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File ID: 2026-00867

4/28/2026

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**City Support of Affordable Housing and Sustainable Communities (AHSC) Grant Applications for Sustainable Transportation Infrastructure Projects - Round 10**

File ID: 2026-00867

**Location:** 2900 Wah Avenue, District 5; 6779 Q Street, District 6; 2800 Florin Road, District 8

**Recommendation:** Pass a **Motion:** in support of 1) Mutual Housing's Affordable Housing Sustainable Communities (AHSC) program grant application for Sustainable Transportation Infrastructure and Program Costs at 2900 Wah Avenue; 2) Community HousingWork's AHSC program grant application for Sustainable Transportation Infrastructure and Program Costs at 6779 Q Street; 3) Christian Church Homes's AHSC program grant application for Sustainable Transportation Infrastructure and Program Costs at 2800 Florin Road.

**Contact:** Ya-yin Isle, City Housing Manager, (916) 808-1869, yisle@cityofsacramento.org; Axel Magallanes, Housing Analyst, (916) 808-1844, amagallanes@cityofsacramento.org; City Manager's Office of Innovation and Economic Development; Jesse Gothan, Supervising Engineer, (916) 808-6897, jgothan@cityofsacramento.org, Department of Public Works

**Presenter:** None

**Attachments:**

- 1-Description/Analysis
- 2-Mutual Housing Strawberry Commons AHSC Support Letter
- 3-Community HousingWorks Q Street Apartments AHSC Support Letter
- 4-Christian Church Homes Florin Family Apartments AHSC Support Letter

**Description/Analysis**

**Issue Detail:** On March 4, 2026, the State of California issued a Notice of Funding Availability (NOFA) for approximately \$750 million in statewide funding for the Strategic Growth Council's Affordable Housing and Sustainable Communities (AHSC) Program. The AHSC Program provides grants and affordable housing loans for compact transit-oriented development and related infrastructure and programs that reduce greenhouse gas (GHG) emissions. The AHSC Program uses State Cap & Trade funding from other uses throughout the state to fund these pollution reducing objectives. Applications for Round 10 of the AHSC Program are due May 4, 2026, with an award announcement anticipated in December of 2026.

AHSC is a competitive grant process, based on the extent to which developments realize the AHSC Program's objectives of reducing GHG emissions, benefiting Disadvantaged Communities and Low-income Communities, providing affordable housing, demonstrating project readiness, and meeting other policy considerations. Typically, affordable housing developers are the primary applicants and partner with local governments and transit agencies to identify sustainable transportation infrastructure (STI)/public transit improvements surrounding the proposed project sites. The City's Public Works Department and Office of Innovation and Economic Development's Housing team have been working with three potential applicants to identify appropriate STI scope for their respective projects. Details regarding the proposed housing projects and STI improvements are as follows:

- Mutual Housing - Strawberry Commons: Mutual Housing California is partnering with Habitat for Humanity of Greater Sacramento to develop the 5-acre vacant site at 2900 Wah Avenue. Habitat plans to construct 23 townhomes, while Mutual Housing will develop 101 affordable multifamily apartment units (including one manager unit) on a 2.23-acre portion of the site. The site will be subdivided into two separate parcels with Mutual Housing pursuing AHSC funding for the multifamily portion only. The Strawberry Commons project will include a mix of one-, two- and three-bedroom units serving families earning between 30% and 60% of Area Median Income (AMI). The project is designed as a four-story, factory-built residential community; and planned amenities include a community room, laundry room, picnic area, play area, and two elevators. If awarded funding, construction is anticipated to begin in 2027. The Wah Ave Neighborhood Connections Project is the City STI project and will construct new Class 3 bikeways around the Strawberry Commons Project, improving accessibility and connectivity in the surrounding neighborhood.
- Community HousingWorks - Q Street Apartments: The Q Street Apartments is a new affordable housing development proposed by Community HousingWorks (CHW), located at 6779 Q Street. The project will offer 95 affordable units (including one manager unit) comprised of studios, one- and two-bedroom units for households earning between 30-80% of the Area Median Income (AMI). Amenities will include a community room, laundry facilities, free Wi-Fi onsite, bike storage, and transit passes for 3 years. The Tahoe Park Neighborhood Connections Project is the City STI project and will construct new Class 3 bikeways and curb ramp improvements around the Q Street Apartments, improving accessibility and connectivity in the surrounding neighborhood.
- Christian Church Homes - Florin Family Apartments: The Florin Family Apartments is a new 2-phase project being proposed by Christian Church Homes (CCH). The proposed project is located at 2800 Florin Road. This AHSC application supports Phase 1 of the project which will include a mix of 122 units comprised of one-, two-, and three-bedroom units. Phase 2 is envisioned to begin following the completion of Phase 1 and will include an additional 70 units. The Florin Neighborhood Connections Project is the City STI project and will construct new

Class 3 bikeways and curb ramp improvements around the Florin Family Apartments, improving accessibility and connectivity in the surrounding neighborhood.

**Policy Considerations:** Support of the three proposed AHSC grant applications provide additional potential funding for the development of the Q Street Apartments, Florin Family Apartments, and Strawberry Commons affordable housing projects; and bicycle and pedestrian infrastructure in the areas surrounding these projects which will benefit the broader community as well as residents of these projects. The proposed projects are consistent with the City's General Plan and Climate Action and Adaptation Plan policies to promote resiliency with respect to issues such as air quality, food availability, renewable energy, sustainable land use, and the reduction of greenhouse gas emissions. The proposed affordable housing developments will deliver much-needed affordable housing, consistent with Housing Element site inventory and the City's Regional Housing Needs Allocation (RHNA). The Sustainable Transportation Infrastructure components are consistent with the City's Bicycle and Pedestrian Plans and Neighborhood Connections Plan.

**Economic Impacts:** Development of over 300 affordable housing units and the related bike and pedestrian infrastructure will provide hundreds of jobs in the City and stimulate additional jobs needed for the required housing development supply chain.

**Environmental Considerations:** This report concerns fiscal activities that do not constitute a "project" as defined by the California Environmental Quality Act Guidelines Section 15378(b)(4). If the grants are awarded, environmental review of any sustainable transportation improvements or related amenities will occur by the City before construction is authorized.

**Sustainability:** The projects will advance the goals, policies, and targets that will directly or indirectly conserve energy resources and reduce greenhouse gas emissions, in part, from 2040 General Plan and Climate Action and Adaptation Plan. Pairing these developments with the recommended accompanying pedestrian improvements makes it easier for both the affordable housing residents and surrounding residents to bike and walk in and through the area as modes of transportation.

**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** The recommendations in this report further the City's objective of providing a range of housing for community needs, including affordable housing, while also providing sustainably developed projects that support community infrastructure needs through this combined funding. Staff are supportive of the developers applying for this funding, as an award of funding can assist in timely development of the housing and transportation infrastructure.

**Financial Considerations:** Receipt of AHSC funding would assist the developers of the proposed housing projects as well as provide funding for related bike and pedestrian improvements. If the grant applications are successful, local transportation funding will be needed to pay for costs related to

implementation of the identified improvements that are not covered by the grant. This report assumes the following local funds would be required:

- Strawberry Commons/Wah Ave Neighborhood Connections Project - \$200,000 from Active Transportation Program (T15180400)
- Florin Family Apartments/Florin Road Neighborhood Connections Project - \$150,000 from Active Transportation Program (T15180400)
- Q Street Apartments/Tahoe Park Neighborhood Connections Project - \$150,000 from Active Transportation Program (T15180400)

If awarded, staff will return to Council for the necessary authority to accept the grant funding for the STI projects, commit the necessary local transportation funding, establish specific Capital Improvement Projects, and perform the appropriate budgetary transfers.

**Local Business Enterprise (LBE):** Not applicable.

April 28, 2026

Erin Curtis  
Executive Director, California Strategic Council 1400 Tenth Street  
Sacramento, CA 95814

**STRAWBERRY COMMONS • AHSC ROUND 10 LOCAL APPROVALS, SITE CONTROL, AND PUBLIC AGENCY COMMITMENT**

Dear Erin Curtis,

The City of Sacramento understands Mutual Housing is applying for affordable housing funding for the Strawberry Commons through Round 10 Affordable Housing and Sustainable Transportation (AHSC) program which also includes funding for Sustainable Transportation Infrastructure (STI). The City has partnered with Mutual Housing as a subrecipient in the AHSC application to implement the STI improvements. Should Strawberry Commons be awarded AHSC Round 10 funds, the City will take the required City Council actions to enter into any necessary agreements with HCD for the implementation and delivery of the STI improvements in accordance with AHSC Guidelines.

The City worked with Mutual Housing to develop the proposed capital improvements below for the Strawberry Commons and has verified that these STI capital projects are consistent with all applicable local rules, regulations, codes, policies, and plans enforced or implemented by the City. Furthermore, the proposed capital projects have been verified to be located completely within the right of way and owned by the City of Sacramento.

**STI PROJECT #1: Wah Avenue Neighborhood Connections Project**

On 53<sup>rd</sup> Avenue, Way Avenue, Yreka Avenue, Woodbine Avenue, 27<sup>th</sup> Street and Indian Lane – install Class III bikeways. These improvements will connect to the existing Class II bikeways on 24th Street and Florin Road.

This project is an implementation of the bike improvements on key routes identified in the recently approved Streets for People Neighborhood Connection and Active Transportation Plans in the existing neighborhoods near the Strawberry Commons.

The following is a summary of the project features:

- **Average Daily Traffic:** 1293 (Woodbine Road)
- **Posted Speed Limit:** 25 mph
- **Context Sensitive Bikeway for ADT:** Class III Bikeway
- **Class of Proposed Bikeway:** Class III Bikeway
- **Combined Length of Bike Lanes:** 3.9 miles

To demonstrate satisfaction with the STI Past Experience requirements, of delivering bicycle and pedestrian improvements within the last ten years that are the same type as those being proposed for the Strawberry Apartments the following is a description of similar past capital projects the City has recently delivered:

- *West El Camino Rehabilitation Project* – This project improved the condition of West El Camino Avenue from Truxel Road to Northgate Boulevard with Microsurfacing, green bike lane conflict markings, and Class II buffered bike lanes. At the Niños Parkway Trail, pedestrian improvements included two bulb-outs, a pedestrian refuge

island, high visibility pavement markings, signage and pedestrian lighting. The project also installed video detection and CCTV at the signalized intersections of Truxel Road, Stone Creek/Seamist Drive, Fairweather Drive, Northview Drive and Northgate Boulevard.

- *34<sup>th</sup> Street Rehabilitation Project* – This project was identified in the Bikeway Master Plan to have Class II Bike Lanes, which were installed on 34<sup>th</sup> Street from 5<sup>th</sup> Avenue to Truckee Way. The improvements also included Microsurfacing, bulb-outs, rectangular rapid flashing beacons, high visibility pavement markings and a curb ramp at 5<sup>th</sup> Avenue and 34<sup>th</sup> Street.

This letter also serves as a commitment to recommend for Council approval of \$200,000 local transportation funding to support the construction of the project, if AHSC funds are granted. Additionally, the City certifies that the proposed bicycle improvements are subject to the City's Local Business Enterprise (LBE) program requirements, details enclosed with this letter. The City commits to selecting contractor(s) to complete these projects in alignment with these standards.

If you have any questions, please contact Kelli Lacy, Assistant Civil Engineer at (916) 808-8157 or [KELacy@CityofSacramento.org](mailto:KELacy@CityofSacramento.org).

Sincerely,

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Matt Eierman  
Public Works Director  
City of Sacramento

Enclosure: Requirements for the Local Business Enterprise Program

**REQUIREMENTS FOR THE LOCAL BUSINESS ENTERPRISE PROGRAM**  
(LBE Program)

**INTRODUCTION**

The City of Sacramento has a Local Business Enterprise (LBE) Program to provide enhanced opportunities for local businesses to participate in the City's procurement and contracting activities. The Program began with an LBE Preference for bid and proposal evaluation. The Program was then expanded to require minimum LBE Participation levels in specific contracts.

**APPLICATION**

As summarized in the table below, there are two components to the LBE Program:

1. LBE Preference: For certain contracts, a 5% LBE Preference is applied during the bid evaluation process.
2. LBE Participation Requirement: For certain contracts, a minimum 5% LBE participation level is required for a bidder to be considered responsive.

	Contracts Under \$250,000				Contracts \$250,000 or more			
	Goods	Non-Professional Services	Professional Services	Public Projects	Goods	Non-Professional Services	Professional Services	Public Projects
Apply 5% LBE Preference	YES	YES	YES	YES	NO	NO	YES	NO
Apply 5% Minimum LBE Participation Requirement	NO	NO	NO	NO	NO	YES	YES	YES

**Local Business Enterprise:** A Local Business Enterprise (“LBE”) means a business enterprise, including but not limited to, a sole proprietorship, partnership, limited liability company, corporation, or other business entity that has a “legitimate business presence” within City limits or the unincorporated area of Sacramento County.

A “legitimate business presence” within City limits or the unincorporated area of Sacramento County means:

1. An established business entity operating within the selected areas for at least 12 consecutive months prior to submission of bid; and

2. Legally operating a location in the City or unincorporated area of Sacramento County that is either:

- a. a principal business office or workspace; or
- b. a regional, branch, or satellite office with at least one full-time employee.

To qualify as an LBE, firms must meet these two requirements prior to the deadline for submission of bids or proposals. Upon the request of the City, firms shall provide proof of legally operating a location within City limits or the unincorporated County with the following documents:

- Tax returns for the business;
- Utility bill in the name of the business;
- Business license; and/or
- Secretary of State filings.

### Exceptions

The LBE Program does not apply to procurement processes for contracts funded with federal funds, goods or services purchased through cooperative purchase agreements, or contracts entered into in response to a declared emergency.

### **LBE PREFERENCE**

For contracts under \$250,000, firms that qualify as an LBE will receive a 5% preference on all City procurement opportunities. For professional service contracts only, this preference also applies to procurement opportunities of \$250,000 or more.

For contracts to be awarded in response to a solicitation for bids, a bid or quotation submitted by a firm that qualifies as an LBE will receive a 5% bid evaluation preference for the purpose of determining the lowest responsible bidder. This means that, for bid evaluation purposes, the total price bid by an LBE shall be reduced by 5%. However, this reduction only applies for bid evaluation purposes, and the resulting contract or purchase order will reflect the actual amount bid by the LBE.

For contracts awarded in response to a solicitation for proposals or qualifications, a firm that qualifies as an LBE shall receive additional points during the scoring process, so the final score awarded to the LBE is increased by 5% of the total possible evaluation points.

### **LBE PARTICIPATION REQUIREMENT**

For non-professional service, professional service, and public project contracts of \$250,000 or more, a minimum 5% LBE participation level is required. To receive credit for the 5% minimum

participation requirement, bidders must either (a) be an LBE, or (b) subcontract with a qualified LBE.

Under City Code section 3.60.270, when the City establishes a minimum participation level for LBE's on a contract, no contractor shall be considered responsive unless its bid or proposal meets the minimum LBE participation level required.

City may waive or reduce the LBE Participation requirements on some procurement opportunities prior to acceptance of bids or proposals upon authorization from the City Manager or City Manager's designee.

### PARTICIPATION LEVEL REQUIREMENTS

LBE Participation: The percentage of LBE participation is determined based on the dollar value of the work to be performed. LBE credit may be obtained by utilizing LBE qualified subcontractors or suppliers, as outlined below.

Participation Credit: To receive credit for LBE participation:

1. An LBE contractor or subcontractor must: (1) be responsible for the execution of a distinct element of the work; (2) possess any license or certification required for the work; and (3) actually perform, manage, or supervise the work without subcontracting or otherwise shifting any portion of the work to another subcontractor.
2. An LBE supplier must: (1) furnish materials or equipment that the supplier sells as a recurring, although not necessarily primary, part of its business; and (2) the materials or equipment must be necessary for performance of the work.

Suppliers: Credit for an LBE supplier of materials or equipment is counted as 100% of the amount paid to the supplier for the materials or equipment. To receive this credit, LBE Suppliers must be listed on a Subcontractor and LBE Participation Verification Form and submitted with a bid or proposal.

Subcontractors (including Truckers): To receive credit for an LBE subcontractor, the subcontractor must be listed on a Subcontractor and LBE Participation Verification Form and submitted with a bid or proposal.

Truckers: Credit for an LBE trucker is counted as 100% of the amount paid to the trucker for trucking/hauling services, not including any amount paid to the Trucker for the cost of any materials or equipment being transported by the Trucker.

## **LBE REQUIREMENTS FOR CONTRACTOR**

LBE Records: The Contractor shall maintain records of all subcontracts with verified LBE subcontractors and records of materials purchased from verified LBE suppliers for one year after receiving final payment from the City. Such records shall show the name and business address of each LBE subcontractor or supplier and the total dollar amount actually paid to each LBE subcontractor or supplier.

No later than 30 days after completion of the work performed under the contract, a summary of these records shall be prepared, certified correct by the Contractor's authorized representative and furnished to the City. The Contractor shall provide such other information, records, reports, certifications or other documents as may be required by the City, to determine compliance with any provision of the LBE Program or these specifications.

Performance of LBE Subcontractors and Suppliers: The LBE subcontractors and suppliers listed by the Contractor shall perform the work and supply the materials or equipment for which they are listed on the Subcontractor and LBE Participation Verification Form, unless the Contractor has received prior written authorization from the City to perform the work with other forces or to obtain the materials or equipment from other sources. Reasons for requesting such authorization would include:

1. The listed LBE subcontractor or supplier fails to execute a written contract based upon the general terms, conditions, plans, and specifications for the project.
2. The listed LBE subcontractor or supplier becomes bankrupt or insolvent.
3. The listed LBE subcontractor or supplier fails to meet the bond requirements of the Contractor.
4. The work performed or the materials or equipment provided by the listed LBE subcontractor or supplier are unsatisfactory or are not in accordance with the plans and specifications.
5. The listed LBE subcontractor or supplier fails to perform its contractual obligations.
6. It would be in the best interest of the City.

Subcontractor Substitution: No substitution of an LBE subcontractor shall be made at any time without compliance with the Subletting and Subcontracting Fair Practices Act. If an LBE subcontractor is unable to perform successfully and is to be replaced, the Contractor shall make reasonable efforts to replace the original LBE subcontractor with another verified LBE subcontractor. The new LBE subcontractor must be verified at the time of substitution.

Reporting and Utilization Requirements and Sanctions: Failure to provide specific information, records, reports, certifications or any other documents required for compliance with these specifications, or failure to utilize one or more LBE's in substantial compliance with the LBE utilization indicated in the Contractor's bid or proposal (unless otherwise authorized by the City as provided herein, or when such failure results from changes to the work approved by the City), shall be considered a breach of the contract.

A deduction may be made from the contract amount and the deduction shall not be more than 10% of the value of the work or materials or equipment that the subject LBE(s) were listed to perform or provide in the Contractor's bid or proposal. Deduction shall be made from any payment due the Contractor. This is in addition to any deduction that may be made under any other provision of the Contract, the Sacramento City Code, or State law.

Hearing and Review of Division Manager Decision: Prior to making a deduction pursuant to the Reporting and Utilization Section above, the City shall provide written notice of the proposed deduction to the Contractor. The Contractor may, no later than 5 working days after receiving such notice, provide a written request to the City for a hearing to contest the proposed deduction. Upon receipt of a timely written request from the Contractor, the City shall schedule a hearing before the Division Manager (as defined in the City's Standard Specifications for Public Construction), and written notice of the date, time, and location of the hearing shall be provided to the Contractor not less than 5 working days prior to the date of the hearing.

The hearing shall be conducted in the manner specified in Section 4-8 of the Standard Specifications, and the Division Manager shall prepare and forward to the Contractor a written decision as soon as practicable after the hearing. The Division Manager's decision shall be subject to review in accordance with the provisions of Section 4-9 of the Standard Specifications. Failure to request such review in compliance with the requirements set forth in Section 4-9 shall constitute acceptance of the Division Manager's decision by the Contractor.

Written Notices: The written notices and request described above shall be provided by registered or certified mail (return receipt requested), by personal delivery, or by any other method that provides reliable evidence of the date of receipt. Written notice provided by personal delivery shall be deemed received on the date of delivery.

April 28, 2026

Erin Curtis  
Executive Director, California Strategic Council 1400 Tenth Street  
Sacramento, CA 95814

**Q STREET APARTMENTS • AHSC ROUND 10 LOCAL APPROVALS, SITE CONTROL, AND PUBLIC AGENCY COMMITMENT**

Dear Erin Curtis,

The City of Sacramento understands Community Housing Works (CHW) is applying for affordable housing funding for the Florin Family Apartments through Round 10 Affordable Housing and Sustainable Transportation (AHSC) program which also includes funding for Sustainable Transportation Infrastructure (STI). The City has partnered with CHW as a subrecipient in the AHSC application to implement the STI improvements. Should Q Street Apartments be awarded AHSC Round 10 funds, the City will take the required City Council actions to enter into any necessary agreements with HCD for the implementation and delivery of the STI improvements in accordance with AHSC Guidelines.

