

File ID: 2026-00570

3/3/2026

2027 Sacramento Housing and Redevelopment Agency (SHRA) One-Year Action Plan Federal Programs Allocation Process Workshop Number One

File ID: 2026-00570

Location: Citywide

Recommendation: Review, comment, and provide direction regarding the Federal Programs Allocation Process Schedule, Eligibility, and Potential Projects.

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Attachments:

- 1-Description/Analysis
- 2-Presentation

Description/Analysis

Issue Detail: Since 1982, the Sacramento Housing and Redevelopment Agency (SHRA) has managed and administered federal housing, public service and community development funds on behalf of the City and County of Sacramento (City and County) and has served as the federal housing and community development staffing entity pursuant to a joint powers agreement between the City and County and their housing authorities.

The Department of Housing and Urban Development (HUD) requires the submission of a Consolidated Plan every five years and One-Year Action Plan annually. The One-Year Action Plan outlines programs, projects, and other actions for multiple federally funded programs, including Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), Emergency Solutions Grant (ESG), and the Housing Opportunities for Persons with AIDS (HOPWA) Program, and is approved by City Council each year.

In October 2025, the Federal Program Entitlement Committee Process was established and identifies a process and schedule to develop the One-Year Action Plan. This process supersedes the One Year

Action Plan Allocation Process approved in May 2019 and expands the consultation opportunities between SHRA and the City departments. The process begins early each year and includes workshops with the City Council, the Sacramento Housing and Redevelopment Commission, and multiple coordination activities with the City Manager and City Departments to identify potential projects and programs for funding. Additionally, the schedule aligns with the development of the City’s annual Capital Improvement Program. This presentation is the initial step in the One-Year Action Plan Allocation process and requests input from the Council related to potential projects.

Policy Considerations: The One-Year Action Plan Allocation Workshop is consistent with the adopted Consolidated Plan, including the Citizen Participation Plan. This Workshop provides transparency to the allocation process.

Economic Impacts: None.

Environmental Considerations: Not applicable.

Sustainability: Not applicable.

Commission/Committee Action: A workshop was held at the Sacramento Housing and Redevelopment Commission (SHRC) meeting of February 18, 2026.

Rationale for Recommendation: Not applicable.

Financial Considerations: Below are the estimated allocations for 2027 for each funding source. The figures are based on previous years’ entitlement allocations.

Revenue Source	2027 Estimated New Allocation
CDBG	\$4,600,000
HOME	\$2,100,000
ESG	\$ 400,000
HOPWA	\$2,100,000
Total	\$9,200,000

LBE - M/WBE and Section 3 requirements: Minority and Women’s Business Enterprise requirements and Section 3 considerations will be applied to all activities to the extent required by the federal funding and in accordance with SHRA’s Section 3 Economic Opportunity Plan.

Background: Since 1982, the Sacramento Housing and Redevelopment Agency (SHRA) has managed and administered federal housing, public service, and community development funds on

behalf of the City and County of Sacramento (City and County) and has served as the federal housing and community development staffing entity pursuant to an agreement between the City and County and its housing authorities. SHRA administers four formula grants on behalf of the City: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Solutions Grant (ESG). The United States Department of Housing and Urban Development (HUD) requires the submission of two documents as part of the formula grant programs. These documents include the Five-Year Consolidated Plan and the annual One-Year Action Plan, which are described below.

Consolidated Plan

A Consolidated Plan is required of any city, county, or state that receives federal block grant dollars for housing and community development funding from HUD. HUD consolidated the planning and application process of formula grant programs in 1995, with the purpose of coordinating program requirements and simplifying the process of requesting and obtaining federal funds. The consolidated planning process is intended to achieve the following:

- Promote citizen participation in the development of local priority needs benefiting low- and moderate-income persons.
- Develop a series of One-Year Action Plans that will be the basis for the assessment of performance.
- Consult with public and private agencies to identify needs and appropriate actions required to address their needs.

The Consolidated Plan identifies the City's housing, public service, and community development needs and describes a long-term strategy to meet those needs. The Consolidated Plan provides the vision, goals, and strategies for the allocation of these federal formula grant funds.

The Consolidated Plan's goals and priorities for the City are developed through an extensive community engagement process and consultation with public agencies in the City. To meet its community's needs, the Consolidated Plan is guided by three overarching goals that are applied according to these needs. The three overarching goals are:

- 1) To provide decent housing by preserving the affordable housing stock, increasing the availability of affordable housing, reducing discriminatory barriers, increasing the supply of supportive housing for those with special needs, and transitioning homeless persons and families into housing.
- 2) To provide a suitable living environment through safer, more livable neighborhoods, greater integration of low- and moderate-income residents throughout Sacramento, increased housing opportunities, and reinvestment in deteriorating neighborhoods.
- 3) To expand economic opportunities through more jobs paying self-sufficient wages, greater homeownership opportunities, development activities that promote long-term community

viability, and the empowerment of low- and moderate-income persons to achieve self-sufficiency.

The City Council adopted the 2025-2029 Consolidated Plan on October 8, 2024.

The One-Year Action Plan, described below, details the specific activities the City of Sacramento and SHRA will undertake to achieve the objectives.

Action Plan

The One-Year Action Plan details the programs, activities, and budgets for the year beginning January 1 through December 31. The Plan describes the resources expected to be available in the coming program year from federal, nonfederal, and private sources. It includes a description of the activities that will be undertaken to meet the specific objectives in the Consolidated Plan. These activities are designed to serve extremely low, low-, and moderate-income residents by funding programs and projects in the following categories: 1) Infrastructure and Public Improvements, 2) Affordable Housing Development, and 3) Public Services. The Action Plan also provides the City with a basis for assessing its progress in meeting the goals of the Consolidated Plan through the Consolidated Annual Performance and Evaluation Reports (CAPER).

The HUD Entitlement Grants covered by the Action Plan (CDBG, HOME, HOPWA, ESG) are described below:

CDBG Program

The CDBG program requires that each activity must meet one of three national objectives: 1) Benefit low and moderate-income persons using one of four subcategories: a) Low and Moderate Income (LMI), Area Benefit in a primarily residential census tract; b) LMI Clientele (homeless, seniors, etc.); c) Housing for LMI residents; d) Jobs for LMI residents; 2) Prevention or elimination of slums or blighted areas; and 3) Urgent Need. Additionally, the activity must also be eligible and generally include the following: public facility/infrastructure improvements; public services; housing development, preservation and homeownership; and planning and environmental studies.

HOME Program

The HOME Program empowers grantees to design and implement affordable housing strategies to respond to locally determined needs. Unlike CDBG, HOME funds can be used for construction of new housing. Additionally, HOME funds are also used for the rehabilitation of existing housing.

ESG program

ESG provides funds for various activities to address homelessness as authorized under the federal Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009. ESG funds may be used for five program components: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and administrative activities. Rapid re-housing services

include housing search and placement, housing stability case management, direct short-term rental assistance, rental application fees, security/utility deposits, and first/last months' rent.

HOPWA

HOPWA provides housing assistance and related supportive services to low-income persons living with HIV/AIDS and their families. These include, but are not limited to, the acquisition, rehabilitation, or new construction of housing units, costs for facility operations, rental assistance, and short-term payments to prevent homelessness. Supportive services can include case management, substance abuse treatment, mental health treatment, nutritional services, job training and placement assistance, and assistance with daily living.

As a HOPWA recipient, SHRA is responsible for serving eligible individuals within the Eligible Metropolitan Statistical Area (EMSA), a metropolitan area with more than 500,000 people and more than 2,000 persons living with HIV or AIDS. The eligible area for HOPWA funds allocated to the City includes Sacramento, Yolo, Placer, and El Dorado counties.

SHRA works with sub-recipients to provide services to HOPWA-eligible clients. In 2026, the service providers included: 1) CARES Community Health (Sacramento), 2) Sunburst (Sacramento), 3) Volunteers of America (Sacramento), 4) Colonia San Martin (Sacramento), 5) Communicare (Yolo County), and 6) Sierra Foothills AIDS Foundation (El Dorado and Placer Counties). These organizations provide services, case management, and emergency shelter to individuals and families.

The Action Plan's key components are outlined below:

Infrastructure and Public Facility Improvements

There is a continuing need in the City for infrastructure and public facility improvements to serve low- and moderate-income residents who reside within older neighborhoods that either have inadequate facilities or where existing facilities are suffering from heavy use or deferred maintenance, leading to disrepair. Capital improvement funding identified in the Action Plan strives for maximum leveraging opportunities in order to provide the greatest impact to residents. Supporting large infrastructure and public facility improvement projects benefiting low- and moderate-income areas is a key objective of the City's CDBG Program. The Action Plan recognizes the limited federal, state, and local funding available for Projects, and strategically focuses funding on fewer, but larger projects in low- and moderate-income neighborhoods. The goal is to create a concentration of activity that generates strategic and visible impacts promoting positive community changes.

The infrastructure and public facility improvement project recommendations are selected through consultation with City staff and are based on the following criteria:

- **Benefits to Low-Income Residents and Neighborhoods** - Eligible projects must be located

in or directly benefit Sacramento's low-and moderate-income residents. At least 51 percent of those residents in the project service area need to be at low-and moderate-income.

- **Project Readiness** - Projects must be able to expend the CDBG funds within twelve to eighteen months, or shortly thereafter. Project readiness is a consideration tracked by the federal government.
- **Priority** - To rate highly in this category, the project must meet a City priority category, such as being listed in an approved project planning guide or meeting a Council or City Manager priority.
- **Leverage/Match for Grant Applications** - Using CDBG as a match for grants increases the impact of these scarce funds. The federal government monitors this consideration.
- **Availability of Other Funding Sources** - While leverage is an important criterion, other City funds may not be available to pay for needed community priorities. CDBG can provide a valuable resource when no other funds are available in low-income communities.
- **Geographic Distribution** - This criterion weighs how well eligible areas of the City are being served by CDBG. Examining the distribution by districts ensures funds are disbursed throughout eligible areas of the City.

Housing

The housing activities outlined in the Action Plan seek to support, increase, and improve the multi-family housing stock, fund minor and emergency repairs to existing single-family homes, and provide decent and affordable housing to low- and moderate-income individuals.

To maximize fair housing choice, affordable housing rehabilitation and new construction are not limited to low- and moderate-income areas and can be developed where it is most appropriate. Guidelines for investing in affordable housing rehabilitation and new construction activities were approved by the City Council separately as part of SHRA's Multi-family Lending and Mortgage Revenue Bond Policies.

Public Services

An overall priority for CDBG is to increase self-sufficiency and economic opportunity for low- and moderate-income residents and individuals with special needs so that they can achieve a reasonable standard of living. The priority in the Consolidated Plan for the utilization of public service funding is to support the provision of vital services to the City's most vulnerable populations, such as providing meals to seniors.

SHRA is part of the Continuum of Care Advisory board and is committed to partnering with Sacramento Steps Forward (SSF), the lead agency for the Continuum of Care (CoC). As such, SHRA continues to participate in discussions about the most effective ways to reach out to homeless individuals and assess their individual needs as part of ongoing coordination efforts. SHRA continues to work with City staff on the most strategic use of federal funding for homeless services, including CDBG and ESG to reflect and complement the broader commitments of the City to prevent and end

homelessness.

Objectives to address homelessness include supporting the continuation of the CoC homeless assistance system for individuals and families through the provision of emergency shelters, rapid re-housing/prevention services, permanent supportive housing services, and supportive services for low - and moderate-income individuals and those with special needs, including the homeless and persons living with HIV/AIDS.

