation as part of its Community Development Block Grant ("CDBG") program in three intervals referred to as "CDBG-CV1, CV2, AND CV3"; and

**WHEREAS**, in smaller jurisdiction, HUD delegates the authority to manage these funds to the State, and in California, this is the Department of Community Development ("HCD"); and

**WHEREAS**, on April 13, 2021, the City Council executed a resolution and appropriated \$63,558 from CDBG CARES ACT V1 authorizing the execution of a regional Memorandum of Understanding ("MOU") between the City of Hollister, San Benito County and San Juan Bautista that will provide subsistence payments to City and County residents that have suffered a loss of income due to the pandemic to them help pay for utility expenses; and

**WHEREAS**, also on April 13, 2021, the City Council directed staff to bring forward a second Resolution and MOU for the CDBG CARES Act V2 and V3 in the amount of \$231,284 in partnership with the City of Hollister and San Benito County for a total budget of \$1,150,872, to fund various regional homeless services programs as described in the attached MOU; and

**WHEREAS**, the County submitted two applications to HCD, one for \$300,000 to rehabilitate the Homeless Shelter, and a second for \$850,852 that includes the City's allocation of \$231,284 for homeless public services for a total of \$1,150,872; and

**WHEREAS**, HCD's deadline to submit these two applications for CDBG CARES Act V2 and V3 funds was May 7, 2021; and

**WHEREAS**, on October 1, 2021, the City learned that the County had to modify its May 7, 2021 applications to HCD, moving the public service funds to facility renovation, because the services they planned to implement were no longer possible due to the loss of site control where these services would be provided; and

**WHEREAS**, changing the County's CDBG application has to be done by HCD's deadline of October 31, 2021; and

**WHEREAS**, at the City Council's regular meeting held on October 19, 2021, it considered a consultant's report stating that HCD, in an informal discussion, agreed that the City could find a new use of for its funds, and also received feedback from the County concerning its needs and the proposed change of use of funds; and

**WHEREAS**, as described in Staff's October 19, 2021 report, to City Manager spoke with HCD staff October 20, 2021, to verify HCD's position in this matter, and learned that the City could not initiate a new application as the May 7 deadline had passed, but it could assume responsibility for the soon to be abandoned County homeless public services application, or agree to the proposed change of use for the funds moving 100% of the funds to facility renovation; and

**WHEREAS**, the City does not have the capacity to build a homeless public outreach or service program, and is unable to fulfill the expectations described by the County in their application to HCD for public service funds; and

**WHEREAS**, at its special meeting held October 26, 2021, the City Council agreed to continue to work with the County and have its portion of \$231,284 used for facility renovation and repair the roof of the homeless shelter that serves the whole County.

**NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE SAN JUAN BAUTISTA CITY COUNCIL AS FOLLOWS:**

**SECTION 1.** That the recitals in this Resolution and accompanying staff report are true and correct and are hereby made a part of this Resolution.

**SECTION 2.** The City Council of the City of San Juan Bautista, hereby agrees with the terms and conditions set forth in the Amended MOU attached hereto by reference, agrees to continue its partnership with the City of Hollister and San Benito County by changing the use of its \$231,284 CDBG-CV2 and CV3 allocation, from homeless public outreach and services, to renovate the public facility used as a homeless shelter for the whole County for a total County project of \$1,150,872.

**SECTION 3.** The City Council directs and authorizes the City Manager to prepare and execute the Revised MOU in time for the October 31, 2021 deadline.

**PASSED, APPROVED AND ADOPTED** this 26<sup>th</sup> day of October 2021, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
Leslie Q. Jordan, Mayor

**ATTESTED:**

\_\_\_\_\_  
Shawna Freels, City Clerk

**Attachment**  
**AMENDED MEMORANDUM OF UNDERSTANDING**  
**FOR CARES ACT V 2 AND V3**

**MEMORANDUM OF UNDERSTANDING BETWEEN THE COUNTY OF  
SAN BENITO AND CITY OF HOLLISTER AND CITY OF SAN JUAN  
BAUTISTA, FOR THE PREPARATION AND SUBMITTAL OF AN  
APPLICATION FOR THE OPERATION OF A PUBLIC FACILITIES  
IMPROVEMENT PROGRAM TO BE FUNDED BY  
CDBG-CV2/3 GRANT FUNDS**

1. **Parties:** This Memorandum of Understanding (hereinafter referred to as ("MOU')) is made and entered into by and between the County of San Benito (hereinafter referred to as ("Agency 1")), the City of Hollister, (hereinafter referred to as "Agency 2") and the City of San Juan Bautista (hereinafter referred to as "Agency 3". The address of the lead Agency 1 is 1161 San Felipe Road, Suite Bldg. B, Hollister, CA 95023.
2. **Purpose:** The purpose of this MOU is to establish the terms and conditions under which the Parties will operate a public facility improvement program to serve the homeless and lower income persons and households. This program seeks funding the aggregate amount of \$1,150,872 which is derived from jurisdictional allocations of \$369,468 to the County of San Benito, \$550,120 to the City of Hollister and \$231,284 to the City of San Juan Bautista. The shared program activity will consist of conducting public outreach on the proposed CDBG-CV2/3 program to the homeless and lower income individuals and households residing in each of the three jurisdictions who have been impacted by the COVID-19 pandemic.
3. **Term of MOU:** This MOU is effective upon the day and date last signed and executed by the duly authorized representatives of the Parties to this MOU and the governing bodies of the Parties' respective jurisdictions and shall remain in fully force and effect for not longer than 18 months from the date a standard agreement is executed. This MOU may be terminated, without cause, by either Party upon thirty (30) days written notice, which notice shall be delivered by electronic mail, hand or by certified mail to the address listed above.
4. **Responsibilities of Agency 1:** Agency 1 shall be the lead applicant and shall be responsible for coordinating all necessary pre-application activity, application submittal, conditions of the standard agreement and post award activity. In addition, Agency 1 as the lead agency, shall be responsible for the overall operation of the proposed program in order to secure compliance with the State CDBG-CV rules and regulations. Agency 1 shall be responsible for activity implementation, financial reporting, submitting funds requests and related administrative duties.



