

## Supplemental Budget Information – Item 12

### **Question:**

How has the City of Sacramento’s Department of Community Response (DCR) funded its homelessness programs and what are the specific funding sources?

### **Response:**

For the past several years, DCR has primarily used three sources to fund its comprehensive response to the homelessness crisis: 1) The State of California’s Homeless Housing, Assistance and Prevention (HHAP) Grant Program, which makes grant allocations to cities, counties, and continuums of care with flexible funding to prevent and end homelessness in their regions; 2) the City of Sacramento’s General Fund (General and Measure U funds combined); and 3) other funding sources that have included American Rescue Plan Act (ARPA) funding, State of California’s Encampment Resolution Funding (ERF), State of California’s Whole Person Care (WPC) funding residuals, and operational savings.

DCR must apply and compete with other jurisdictions to receive HHAP and ERF grants. Both HHAP and ERF grants have specific requirements for how the funding may be used, such as funded programs must be Housing First compliant. In addition, both HHAP and ERF grants have specific timelines for when the funding must be allocated and expended.

As State homelessness grant funds have decreased in recent budget cycles, DCR has relied more heavily on General Fund contributions for its program funding, which includes shelter operations, outreach, street cleanup, and support of the Coordinated Access System. In Fiscal Year 2025/26, DCR’s total program funding was \$48.2 million, with \$35.3 million – or 73% – coming from the General Fund. In Fiscal Year 2024/25, General Fund contributions represented 43% of DCR’s program funding. In FY 2023/24, General Fund contribution represented 29% of DCR’s program funding.

The charts below illustrate the funding sources for DCR’s annual program budget as well as funding and other information for individual DCR programs.

**DCR Annual Program Budget** (in thousands)

Funding Source	FY2023/24	FY2024/25	FY2025/26	FY2026/27 Proposed	FY2027/28 Forecast	FY2028/29 Forecast
State HHAP	19,833	24,689	12,896	3,500	11,100	-
Other Funding (ARPA, ERF, WPC, Savings, etc.)	10,084	1,727	-	2,297	-	-
City General Fund	12,456	19,581	35,304	33,624	30,194	41,701
<b>Total</b>	<b>42,373</b>	<b>45,997</b>	<b>48,200</b>	<b>39,421</b>	<b>41,294</b>	<b>41,701</b>

**DCR Annual Program Budget Detail** (budget and costs in thousands)

Program Name	Supplier Name	Fund	FY26 Budget	FY27 Proposed Budget	Estimated Capital Costs*	# of Beds	# of Participants (CY 2025)
Meadowview Navigation Center	VOA	HHAP	4,839	2,738	N/A	100	500
X Street Navigation Center	VOA	HHAP	4,628	0	N/A	100	354
North 5th Street Navigation	The Gathering Inn	HHAP	3,428	762	N/A	163	848
<b>HHAP Subtotal</b>			<b>12,896</b>	<b>3,500</b>	<b>0</b>		

Roseville Road Campus North	The Gathering Inn	ERF	0	2,297	N/A	135	0
<b>ERF Subtotal</b>			<b>0</b>	<b>2,297</b>	<b>0</b>		

City Motel Program/Emergency	Motel Sites and Step Up	GF	7,858	4,694	N/A	615	1,448
Roseville Road Campus North	The Gathering Inn	GF	4,377	1,449	N/A	N/A**	N/A**
Citywide Cleanup Services	FS Global	GF	4,234	6,225	N/A	N/A	N/A
Emergency Bridge Housing at the	SHRA	GF	3,615	1,875	N/A	50	208
Outreach and Engagement Center	Hope Cooperative	GF	3,145	3,145	N/A	75	887
Roseville Road Campus South	First Step Communities	GF	3,059	2,783	N/A	96	237
Outreach & Mental Health Services	Hope Cooperative	GF	1,345	0	N/A	N/A	1,848
Case Carrying Outreach	Step Up on Second Street	GF	1,188	1,188	N/A	N/A	416
Women and Family Shelter	Saint John's Program	GF	1,183	1,005	N/A	44	295
Coordinated Access System	Sacramento Steps	GF	1,000	600	N/A	N/A	N/A
PW Homeless Mitigation	Public Works	GF	983	973	N/A	N/A	N/A
Sacramento LGBT Community	Sacramento LGBT	GF	756	536	N/A	14	89
The Village Shelter	Waking the Village	GF	683	493	N/A	15	57
Wind Youth Services Common	Wind Youth Services	GF	617	610	N/A	20	138
Disposal Services	FS Global	GF	593	500	N/A	N/A	N/A
Women and Family Shelter	WEAVE, Inc	GF	575	488	N/A	20	79
Sacramento LGBT Community	Sacramento LGBT	GF	81	81	N/A	6	10
North 5th Street Navigation	The Gathering Inn	GF	13	1,980	N/A	N/A**	N/A**
Micro Community Operations (2)	TBD	GF	0	1,500	7,400	80	N/A
Safe Camping Operations (1)	TBD	GF	0	1,500	2,500	100	N/A
Safe Parking Operations (1)	TBD	GF	0	1,500	500	60	N/A
City Shelter Utility and Maintenance	DCR	GF	0	500	N/A	N/A	N/A
<b>GF Subtotal</b>			<b>35,304</b>	<b>33,624</b>	<b>10,400</b>		
<b>Total</b>			<b>48,200</b>	<b>39,421</b>	<b>10,400</b>	<b>1,693</b>	<b>7,414</b>

\* Estimated capital costs are separate from program budget and funded through a CIP.

\*\* Number of beds and participants already included for this program.

GF is combined General Fund and Measure U Fund

**Question:**

How has the City of Sacramento's Homeless Housing, Assistance and Prevention (HHAP) Grant Program funding been utilized?

**Response:**

Beginning in 2020, the City of Sacramento has participated in all six rounds of the State's HHAP Grant Program and has been awarded a total of \$104.8 million, which has largely been used to fund City shelter operations (funding to DCR) and permanent supportive housing (funding to Office of Innovation and Economic Development). Program allocation for each round of HHAP funding is below. City staff provide monthly HHAP fiscal reports to the State covering obligations and expenditures by HHAP round. The State's HHAP Fiscal Data Dashboard can be found at <https://www.hcd.ca.gov/housing-open-data-tools/hhap-dashboard>.

**City of Sacramento HHAP Utilization**

(in thousands)

	HHAP-1	HHAP-2	HHAP-3	HHAP-4	HHAP-5	HHAP-6	Total
<b>Total HHAP Awarded to City</b>	13,655	6,455	16,684	24,791	27,053	16,121	<b>104,759</b>

<b>City HHAP Expended and Obligated</b>	HHAP-1	HHAP-2	HHAP-3	HHAP-4	HHAP-5	HHAP-6	Total
Meadowview Navigation Center	6,147	356	3,579	2,232	2,422	2,193	16,929
City Motel Program	0	0	3,986	5,896	5,844	0	15,727
Emergency Bridge Housing at Grove Ave	5,596	114	3,603	538	2,705	316	12,873
North 5th Street Navigation Center	0	0	3,884	4,331	4,189	0	12,404
X Street Navigation Center	819	0	0	4,628	4,229	2,111	11,788
PSH- Bridge Housing (440 Arden Way)	0	3,457	0	0	0	0	3,457
PSH- Roadway Inn (25 Howe Ave)	0	0	0	3,223	0	0	3,223
Sac LGBT STEP	258	303	396	1,513	0	0	2,470
PSH- La Mancha (7789 La Mancha Way)	0	2,030	0	0	0	0	2,030
Waking the Village	164	0	440	534	0	0	1,138
City Administrative Costs	0	0	304	386	0	0	690
System Support CAS	0	0	0	0	600	0	600
Wind Youth Services	169	0	413	0	0	0	581
Street Outreach	0	0	0	0	500	0	500
Sac LGBT TLP	185	0	79	161	0	0	426
Sac LGBT Host Homes	317	99	0	0	0	0	416
PSH- Monarch Project (805 R St)	0	0	0	300	0	0	300
System Support RCHAP	0	95	0	0	0	0	95
<b>Total Expended and Obligated</b>	<b>13,655</b>	<b>6,455</b>	<b>16,684</b>	<b>23,742</b>	<b>20,489</b>	<b>4,620</b>	<b>85,645</b>

<b>City HHAP Funding Remaining</b>	HHAP-1	HHAP-2	HHAP-3	HHAP-4	HHAP-5	HHAP-6	Total
Shelter	0	0	0	0	0	6,915	6,915
PSH	0	0	0	1,049	2,000	2,000	5,049
City Administrative Costs	0	0	0	0	1,894	1,128	3,022
Prevention	0	0	0	0	2,000	0	2,000
Youth Shelter	0	0	0	0	0	1,296	1,296
System Support HMIS	0	0	0	0	271	161	432
System Support CAS	0	0	0	0	400	0	400
<b>Total Remaining</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,049*</b>	<b>6,564*</b>	<b>11,501**</b>	<b>19,114</b>

\*The remaining \$1M of HHAP-4, and \$2M of the remaining HHAP-5 is committed by Council resolution to the Rio Linda Homekey+ project.

\*\*Of the \$11.5M remaining, \$8.2M is available for the City's sheltering/homelessness services costs as \$2.0M must go to Permanent Supportive Housing, \$1.1M is covering administrative costs, and \$0.2M is supporting the Homelessness Management Information System. Of the \$8.2M remaining, in the Proposed Budget \$3.5M will support FY2026/27 costs and \$4.7M will support FY2027/28 costs.