



UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PY 2026-2027 ANNUAL ACTION PLAN

June 2, 2026 City Council

Community Development Department

Orlando Reyes, Assistant Director

Executive Summary

Housing and Urban Development (HUD) Annual Action Plan (AAP)

- Second Program Year (PY) of 2025-2029 Consolidated Plan
- Describes Planned Activities and Funding Amounts
- Strategic Plan for use of:
 - Community Development Block Grant (CDBG) Program
 - HOME Investment Partnership (HOME) Program
 - Emergency Solutions Grant (ESG) Program

Timeline

- Start of Public Comment Period May 2, 2026
- Housing and Land Use Committee
(canceled due to lack of quorum) May 21, 2026
- End of Public Comment Period June 2, 2026
- City Council Public Hearing June 2, 2026
- HUD AAP Submission Deadline June 4, 2026

Annual Action Plan PY 2026-27

Funding Source	Amount		
	CDBG	HOME	ESG
PY 26-27 Allocation	\$2,196,140	\$844,248	\$191,548
PY 26-27 Estimated Program Income	\$37,000	\$40,000	\$0
Total	\$2,233,140	\$884,248	\$191,548

CDBG Funding Recommendations PY 2026-27

Agency	Project/Activity	Amount
City of Salinas	Program Administration (20%)	\$446,628
City of Salinas – Public Works	Chinatown Neighborhood Improvements (CIP 9070)	\$220,000*
City of Salinas – Library and Community Services	Playground Equipment Replacement	\$366,512*
City of Salinas/Habitat for Humanity	Housing Rehabilitation	\$440,000*
City of Salinas – Public Works	Alisal Neighborhood Revitalization Strategy Area Sidewalk Improvements (Including Streetlights)	\$460,000*
Eden Council for Hope and Opportunity	Housing Rights and Tenant/Landlord Services	\$100,000
City of Salinas	Salinas Outreach and Response Team	\$200,000
*Recommendation includes Activity Delivery	Total Funding Recommendations	\$2,233,140

HOME Funding Recommendations PY 2026-27

Agency	Program	Amount
City of Salinas	Program Administration (10%)	\$88,425
Future Agency to be Determined	Affordable Housing Developments	\$669,185*
Future Agency to be Determined	Future CHDO Activity	\$126,638
<i>*Recommendation includes Activity Delivery</i>	Total Funding Recommendations	\$884,248

ESG Funding Recommendations PY 2026-27

Agency	Activity	Amount
City of Salinas	Program Administration (7.5%)	\$14,366
City of Salinas - Salinas Outreach and Response Team	SORT Rapid Rehousing Program	\$177,182
	Total	\$191,548

Strategic Plan 2025-2028

The receipt and administration of HUD funding supports the following City Council strategic goals:

- Economic Development
- Housing
- Infrastructure
- Public Safety

CEQA/NEPA CONSIDERATION

The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) per Guidelines Section 15378. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability. Projects and activities funded with HUD funds will be subject to NEPA.

FISCAL AND SUSTAINABILITY IMPACT:

There is no General Fund impact associated with this agenda item as available City of Salinas HUD entitlement funds will be used to support these allowable projects.

Recommendation

It is recommended that the City Council approve a Resolution:

- approving the City of Salinas' United States Department of Housing and Urban Development (HUD) Fiscal Year (PY) 2026-2027 Annual Action Plan (AAP) and its submittal to HUD; and
- authorizing the City Manager to incorporate any necessary modifications based upon community feedback and final HUD allocation prior to submissions to HUD; and
- authorizing the Mayor, or designee, for and on behalf of the City, to execute any related agreements, contracts, certifications, and amendments related to the funding allocations set forth in the PY 2026-2027 AAP; and
- authorizing the appropriation of HUD funds to projects and activities described in the PY 2026-2027 AAP.



Questions?

*For more information, contact the Housing Division
(831) 758-7334*

<https://www.cityofsalinas.org/Your-Government/Departments/Community-Development>