

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

As a recipient of federal funds that assist low-income populations, the City of Chico is required to prepare and adopt an Annual Action Plan that lays out how it will implement the Consolidated Plan goals through more specific Projects and Activities. The 2025-2029 HUD Consolidated Plan was adopted June 2025, and goals and funding priorities were established that aimed to address the greatest needs of the City's low-income residents. The City's two relevant federal grant sources are the Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME). Federal regulations govern how the City must plan, utilize, evaluate, and report on these two grant funding sources each year. The Annual Plan also serves as the City's annual application to the federal government to outline the use of CDBG & HOME funds. The 2026-27 Annual Plan will cover the period from July 1, 2026 through June 30, 2027. Each year, the City also produces Consolidated Annual Performance Evaluation Reports (CAPERs) in September that measure annual progress in meeting five-year and one-year goals and projected outcomes.

HUD uses the following definitions for income categories in the CDBG and HOME programs:

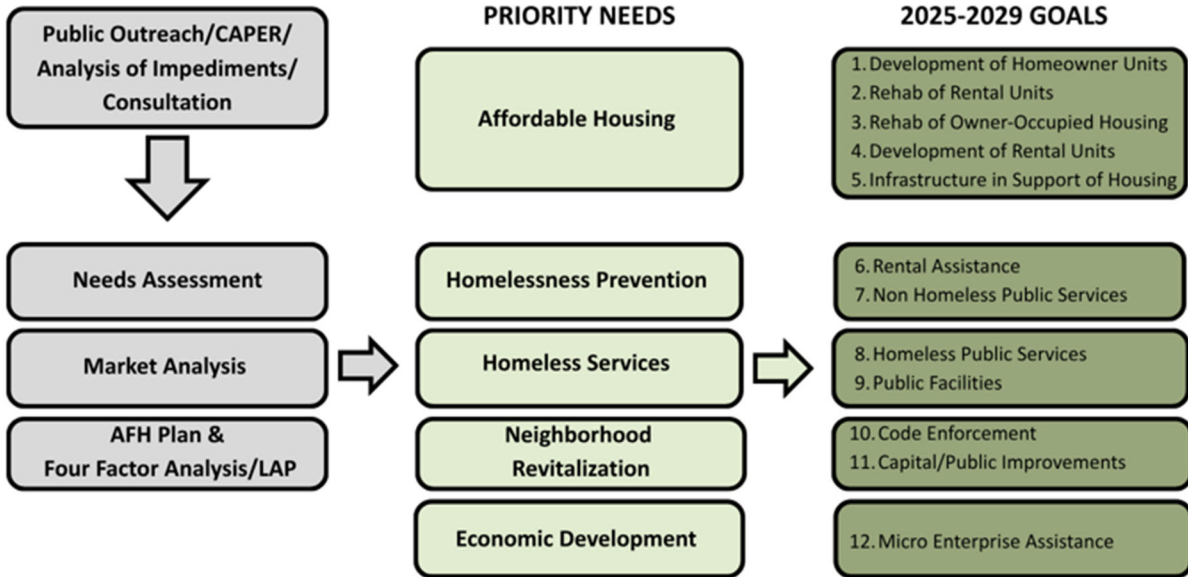
- Moderate Income- does not exceed 80% of Area Median Income (AMI) (Example: less than \$75,100 for a family of four in 2024).
- Low Income- does not exceed 50% of Area Median Income (AMI) (Example: less than \$46,950 for a family of four in 2024).
- Extremely Low Income- less than or equal to 30% of Area Median Income (AMI) (Example: less than \$32,150 for a family of four in 2024).

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

Graphic below outlines objectives and outcomes identified in the Plan.

City of Chico Annual Action Plan



3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Over the last several years, Chico has continued to respond to the ongoing challenges of the economy and the effects it has had on labor, supply and demand, and housing. Chico’s housing demand was exacerbated by the 2018 Camp Fire Disaster, and the need for affordable housing continues to be a need and priority. Below is an overview of the City’s efforts in carrying out the fifth and final year of the previous, 2020-2024 Consolidated Plan. This evaluation is for program year July 1, 2024 to June 30, 2025. These efforts have also been described in each of the City’s annual CAPER reports that are submitted to HUD annually in September.

A. Priority Area: Affordable Housing

- Development of homeowner units Habitat Wisconsin: City committed CDBG and HOME funding for the development of five self-help homes (that includes one detached ADU), including the infrastructure and site improvements on land formally owned by the City of Chico. Site construction began in the Spring of 2025.