5. **Responsibilities of Agency 2:** The primary responsibility of Agency 2 shall be to cooperate in the preparation of the CDBG-CV2/3 application and meeting all responsibilities required of the jurisdiction for participation in a joint CDBG activity. Following an award of the funds, Agency 2 shall further cooperate by promoting the shelter and making referrals of homeless individuals in need of emergency shelter to Agency 1. Agency 2 shall also participate in program meetings to provide feedback on the implementation of the proposed activities.
6. **Responsibilities of Agency 3:** The primary responsibility of Agency 3 shall be to cooperate in the preparation of the CDBG-CV2/3 grant application. This shall include meeting all responsibilities required of jurisdictions for participation in a joint CDBG activity. Following an award of funds, Agency 3 shall further cooperate by promoting the shelter and making referrals of homeless individuals in need of emergency shelter to Agency 1. Agency 3 shall also participate in program meetings to provide feedback on the implementation of the proposed activities.
7. **Administrative costs allowed by CDBG-CV2/3 Grant:** The State CDBG-CV grant program allows for a percentage of the total grant to be used to cover administrative costs in the operation of the proposed program. Agency 1 shall be entitled to all of the administrative funds allowed by the State HCD/CDBG due to its role and responsibilities as the lead agency.
8. **General Provisions:**
  - A. **Amendments:** Either Party may request changes to this MOU. Any changes, modifications, revisions or amendments to this MOU which are mutually agreed upon by and between the Parties to this MOU shall be incorporated by written instrument, and effective when executed and signed by all Parties to this MOU.
  - B. **Applicable Law:** The construction, interpretation and enforcement of this MOU shall be governed by the laws of the State of California. The courts of the State of California shall have jurisdiction over any action arising out of this MOU and over the Parties and the venue shall be the County of San Benito Judicial District, California.
  - C. **Entirety of Agreement:** This MOU, consisting of four (4) pages, represents the entire and integrated agreement between the Parties and supersedes all prior negotiations, representations and agreements, whether oral or written.
  - D. **Severability:** Should any portion of this MOU be judicially determined to be illegal or unenforceable, the remainder of the MOU shall continue in full force and effect, and either Party may renegotiate the terms affected by the severance.
  - E. **Sovereign Immunity:** Agency 1, Agency 2 and Agency 3 and their respective governing bodies do not waive their sovereign immunity by entering into this MOU,

and each fully retains all immunities and defenses provided by law with respect to any action based on or occurring as a result of this MOU.

- F. **Third Party Beneficiary Rights:** The Parties do not intend to create in any other individual or entity the status of a third-party beneficiary, and this MOU shall not be construed so as to create such status. The rights, duties and obligations contained this MOU shall operate only between the Parties to this MOU and shall inure solely to the benefit of the Parties to this MOU. The provisions of this MOU are intended only to assist the Parties in determining and performing their obligations under this MOU. The Parties to this MOU intend and expressly agree that only Parties signatory to this MOU shall have any legal or equitable right to seek to enforce this MOU, to seek any remedy arising out of a party's performance or failure to perform any term or condition of this MOU, or to bring any action for breach of this MOU.
  
- G. **CDBG Program Terms and Conditions:** The Parties agree to administer all funding and activities identified in this MOU in compliance with the State Agreement executed with the State for said activities and funding. The Parties agree that the County of San Benito, as the lead agency, shall be the executor of the Department's Standard Agreement, and that primary communication regarding the activities shall be the responsibility of San Benito County. It is the responsibility of the Parties to this MOU to communicate and transfer performance and regulatory compliance to applicable Parties, including contractors and subrecipients. Failure to administer funds and/or activities in accordance with HUD regulations, and the terms and conditions identified in the standard agreement will result in performance penalties toward all Parties to this MOU, and may result in repayment of expended CDBG funds in the event that the costs were determined to be ineligible, or that the funds failed to meet a National Objective, as identified in title 42 of the United States Code, Section 5301 and title 24 of the Code of Federal regulations Section 570.483.

INTENTIONALLY LEFT BLANK TO THE BOTTOM OF PAGE 3 WITH PAGE 4 TO BE THE SIGNATURE PAGE.

9. **Signatures:** In witness whereof, the Parties to this MOU through their duly authorized representatives have executed this MOU on the days and dates set forth below, and certify that they have read, understood, and agreed to the terms and conditions of this MOU as set forth herein. The effective date of this MOU is the date of the signature last affixed to this page.

**Agency 1: County of San Benito:**

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Enrique Arreola, Deputy Director.      Date:

**Agency 2: City of Hollister:**

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Brett I. Miller, City Manager      Date:

**Agency 3: City of San Juan Bautista:**

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Don Reynolds, City Manager.      Date:

APPROVED AS TO LEGAL FORM:  
SAN BENITO COUNTY COUNSEL

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Irma Valencia, Deputy County Counsel      Date: