

## **RESOLUTION 2026-0037**

Adopted by the Sacramento City Council

February 10, 2026

### **A Resolution of the City Council of the City Of Sacramento Approving the Close Out of 2020 Community Development Block Grant Program – Coronavirus Response (CDBG-CV) for Funds Allocated to the La Mancha Project**

#### **BACKGROUND**

- A. The State Department of Housing and Community Development (HCD) awarded Community Development Block Grant – Corona Virus (CDBG-CV) funds in the amount \$1.75 million to the Sacramento Housing and Redevelopment Agency (SHRA) for the La Mancha Project (Project) located at 7789 La Mancha Way. The initial Project was completed using Homekey funds in 2022 and provides 100 units of permanent supportive housing to formerly homeless individuals and families. The \$1.75 million in CDBG-CV funds were used for construction of an expanded community room with a covered entry, installation of covered outdoor gathering space, upgrades to the existing front/pedestrian gate, and painting the exterior of the building.
- B. After receiving notification from HCD, SHRA submitted an addendum to the application and was awarded an additional \$437,500 in CDBG-CV funds for the Project for a total allocation of \$2,187,000. These funds were used to convert existing water heaters to heat pumps to reduce operating costs by lowering the utility bills and help the long-term viability of the Project. The improvements were completed in December of 2025.
- C. HCD requires that grant closeout take place within ninety (90) days of the expiration of the CDBG-CV agreement which occurred on December 25, 2025. Required elements of CDBG-CV close out include a public notice, conducting a closeout hearing, adopting a hearing resolution, and submission of a final report to HCD. A notice was published on January 26, 2026. Conducting the public hearing and approval of this resolution will fulfill two of the remaining requirements. SHRA staff will submit the final report to HCD no later than March 25, 2026 to complete the grant closing process.
- D. Pursuant to Cal. Code Regs., tit.14, section 15268, and Assembly Bill 83 codified in Health and Safety Code section 50675.1.2, the La Mancha project was statutorily exempt from CEQA review. The recommended action constitutes an administrative activity and is not a “project” under section 15378(b)(2).

- E. Pursuant to 24 C.F.R. section 58.40(g)(1), an Environmental Assessment was completed for the La Mancha project with a Finding of No Significant Impact in 2020, and the project was re-evaluated in 2021 due to a change in scope and additional funding. In accordance with 24 C.F.R. section 58.47(b), the re-evaluation resulted in no changes to the original findings and authorization to close out funding is considered an administrative and management activity exempt from NEPA review.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

**SECTION 1.**

The City Council has reviewed and hereby approves the closeout to the State of California CDBG-CV grant. List of funded activities include improvements to the La Mancha Project located at 7789 La Mancha Ave. which include construction of an expanded community room with a covered entry, installation of covered outdoor gathering space, upgrades to the existing front/pedestrian gate, painting the exterior of the building construction of new community room and conversion of existing water heaters to heat pumps for a total CDBG-CV allocation of \$2,187,000.

**SECTION 2.**

The City of Sacramento acknowledges compliance with all state and federal public participation requirements in the closeout process.

**SECTION 3.**

The City of Sacramento hereby authorizes and directs the Sacramento Housing and Redevelopment Agency (SHRA) to execute and deliver all necessary forms to HCD in all matters pertaining to the CDBG-CV fund close out process.

Adopted by the City of Sacramento City Council on February 10, 2026, by the following vote:

Ayes: Members Dickinson, Guerra, Jennings, Kaplan, Maple, Vang, and Mayor McCarty

Noes: None

Abstain: None

Absent: Members Pluckebaum and Talamantes

Attest:  02/20/2026

Mindy Cuppy, City Clerk

*The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.*