- Development of multi-family units The Foundation (1297 Park Ave): The City provided HOME and CDBG loans for the pre-construction and construction of 59 units (including one manager unit) for The Foundation. Of the total units, 43 of the units are supported with project-based Section 8 vouchers and 27 of the units are reserved for individuals with special needs. Construction was completed in July 2024 and leasing was completed in August 2024.
- Rehabilitation of owner-occupied units Housing rehabilitation program grant funds were provided to facilitate connection of owner-occupied houses to city sewer for one low-income homeowner living within the State-mandated Nitrate Compliance Area (NCA).

B. Priority Area: Homeless Prevention

- Rental Assistance: Through a partnership with the Housing Authority of the County of Butte (HACB) and participating social service providers, 12 households achieved housing stability through subsidies provided by the HOME-funded Tenant Based Rental Assistance (TBRA) program.
- Non-Homeless Public Services (Senior/Disabled Services; Youth/Childcare Service): Public Service funding was provided to Chico Meals on Wheels to provide in-home meals to elderly and disabled homebound adults, as well as the Peg Taylor Center to provide adult day health care and services to adults, all of whom are disabled. In total 348 people were served through these two programs during the program year.

C. Priority Area: Homeless Services

- Fund Homeless Public Services: City funding contributed to the prevention of homelessness and solutions to homelessness by supporting emergency shelters and related services for 729 individuals through the following programs:
 - Catalyst Domestic Violence Services through its HAVEN shelter – 72 individuals
 - True North Housing Alliance at the Torres Emergency Shelter – 575 individuals
 - Chico Housing Action Team (CHAT) through the Harmony at Home program – 20 individuals
 - Community Action Agency at the Esplanade House – 62 individuals

D. Priority Area: Neighborhood Revitalization

- Code Enforcement: to address deteriorating conditions in housing units and the community Neighborhood revitalization was achieved through CDBG-funded code enforcement in those areas of the City where at least 51% of the residents are low-moderate income. Together with other city improvements and services, code enforcement is anticipated to mitigate the decline and support neighborhood improvement in those areas. A total of 775 code enforcement cases were assisted through CDBG during the last planning period.

E. Priority Area: Economic Development

- Micro-enterprise assistance: CDBG funding was provided for micro-enterprise counseling through the Small Business Development Center (SBDC) at Butte Community College. The program continued to exceed its goals and successfully provided counseling to 268 businesses.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

Citizen participation for this plan was encouraged through email distributions, noticing in the local daily newspaper, on the City's website, and during community and public meetings. During the development of the Annual Action Plan, the City held a public meeting on January 22, 2026. Unfortunately, no citizens attended this community meeting. A Council appointed Citizen Advisory Committee was utilized to evaluate and make recommendations for CDBG Public Service funding. This committee held two public meetings to discuss the grant applications and funding recommendations. Two public hearings of the City Council were conducted in April and May and the draft Annual Action Plan was available for a 30-day comment period online from April 10 to May 19. A more detailed schedule is included in Table 4.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

City staff received an email from a community member on April 21, 2026. The email was sent to the City Clerk's office and shared with Housing Staff, as well as the seven City Council members. The email is included below, not including the individual's personal information (address and phone number).

Dear Council Members,

I am writing to urge you to move forward with submitting the required Annual Action Plan (AAP) for the City of Chico's Community Development Block Grant (CDBG) and HOME Investment Partnerships Program funding for the 2026–2027 cycle.

As an entitlement grantee, Chico's ability to receive these federal funds depends on timely compliance with HUD's planning and administrative requirements. The Annual Action Plan is a critical step in ensuring that these resources are available to support housing, community development, and services that directly benefit our residents.

Beyond compliance, this is an opportunity to invest intentionally in the future of Chico. Our downtown should be a destination—vibrant, welcoming, and economically active—not simply a thoroughfare people pass through. Strategic use of CDBG and HOME funds can help revitalize key areas, support housing stability, and enhance the overall quality of life in our community.

Submitting the appropriate paperwork is not just a procedural necessity; it is the right thing to do for Chico's continued growth and well-being.

Thank you for your time and consideration.

Sincerely,

Hope Shapiro

During the draft AAP presentation on April 21st, one community member provided public comment in support of the plan. The meeting agenda and recording can be found here: https://chico-ca.granicus.com/player/clip/1302?view_id=2&meta_id=102632&redirect=true. The public comment began at 18:10.

6. Summary of comments or views not accepted and the reasons for not accepting them

TBD.

7. Summary

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	CHICO	Community Development
HOME Administrator	CHICO	Community Development

Table 1 – Responsible Agencies

Narrative (optional)

Consolidated Plan/Annual Plan Public Contact Information

MaryJo Alonzo, Housing Program Manager
City of Chico - Community Development Department-Housing
p. (530) 879-6302, maryjo.alonzo@chicoca.gov

AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City of Chico has been closely involved in the Butte CoC’s establishment and development for many years. The City of Chico helps fund the operation of the Butte CoC, and its Housing Program Manager sits on the Butte CoC Council, which is the governance and decision-making body of the Butte CoC. The City’s Assistant City Manager is also an appointed member of the CoC Council (as a representative for the City Council). Whenever possible, the City’s HUD-funded projects and programs are coordinated with the Butte CoC. Some of the CoC grantees have received funding and support from the City of Chico, including the Torres Shelter (emergency shelter), the Esplanade House (transitional housing), Valley View Apartments (permanent supportive housing), Creekside Place Senior Apartments (15 units set-aside for homeless persons with mental health diagnoses), and recently the City’s Pallet Shelter (“Genesis”) providing emergency shelter. The Butte CoC is in the process of updating the 10-Year Strategy to End Homelessness, which kicked off updates in 2025. The updated planning process will build off the City supporting the progress on some of key goals in the plan, including the establishment of a local housing trust fund, and development of a supportive housing project for persons with mental disabilities. Additional efforts by local agencies include reducing barriers to emergency shelter.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City of Chico’s Housing Program Manager is a member of the Butte CoC Council, which prioritizes the use of ESG funds, develops performance standards, evaluates outcomes, and directs administration of the Homeless Management Information System and the Coordinated Assessment process. The City of Chico regularly participates in Butte CoC meetings, and reviews Butte CoC plans and policies. The Housing Manager also participates in the CoC Governance Committee and regularly participates in the ESG grant review and recommendation process.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

(following page)

1	Agency/Group/Organization	Butte Countywide Homeless Continuum of Care
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Butte Countywide Homeless Continuum of Care was consulted to understand the needs of homeless community members. This included an understanding of the challenges faced by persons who are extremely low or very low-income and those who have been chronically homeless in both finding and sustaining housing. This will help inform how the City may approach future affordable housing development and also address housing quality of existing units.
2	Agency/Group/Organization	CATALYST DOMESTIC VIOLENCE SERVICES
	Agency/Group/Organization Type	Services-Victims of Domestic Violence
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Catalyst was consulted to understand the needs of victims of domestic violence. This consultation helped the City understand how to best continue assisting the Catalyst HAVEN shelter and transitional housing cottages.
3	Agency/Group/Organization	COMMUNITY HOUSING IMPROVEMENT PROGRAM
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	CHIP was consulted to better understand the needs of both families with children and single-person households who reside in affordable rental housing. The anticipated outcome is a better understanding of the needs of these households.
4	Agency/Group/Organization	Habitat for Humanity Butte County
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Habitat for Humanity Butte County was consulted to better understand the needs of low-income households who are seeking to become homeowners. In addition, most of the households working with Habitat are single-parent, female head of household. The consultation helped the City understand how to better assist Habitat for Humanity's efforts to build self-help single family starter homes.
5	Agency/Group/Organization	Chico Housing Action Team

	Agency/Group/Organization Type	Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	CHAT was consulted to better understand the needs of persons who have been chronically homeless, including those with a serious mental illness and/or a physical disability. CHAT operates a successful master lease program and also operates a tiny home village. This consultation will help the City to plan for future alternative models of housing which are best suited to serve this population.
6	Agency/Group/Organization	Housing Authority of the County of Butte
	Agency/Group/Organization Type	Housing PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Housing Authority of the County of Butte (HACB) was consulted to better understand the needs of public housing residents and voucher holders. This included an assessment of accessibility needs in compliance with Section 504 and how the needs of public housing residents compare with the housing needs of the population at large. Consultation continued close collaboration between the City and HACB on providing housing through development, vouchers and the TBRA program. Both the City and HACB are active leaders in the Butte CoC.
7	Agency/Group/Organization	The Jesus Center
	Agency/Group/Organization Type	Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Jesus Center operates a number of housing, shelter and housing navigation programs, including the Genesis Pallet Shelter, in cooperation with the City. This consultation helps the City to best understand how to support this project, as well as others operated by the Jesus Center.
8	Agency/Group/Organization	Legal Services of Northern California (LSNC)
	Agency/Group/Organization Type	Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Legal Services of Northern California was consulted to better understand fair housing and tenants' right issues in Chico. This consultation will help the City to plan for continued fair housing workshops that address timely and needed topics.
9	Agency/Group/Organization	Alliance for Workforce Development
	Agency/Group/Organization Type	Business Leaders
	What section of the Plan was addressed by Consultation?	Economic Development
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Alliance for Workforce Development was consulted to better understand economic development needs and resources. This facilitated better alignment of economic development goals and activities.
10	Agency/Group/Organization	Butte College Small Business Development Center
	Agency/Group/Organization Type	Economic Development Organization
	What section of the Plan was addressed by Consultation?	Economic Development
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Butte College Small Business Development Center (SBDC) was consulted to better understand economic development needs and resources. The consultation continued collaboration on economic development goals, and small business development counseling for job growth.
11	Agency/Group/Organization	True North Housing Alliance, Inc.
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	True North Housing Alliance Inc. was consulted to better understand the needs of homeless individuals and households with children. This consultation helped the City understand how to best continue assisting the Torres Community Shelter and the new housing navigation center that True North is opening.
12	Agency/Group/Organization	3CORE, Inc.
	Agency/Group/Organization Type	Business Leaders Community Development Financial Institution
	What section of the Plan was addressed by Consultation?	Economic Development

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	3CORE was consulted to better understand economic development needs and resources. This facilitated better alignment of economic development goals and activities.
13	Agency/Group/Organization	North Valley Property Owners Association (NVPOA)
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	NVPOA was consulted to understand current trends and issues within the rental market area that includes Chico. Consultation will help the City better understand trends to determine if there are needed projects or programs that might be funded in the future with federal funds.
14	Agency/Group/Organization	California State University- Chico Basic Needs Projects
	Agency/Group/Organization Type	College Student Services
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The consultation was undertaken to understand the needs of low-income college students who attend CSU Chico. This is important because CSU Chico is a predominantly residential campus, with students impacting the demand for rental housing and basic support services. This consultation supports on-going conversations between the university and the City to ensure they are working cooperatively on housing issues.
15	Agency/Group/Organization	North State Planning and Development Collective
	Agency/Group/Organization Type	Business Leaders
	What section of the Plan was addressed by Consultation?	Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The North State Planning and Development Collective offers economic development-related resources to businesses, governments, and residents of the North State Region (Counties of Butte, Glenn, Lassen, Modoc, Plumas, Shasta, Sierra, Siskiyou, Tehama, and Trinity). They were consulted to understand their implementation plan for economic growth, as laid out in the North State Regional Strategies, and gain their perspective on other critical economic development needs for the City of Chico.

Table 2 – Agencies, groups, organizations who participated

Identify any Agency Types not consulted and provide rationale for not consulting

Not applicable.

Other local/regional/state/federal planning efforts considered when preparing the Plan:

(following page)

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
North State Regional Strategies Regional Plan	North State Planning and Development Collective and the Sierra Institute	City funding for business consulting provided by the Small Business Development Center will help address workforce recruitment, retention, and training needs. City support for affordable housing production will help address workforce housing needs. City support for public infrastructure improvements will help address business expansion needs.
2022-2027 Comprehensive Economic Development Strat	3CORE and Economic Development District of Butte, Glenn and Tehama Counties	City funding for business consulting provided by the Small Business Development Center will help address workforce recruitment, retention, and training needs. City support for affordable housing production will help address workforce housing needs. City support for public infrastructure improvements will help address business expansion needs.
Butte County 2030 Economy Project	North Valley Community Foundation	City funding for business consulting provided by the Small Business Development Center will help address workforce recruitment, retention, and training needs. City support for affordable housing production will help address workforce housing needs. City support for public infrastructure improvements will help address business expansion needs.