As part of the Action Plan, CDBG and ESG funding is expected to continue for established programs, which include emergency shelters, rapid re-housing, and other actions related to homelessness prevention.

Fair Housing

SHRA, the City and County of Sacramento, and the Cities of Citrus Heights, Elk Grove, Rancho Cordova, and Folsom implement fair housing services through local partnerships. The result is the Renter's Helpline, which serves as a central intake point to provide counseling, dispute resolution, and fair housing services for Sacramento residents in a housing crisis or dispute. Access is through the telephone and the internet. Other components include fair housing education and training for landlords, implicit bias training, and Investigation/Testing/Litigation.

HUD Loan Repayments

A portion of annual CDBG funds is committed to repay HUD Section 108 loan obligations which were originally issued to support past CDBG-eligible development activities and are repaid over time in accordance with HUD-approved commitment schedules. The loans include increasing annual principal payments and a variable interest rate. The current repayment activities are for the Globe Mills and Mirasol Village Projects. The Globe Mills loan is scheduled to be fully repaid in 2026, while the Mirasol Village loan will be repaid through 2039.



CHANGING LIVES.

2027 One-Year Action Plan Allocation City Council Workshop #1

March 3, 2026

CHANGING LIVES.

Federal Grant Requirements

- CDBG, HOME, ESG, HOPWA
- Consolidated Plan (2025-2029)
 - Involved extensive consultation with community, service providers, and other stakeholders to identify community needs
 - Provides a strategy to meet those needs over 5 years
- Action Plan
 - Annually
 - Identifies specific activities that will be undertaken to meet objectives in Consolidated Plan

Con Plan Objectives

Affordable Housing

- Multifamily Rehabilitation

- Emergency Repair Program

- Connection to wraparound services

- Permanent Housing

Public Facilities/Infrastructure improvements

- Community Centers, Parks, Libraries

- Pedestrian, Bicycle, and Transit Improvements

- Vacant lot environmental remediation

Public Services

- Senior Services (Meals on Wheels)

- Emergency shelters

- Prevention and Rapid Rehousing

Fair Housing

CDBG Requirements: Must Meet a National Objective

- Low and moderate-income area benefit
 - Primarily residential and at least 51% l/m income
- Low and moderate-income limited clientele
 - Individuals/households at or below 80% Area Median Income
- Low and moderate-income housing
 - Individuals/households at or below 80% Area Median Income

CDBG: Major Eligible Activities

- Public Facility/Infrastructure Improvements
- Public Services
- Acquisition
- Clearance and Remediation Activities
- Homeownership Assistance
- Planning and Administration
- Environmental Studies

Major Ineligible Activities

- General government buildings and expenses
- Operating and maintenance expenses (non-public services)
- Purchase of equipment and furnishings
- New housing construction
- Political and religious activities
- Supplanting of funds
- Regional Parks and facilities

Federal Programs - 2027 Estimated Entitlement

Funding	Estimate
CDBG	\$ 4,600,000
HOME	\$ 2,100,000
ESG	\$ 400,000
HOPWA	\$ 2,100,000
Total	\$ 9,200,000

CDBG 2027 Estimated Allocations

CDBG Activity	Total
Infrastructure and Public Facility Improvements	\$1,000,000
Housing Development, Preservation & Homeownership	\$690,000
Public Services (max 15% of entitlement)	\$690,000
Grant Planning and Administration (max 20% of entitlement)	\$920,000
HUD Loan Repayments	\$1,200,000
Capital Reserve	\$100,000
Total	\$4,600,000