The City worked with CHW to develop the proposed capital improvements below for the Q Street Apartments and has verified that these STI capital projects are consistent with all applicable local rules, regulations, codes, policies, and plans enforced or implemented by the City. Furthermore, the proposed capital projects have been verified to be located completely within the right of way and owned by the City of Sacramento.

**STI PROJECT #1: Tahoe Park Neighborhood Connections Project**

On 58<sup>th</sup> Street, 8<sup>th</sup> Ave, 11<sup>th</sup> Ave, and San Joaquin Street – Install Class III bikeways. These improvements will connect to the existing Class II bikeway on Redding Avenue, connecting to multiple parks, schools, commercial centers, and transit centers in the area.

8<sup>th</sup> Avenue and 11<sup>th</sup> Avenue currently have missing or non-compliant curb ramps, which will be reconstructed to reconstruct a Safe and Accessible Walkways for pedestrians. This project will upgrade these non-compliant curb ramps for accessibility.

This project is an implementation of the bike and pedestrian improvement on key routes identified in the recently approved Streets for People Neighborhood Connections and Active Transportation Plans in the existing neighborhoods near the Q Street Apartments.

The following is a summary of the project features:

- **Average Daily Traffic:**
  - 1000 (San Joaquin St)
  - 1100 (11<sup>th</sup> Ave)
  - 600 (8<sup>th</sup> Ave)
  - 2500 (58<sup>th</sup> St)
- **Posted Speed Limit:** 25 mph
- **Context Sensitive Bikeway for ADT:** Class III Bikeway
- **Class of Proposed Bikeway:** Class III Bikeway
- **Combined Length of Bike Lanes:** 3.0 miles
- **Measured Length of Safe and Accessible Walkways resulting from AHSC-funded**

**Improvements:** 3200 LF

- **Number of new accessible curb ramps:** 19
- **Number of Restriped Crosswalks:** 4

**STI PROJECT #2: Q Street Sidewalk Project**

On Q Street, between 66<sup>th</sup> Street and Redding Ave – Construct new sidewalk on the southern side of the road, curb and gutter, street lights, and necessary drainage improvements.

In conjunction with STI Project #4, this will create over 1000 feet of new sidewalk, making a direct connection between Redding Ave and the transit center at the intersection of 65<sup>th</sup> Street and Q Street.

The following is a summary of the project features:

- **Average Daily Traffic:**
  - 3000 (Q Street)
- **Posted Speed Limit:** 25 mph
- **Measured Length of Safe and Accessible Walkways resulting from AHSC-funded Improvements:** 526 LF

To demonstrate satisfaction with the STI Past Experience requirements, of delivering pedestrian improvements within the last ten years that are the same type as those being proposed for the Q Street Apartments the following is a description of similar past capital projects the City has recently delivered:

- *West El Camino Rehabilitation Project* – This project improved the condition of West El Camino Avenue from Truxel Road to Northgate Boulevard with Microsurfacing, green bike lane conflict markings, and Class II buffered bike lanes. At the Niños Parkway Trail, pedestrian improvements included two bulb-outs, a pedestrian refuge island, high visibility pavement markings, signage and pedestrian lighting. The project also installed video detection and CCTV at the signalized intersections of Truxel Road, Stone Creek/Seamist Drive, Fairweather Drive, Northview Drive and Northgate Boulevard.
- *34<sup>th</sup> Street Rehabilitation Project* – This project was identified in the Bikeway Master Plan to have Class II Bike Lanes, which were installed on 34<sup>th</sup> Street from 5<sup>th</sup> Avenue to Truckee Way. The improvements also included Microsurfacing, bulb-outs, rectangular rapid flashing beacons, high visibility pavement markings and a curb ramp at 5<sup>th</sup> Avenue and 34<sup>th</sup> Street.

This letter also serves as a commitment to recommend for Council approval of \$150,000 local transportation funding to support the construction of the project, if AHSC funds are granted. Additionally, the City certifies that the proposed bicycle and pedestrian improvements are subject to the City's Local Business Enterprise (LBE) program requirements, details enclosed with this letter. The City commits to selecting contractor(s) to complete these projects in alignment with these standards.

If you have any questions, please contact Adam Randolph, Senior Engineer at (916) 808-7803 or ARandolph@CityofSacramento.org.



Engineering Services Division  
915 I Street, RM 2000  
Sacramento, CA 95814  
Phone: 916-808-8300  
Fax: 916-808-8281

Sincerely,

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Matt Eierman  
Public Works Director  
City of Sacramento

Enclosure: Requirements for the Local Business Enterprise Program

**REQUIREMENTS FOR THE LOCAL BUSINESS ENTERPRISE PROGRAM**  
(LBE Program)

**INTRODUCTION**

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**APPLICATION**

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	Contracts Under \$250,000				Contracts \$250,000 or more			
	Goods	Non-Professional Services	Professional Services	Public Projects	Goods	Non-Professional Services	Professional Services	Public Projects
Apply 5% LBE Preference	YES	YES	YES	YES	NO	NO	YES	NO
Apply 5% Minimum LBE Participation Requirement	NO	NO	NO	NO	NO	YES	YES	YES

**Local Business Enterprise:** A Local Business Enterprise (“LBE”) means a business enterprise, including but not limited to, a sole proprietorship, partnership, limited liability company, corporation, or other business entity that has a “legitimate business presence” within City limits or the unincorporated area of Sacramento County.