<p>City of Chico Housing Element 2022-2030</p>	<p>City of Chico</p>	<p>In the City's 2025-2029 Consolidated Plan, the Strategic Plan Section (SP-05) outlines how the City's Priority Areas and Goals support the critical goals of the City's 2022-2030 Housing Element as follows: Action 1.1.1: Assist Habitat for Humanity of Butte County's single-family self-help project on Wisconsin and Boucher Streets in Census Tract 13. Five estimated units will be made available to low income households; Action 1.3.1: Expand existing fair housing workshops to include an annual Legal Services of Northern California-led workshop for the Sierra North Valley Realtors Association and lenders on fair housing in lending regarding people with low-incomes and people of color; Action 1.3.4: Collaborate with Legal Services of Northern California to update the Fair Housing and You: Your Rights and Responsibilities 2011 booklet written by LSNC for community use; Action 1.4.1: To the extent feasible, invest CDBG funds in public facility and infrastructure projects that improve quality of life for residents and prioritize resources for displacement risk areas and areas of high segregation and poverty. Action 5.1.3: Continue Tenant Based Rental Assistance (TBRA) to serve an estimated 120 households at risk of homelessness by providing deposit and monthly rental assistance for up to 24 months; Action 6.2.2: Provide funding to support the conservation of existing multi-family affordable housing projects with City affordability covenants; Action 6.3.1: Continue the City's program that connects low-income owner-occupied units to City sewer primarily in Nitrate Compliance areas; Action 6.4.1: Continue the City's Code Enforcement efforts to preserve existing neighborhoods.</p>
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10 Year Strategy to End Homelessness (2014 and 2018)	Butte Countywide Homeless Continuum of Care	The Butte CoC updated their 10-Year Strategy to End Homelessness in 2018. In the City's 2025-2029 Consolidated Plan, the Strategic Plan Section (SP-05) outlines how the City's Priority Areas and Goals support the critical goals of the 10-Year Strategy to End Homelessness, as follows: Priority Area: Affordable Housing; Goal: Development of multi-family units, including those targeted at extremely low incomes and the inclusion of supportive housing units. Priority Area: Homelessness Prevention; Goals: Tenant Based Rental Assistance and Public Services for those at risk of homelessness. Priority Area: Homeless Services; Goals: Homeless Public Services and Homeless Public Facilities. Overall, the City will prioritize the use of CDBG Public Services funds for services for those experiencing homelessness and services for the prevention of homelessness at the same time that it pursues the development of affordable housing units.
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Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

The City is developing a Municipal Fiber Utility named North Valley Fiber, supported by over \$12 million in Federal Funding Account (FFA) grant funds and over \$4 million in American Rescue Plan Act (ARPA) funding, to expand access to affordable, high-speed fiber internet across a project area of approximately 9,100 addresses. Construction began in 2025 in the Chapman Mulberry Neighborhood (low-income census tract), prioritizing areas with greater connectivity needs, with future expansion planned citywide. Construction has been completed to approximately 90% of the project area, with construction in the downtown area beginning soon. Service is expected to begin in the second quarter of 2026.

In November 2021, the City updated its Climate Change Vulnerability Assessment (originally adopted in 2018) to incorporate new data and guidance from the State of California. Prior to this, the City's CivicSpark Fellow completed community and stakeholder engagement for SB 379 in July 2021. The City has used this feedback, along with the updated Vulnerability Assessment, to develop goals, policies, and actions for incorporation into the General Plan's Safety Element. The draft is now complete and pending submission to the California Board of Forestry for review and approval.

Additionally, the City has received the Local Responsibility Fire Severity Zone maps, which are being integrated into the draft Safety Element as required by SB 379. City staff anticipate submitting the General Plan Safety Element Update for SB 379 compliance to the California Board of Forestry in Spring 2026, with City Council adoption expected in Fall 2026.

The City completed a Community Wildfire Protection Plan: <https://chico.ca.us/City-Services/Public-Safety/Fire-Department/Community-Wildfire-Protection-Plan-CWPP/index.html> and the Fire

Department updated the City's Annex to Butte County's Natural Hazard Mitigation Plan which included resiliency planning related to natural disasters.

The City participates in various regional economic development initiatives, including:

- North State Planning and Development Collective;
- The Economic Development District for the Comprehensive Economic Development Strategy (CEDS); and
- Butte County 2030 Economy Project.

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal setting

The City of Chico makes efforts to involve the public in the Annual Plan process by publishing notice of the planning process on the City's website, through sharing posts on the City's social media accounts and distributing notices in English and Spanish via email to community listservs. Public participation is encouraged from a variety of groups, including low-income residents, persons with disabilities and special needs, housing and service providers, homeless individuals and advocates, and citizens in general. Outreach was facilitated through public service announcements, posts on the City website and social media accounts, and flyer distribution through public agencies, housing projects, service provider offices, City offices, and the public library. Outreach materials were provided in both English and Spanish.