2022 - 2026 Approved CDBG Projects

Activity Name	2022	2023	2024	2025	2026	District	Amount
North Pointe Park Improvements: <i>Construction</i>			X			1	\$ 300,000
						Total	\$ 300,000
Del Paso Blvd. Road Diet: <i>Design (2020: \$100k) & Construction (2021: \$400k)</i>						2	\$ 500,000
Mama Marks Park: <i>Construction (2022: \$600k, 2024: \$200k)</i>	X		X			2	\$ 800,000
Woodlake Park: <i>Design</i>	X					2	\$ 80,000
Northwood School Access Improvements: <i>Construction</i>		X				2	\$ 700,000
Babcock School Park Master Plan (<i>Postponed</i>)		X				2	\$ 40,000
Robla Park Restroom: <i>Design and Construction</i>				X	X	2	\$ 780,000
						Total	\$ 2,900,000
Northgate Blvd Signal Improvements: <i>Construction</i>	X					3	\$ 500,000
Thelma and Hawk Park: <i>Master Plan</i>	X					3	\$ 25,000
Ninos Park Recreation Improvements: <i>Construction</i>			X			3	\$ 200,000
Ninos Park Playground Improvements: <i>Design and Construction</i>		X		X		3	\$ 500,000
						Total	\$ 1,225,000

2022 – 2026 Approved CDBG Projects

Activity Name	2022	2023	2024	2025	2026	District	Amount
O'Neil Field ADA Compliant Restroom: <i>Design (2021:\$80,000) & Construction (2022:\$450k)</i>	X					4	\$ 530,000
Broadway Complete Street: <i>Engineering (2020:\$250k) Construction (2023:\$300k) (previously D4 & 5)</i>		X				4 & 7	\$ 550,000
Chinatown Plaza Light Study	X					4	\$ 50,000
Dos Rios Site Remediation				X		4	\$ 75,000
Mirasol Village Early Childhood Center				X		4	\$ 100,000
						Total	\$ 1,305,000
Mangan Park Improvements: <i>Design (2021:\$80k) & construction (2022:\$350k, 2023 budget amendment:\$100k)</i>	X	X				5	\$ 530,000
Mangan Park Walkways: <i>Design and Construction</i>					X		\$ 150,000
Franklin Boulevard Complete Streets: <i>Design (2021:\$250k) Construction (2024: \$250k)</i>			X			5	\$ 500,000
Chorley Park: <i>Design & construction</i>	X					5	\$ 250,000
Tree Nursery: <i>Design & construction</i>	X					5	\$ 50,000
Envision in Broadway Oak Park: <i>Design & engineering</i>			X			5	\$ 150,000
Argonaut Park ADA Walkways: <i>Design & Construction</i>				X		5	\$ 150,000
						Total	\$ 1,780,000

2022 - 2026 Approved CDBG Projects

Activity Name	2022	2023	2024	2025	2026	District	Amount
Nunn Park: <i>Design & construction</i>	X					6	\$ 250,000
Camellia Park: <i>Design</i>	X					6	\$ 150,000
21st Avenue Park: <i>Develop Master Plan</i>	X					6	\$ 50,000
Fruitridge Road Complete Streets: <i>Design, engineering, and construction</i>			X			6	\$ 300,000
Earl Warren Park Restroom: <i>Design and Construction</i>				X	X	6	\$ 530,000
						Total	\$ 1,280,000
Broadway Complete Street: <i>Engineering (2020:\$250k) Construction (2023:\$300k) (previously D4 & 5)</i>		X				4 & 7	\$ 550,000
						Total	\$ 550,000
24th St Bypass Park Fitness Equipment: <i>Design & Construction</i>				X		8	\$ 200,000
Wood Park: <i>Design and constructions (2022: \$80k, 2024:\$450k)</i>	X		X			8	\$ 530,000
						Total	\$ 730,000

Action Plan/Con Plan Process

Month	Action	Departments
January	SHRA request convening with City	City/SHRA
March	Action Plan Workshop #1	City/SHRA
Mar.-May	Action Plan Meetings	City/SHRA
June	AP Workshop #2	City/SHRA
June-Aug.	Action Plan Meetings	City/SHRA
August	Action Plan Budget Complete	SHRA
August-Oct.	Action Plan finalization	SHRA
October	Action Plan at SHRC/CC	SHRA
November	Submit Action Plan to HUD	SHRA