A “legitimate business presence” within City limits or the unincorporated area of Sacramento County means:

1. An established business entity operating within the selected areas for at least 12 consecutive months prior to submission of bid; and

2. Legally operating a location in the City or unincorporated area of Sacramento County that is either:

- a. a principal business office or workspace; or
- b. a regional, branch, or satellite office with at least one full-time employee.

To qualify as an LBE, firms must meet these two requirements prior to the deadline for submission of bids or proposals. Upon the request of the City, firms shall provide proof of legally operating a location within City limits or the unincorporated County with the following documents:

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For contracts awarded in response to a solicitation for proposals or qualifications, a firm that qualifies as an LBE shall receive additional points during the scoring process, so the final score awarded to the LBE is increased by 5% of the total possible evaluation points.

### **LBE PARTICIPATION REQUIREMENT**

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participation requirement, bidders must either (a) be an LBE, or (b) subcontract with a qualified LBE.

Under City Code section 3.60.270, when the City establishes a minimum participation level for LBE's on a contract, no contractor shall be considered responsive unless its bid or proposal meets the minimum LBE participation level required.

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### PARTICIPATION LEVEL REQUIREMENTS

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Suppliers: Credit for an LBE supplier of materials or equipment is counted as 100% of the amount paid to the supplier for the materials or equipment. To receive this credit, LBE Suppliers must be listed on a Subcontractor and LBE Participation Verification Form and submitted with a bid or proposal.

Subcontractors (including Truckers): To receive credit for an LBE subcontractor, the subcontractor must be listed on a Subcontractor and LBE Participation Verification Form and submitted with a bid or proposal.

Truckers: Credit for an LBE trucker is counted as 100% of the amount paid to the trucker for trucking/hauling services, not including any amount paid to the Trucker for the cost of any materials or equipment being transported by the Trucker.

## **LBE REQUIREMENTS FOR CONTRACTOR**

LBE Records: The Contractor shall maintain records of all subcontracts with verified LBE subcontractors and records of materials purchased from verified LBE suppliers for one year after receiving final payment from the City. Such records shall show the name and business address of each LBE subcontractor or supplier and the total dollar amount actually paid to each LBE subcontractor or supplier.

No later than 30 days after completion of the work performed under the contract, a summary of these records shall be prepared, certified correct by the Contractor's authorized representative and furnished to the City. The Contractor shall provide such other information, records, reports, certifications or other documents as may be required by the City, to determine compliance with any provision of the LBE Program or these specifications.

Performance of LBE Subcontractors and Suppliers: The LBE subcontractors and suppliers listed by the Contractor shall perform the work and supply the materials or equipment for which they are listed on the Subcontractor and LBE Participation Verification Form, unless the Contractor has received prior written authorization from the City to perform the work with other forces or to obtain the materials or equipment from other sources. Reasons for requesting such authorization would include:

1. The listed LBE subcontractor or supplier fails to execute a written contract based upon the general terms, conditions, plans, and specifications for the project.
2. The listed LBE subcontractor or supplier becomes bankrupt or insolvent.
3. The listed LBE subcontractor or supplier fails to meet the bond requirements of the Contractor.
4. The work performed or the materials or equipment provided by the listed LBE subcontractor or supplier are unsatisfactory or are not in accordance with the plans and specifications.
5. The listed LBE subcontractor or supplier fails to perform its contractual obligations.
6. It would be in the best interest of the City.

Subcontractor Substitution: No substitution of an LBE subcontractor shall be made at any time without compliance with the Subletting and Subcontracting Fair Practices Act. If an LBE subcontractor is unable to perform successfully and is to be replaced, the Contractor shall make reasonable efforts to replace the original LBE subcontractor with another verified LBE subcontractor. The new LBE subcontractor must be verified at the time of substitution.

Reporting and Utilization Requirements and Sanctions: Failure to provide specific information, records, reports, certifications or any other documents required for compliance with these specifications, or failure to utilize one or more LBE's in substantial compliance with the LBE utilization indicated in the Contractor's bid or proposal (unless otherwise authorized by the City as provided herein, or when such failure results from changes to the work approved by the City), shall be considered a breach of the contract.

A deduction may be made from the contract amount and the deduction shall not be more than 10% of the value of the work or materials or equipment that the subject LBE(s) were listed to perform or provide in the Contractor's bid or proposal. Deduction shall be made from any payment due the Contractor. This is in addition to any deduction that may be made under any other provision of the Contract, the Sacramento City Code, or State law.

Hearing and Review of Division Manager Decision: Prior to making a deduction pursuant to the Reporting and Utilization Section above, the City shall provide written notice of the proposed deduction to the Contractor. The Contractor may, no later than 5 working days after receiving such notice, provide a written request to the City for a hearing to contest the proposed deduction. Upon receipt of a timely written request from the Contractor, the City shall schedule a hearing before the Division Manager (as defined in the City's Standard Specifications for Public Construction), and written notice of the date, time, and location of the hearing shall be provided to the Contractor not less than 5 working days prior to the date of the hearing.

The hearing shall be conducted in the manner specified in Section 4-8 of the Standard Specifications, and the Division Manager shall prepare and forward to the Contractor a written decision as soon as practicable after the hearing. The Division Manager's decision shall be subject to review in accordance with the provisions of Section 4-9 of the Standard Specifications. Failure to request such review in compliance with the requirements set forth in Section 4-9 shall constitute acceptance of the Division Manager's decision by the Contractor.

Written Notices: The written notices and request described above shall be provided by registered or certified mail (return receipt requested), by personal delivery, or by any other method that provides reliable evidence of the date of receipt. Written notice provided by personal delivery shall be deemed received on the date of delivery.

April 28, 2026

Lynn von Kock-Liebert  
Executive Director, California Strategic Council 1400 Tenth Street  
Sacramento, CA 95814

**FLORIN FAMILY APARTMENTS • AHSC ROUND 10 LOCAL APPROVALS, SITE CONTROL,  
AND PUBLIC AGENCY COMMITMENT**

Dear Lynn von Kock-Liebert,

The City of Sacramento understands Christian Church Homes is applying for affordable housing funding for the Florin Family Apartments through Round 10 Affordable Housing and Sustainable Transportation (AHSC) program which also includes funding for Sustainable Transportation Infrastructure (STI). The City has partnered with Christian Church Homes as a subrecipient in the AHSC application to implement the STI improvements. Should Florin Family Apartments be awarded AHSC Round 10 funds, the City will take the required City Council actions to enter into any necessary agreements with HCD for the implementation and delivery of the STI improvements in accordance with AHSC Guidelines.

The City worked with Christian Church Homes to develop the proposed capital improvements below for the Florin Family Apartments and has verified that these STI capital projects are consistent with all applicable local rules, regulations, codes, policies, and plans enforced or implemented by the City. Furthermore, the proposed capital projects have been verified to be located completely within the right of way and owned by the City of Sacramento.

**STI PROJECT #1: Florin Road Neighborhood Connections Project**

On Loma Verde Way and Tamoshanter Way – Install Class III bikeways. These improvements will connect to the existing Class II bikeway on Florin Road, the existing Class III bikeways on 68<sup>th</sup> Avenue and Gardendale Road, and the future Class III bikeway on 69<sup>th</sup> Avenue.

Loma Verde Way, 65<sup>th</sup> Avenue, 67<sup>th</sup> Avenue and 29<sup>th</sup> Street currently have non-compliant curb ramps, which will be reconstructed to create new Safe and Accessible Walkways for pedestrians. This project will upgrade these non-compliant curb ramps for accessibility.

This project is an implementation of the bike and pedestrian improvement on key routes identified in the recently approved Streets for People Neighborhood Connections and Active Transportation Plans in the existing neighborhoods near the Florin Family Apartments.

The following is a summary of the project features:

- **Average Daily Traffic:** 1060 (Loma Verde Way, from Meadowvale Avenue to Wood Violet Way)
- **Posted Speed Limit:** 25 mph
- **Context Sensitive Bikeway for ADT:** Class III Bikeway
- **Class of Proposed Bikeway:** Class III Bikeway
- **Combined Length of Bike Lanes:** 2.0 miles
- **Measured Length of Safe and Accessible Walkways resulting from AHSC-funded Improvements:** 7190 LF

To demonstrate satisfaction with the STI Past Experience requirements, of delivering bicycle and pedestrian improvements within the last ten years that are the same type as those being proposed

for the Florin Family Apartments the following is a description of similar past capital projects the City has recently delivered:

- *West El Camino Rehabilitation Project* – This project improved the condition of West El Camino Avenue from Truxel Road to Northgate Boulevard with Microsurfacing, green bike lane conflict markings, and Class II buffered bike lanes. At the Niños Parkway Trail, pedestrian improvements included two bulb-outs, a pedestrian refuge island, high visibility pavement markings, signage and pedestrian lighting. The project also installed video detection and CCTV at the signalized intersections of Truxel Road, Stone Creek/Seamist Drive, Fairweather Drive, Northview Drive and Northgate Boulevard.
- *34<sup>th</sup> Street Rehabilitation Project* – This project was identified in the Bikeway Master Plan to have Class II Bike Lanes, which were installed on 34<sup>th</sup> Street from 5<sup>th</sup> Avenue to Truckee Way. The improvements also included Microsurfacing, bulb-outs, rectangular rapid flashing beacons, high visibility pavement markings and a curb ramp at 5<sup>th</sup> Avenue and 34<sup>th</sup> Street.

This letter also serves as a commitment to recommend for Council approval of \$150,000 local transportation funding to support the construction of the project, if AHSC funds are granted. Additionally, the City certifies that the proposed bicycle and pedestrian improvements are subject to the City's Local Business Enterprise (LBE) program requirements, details enclosed with this letter. The City commits to selecting contractor(s) to complete these projects in alignment with these standards.

If you have any questions, please contact Kelli Lacy, Assistant Civil Engineer at (916) 808-8157 or [KELacy@CityofSacramento.org](mailto:KELacy@CityofSacramento.org).

Sincerely,

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Matt Eierman  
Public Works Director  
City of Sacramento

Enclosure: Requirements for the Local Business Enterprise Program

**REQUIREMENTS FOR THE LOCAL BUSINESS ENTERPRISE PROGRAM**  
(LBE Program)

**INTRODUCTION**

The City of Sacramento has a Local Business Enterprise (LBE) Program to provide enhanced opportunities for local businesses to participate in the City's procurement and contracting activities. The Program began with an LBE Preference for bid and proposal evaluation. The Program was then expanded to require minimum LBE Participation levels in specific contracts.

**APPLICATION**

As summarized in the table below, there are two components to the LBE Program:

1. LBE Preference: For certain contracts, a 5% LBE Preference is applied during the bid evaluation process.
2. LBE Participation Requirement: For certain contracts, a minimum 5% LBE participation level is required for a bidder to be considered responsive.

	Contracts Under \$250,000				Contracts \$250,000 or more			
	Goods	Non-Professional Services	Professional Services	Public Projects	Goods	Non-Professional Services	Professional Services	Public Projects
Apply 5% LBE Preference	YES	YES	YES	YES	NO	NO	YES	NO
Apply 5% Minimum LBE Participation Requirement	NO	NO	NO	NO	NO	YES	YES	YES

Local Business Enterprise: A Local Business Enterprise (“LBE”) means a business enterprise, including but not limited to, a sole proprietorship, partnership, limited liability company, corporation, or other business entity that has a “legitimate business presence” within City limits or the unincorporated area of Sacramento County.

A “legitimate business presence” within City limits or the unincorporated area of Sacramento County means:

1. An established business entity operating within the selected areas for at least 12 consecutive months prior to submission of bid; and

2. Legally operating a location in the City or unincorporated area of Sacramento County that is either:

- a. a principal business office or workspace; or
- b. a regional, branch, or satellite office with at least one full-time employee.

To qualify as an LBE, firms must meet these two requirements prior to the deadline for submission of bids or proposals. Upon the request of the City, firms shall provide proof of legally operating a location within City limits or the unincorporated County with the following documents:

- Tax returns for the business;
- Utility bill in the name of the business;
- Business license; and/or
- Secretary of State filings.

### Exceptions

The LBE Program does not apply to procurement processes for contracts funded with federal funds, goods or services purchased through cooperative purchase agreements, or contracts entered into in response to a declared emergency.

### **LBE PREFERENCE**

For contracts under \$250,000, firms that qualify as an LBE will receive a 5% preference on all City procurement opportunities. For professional service contracts only, this preference also applies to procurement opportunities of \$250,000 or more.

For contracts to be awarded in response to a solicitation for bids, a bid or quotation submitted by a firm that qualifies as an LBE will receive a 5% bid evaluation preference for the purpose of determining the lowest responsible bidder. This means that, for bid evaluation purposes, the total price bid by an LBE shall be reduced by 5%. However, this reduction only applies for bid evaluation purposes, and the resulting contract or purchase order will reflect the actual amount bid by the LBE.

For contracts awarded in response to a solicitation for proposals or qualifications, a firm that qualifies as an LBE shall receive additional points during the scoring process, so the final score awarded to the LBE is increased by 5% of the total possible evaluation points.

### **LBE PARTICIPATION REQUIREMENT**

For non-professional service, professional service, and public project contracts of \$250,000 or more, a minimum 5% LBE participation level is required. To receive credit for the 5% minimum

participation requirement, bidders must either (a) be an LBE, or (b) subcontract with a qualified LBE.

Under City Code section 3.60.270, when the City establishes a minimum participation level for LBE's on a contract, no contractor shall be considered responsive unless its bid or proposal meets the minimum LBE participation level required.

City may waive or reduce the LBE Participation requirements on some procurement opportunities prior to acceptance of bids or proposals upon authorization from the City Manager or City Manager's designee.

### PARTICIPATION LEVEL REQUIREMENTS

LBE Participation: The percentage of LBE participation is determined based on the dollar value of the work to be performed. LBE credit may be obtained by utilizing LBE qualified subcontractors or suppliers, as outlined below.

Participation Credit: To receive credit for LBE participation:

1. An LBE contractor or subcontractor must: (1) be responsible for the execution of a distinct element of the work; (2) possess any license or certification required for the work; and (3) actually perform, manage, or supervise the work without subcontracting or otherwise shifting any portion of the work to another subcontractor.
2. An LBE supplier must: (1) furnish materials or equipment that the supplier sells as a recurring, although not necessarily primary, part of its business; and (2) the materials or equipment must be necessary for performance of the work.

Suppliers: Credit for an LBE supplier of materials or equipment is counted as 100% of the amount paid to the supplier for the materials or equipment. To receive this credit, LBE Suppliers must be listed on a Subcontractor and LBE Participation Verification Form and submitted with a bid or proposal.

Subcontractors (including Truckers): To receive credit for an LBE subcontractor, the subcontractor must be listed on a Subcontractor and LBE Participation Verification Form and submitted with a bid or proposal.

Truckers: Credit for an LBE trucker is counted as 100% of the amount paid to the trucker for trucking/hauling services, not including any amount paid to the Trucker for the cost of any materials or equipment being transported by the Trucker.

## **LBE REQUIREMENTS FOR CONTRACTOR**

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