Online Survey: The City conducted an online community wide survey, which was provided in both English and Spanish. The survey consisted of 10 questions which gathered basic residency and demographic data from the survey respondents and then asked them to provide input on priorities in the areas of infrastructure, neighborhood services, community services, housing services, community facilities and economic development activities. There were 45 responses to the survey (45 in English and 0 in Spanish). Because this was a community-wide survey, respondents from across Chico answered the questions. Respondents were asked to rank several housing services in order of what they would like the City to prioritize; Affordable Rental Housing Development, Homeless Services, and Transitional Housing were the top ranked services. When asked to share comments specific to housing or community services, most respondents discussed homeless services, transitional housing, and rent control.

Public Workshop and Public Meetings: The City held an online public workshop via Microsoft Teams on January 22, 2026. Unfortunately, there were no attendees during this workshop. To achieve greater community participation, the City established an Ad-Hoc Citizen's Advisory Committee to review applications and make recommendations regarding CDBG Public Service funding. The Committee is comprised of up to five members of the community who have experience working with low-income clients or are citizens at large. The Committee meetings are open to the public.

Two formal noticed public hearings were held during City Council Meetings. The Annual Plan is presented to Council and public comments are encouraged either during the Public Hearing or after via email or mail. The Plan was noticed on April 4th for the Public Hearing held on April 21. The Plan was available for public comment for 30 days from April 10 - May 21. The second Public Hearing is scheduled for May 21, 2026.

Public meetings are held in accessible structures and/or via Teams, and meeting notices include information regarding how persons needing special accommodations/interpretive assistance may request that assistance.

Citizen Participation Outreach

(following page)

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Internet Outreach	Non-English Speaking - Specify other language: Spanish Non-targeted/broad community	Unknown	None	N/A	https://chicoca.gov/Departments/Community-Development/Housing-Division/News-and-Updates/(https://d16k74nzx9emoe.cloudfront.net/e5d29aa8-5fb4-4ec1-962f-1a654f0f657a/2026%20Annual%20Plan%20Notice.pdf)

2	Online Survey	Non-targeted/ broad community	The City developed and published an online survey using Office Forms to obtain input from the greater community on the needs of low-income households, individuals and neighborhoods and the types of activities residents would like to see prioritized. The survey was made available in both English and Spanish.	45 people took the survey (45 in English, 0 in Spanish). The highest priority areas were identified as Infrastructure, Housing and Homelessness.	All public comments were considered; however, greater weight was given to input from low- and moderate-income residents and areas, consistent with HUD priorities and program objectives.	
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Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
3	Social Media Outreach	Non-targeted/ broad community Instagram and Facebook posts	Announcement of the community workshop and survey were posted on the City's social media accounts.	No comments received.	NA	https://www.instagram.com/cityofchicoca/ https://www.facebook.com/OfficialCityofChico/
4	Public Meeting	Non-targeted/ broad community	Teams meeting held online, no one in attendance.	No comments received.	NA	www.chicoca.gov/housing

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
5	Public Notice in Local Paper	Non-targeted/broad community	Notice of draft Plan and City Council Public Hearing posted in Chico Enterprise Record on April 4 th to consider draft Plan and receive public comment for 30 days (April 10 – May 19)	TBD		Notice also posted on website: www.chicoca.gov/housing

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
6	Public Hearing Public Hearing	Non-targeted/ broad community	Public Hearing on draft Plan on April 21, 2026.	<p><u>During the draft AAP presentation on April 21st, one community member provided public comment in support of the plan. The meeting agenda and recording can be found here: https://chico-ca.granicus.com/player/clip/1302?view_id=2&meta_id=102632&redirect=true. The public comment began at 18:10.</u></p> <p>TBD</p>		
7	Public Hearing	Non-targeted/ broad community	Public Hearing on final Plan on May 19, 2026 (subject to change).	TBD		

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

Anticipated Resources

(following page)

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	966,594,922,809.00	0.00	502,048	1,468,642,94,857	\$2,899,782,978,427	
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	575,367,883,286.57	0	1,386,565.81	1,959,852,3861,933.69	\$1,726,103.6419,859.71	

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The City maintains approximately \$12.3 million in match credit. This credit is derived from previous Low- and Moderate-Income housing funds of the former Redevelopment Agency, the value of land donations/leases, private donations and grants made to housing projects.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

In FY 2024-25, the City transferred a parcel previously acquired for the purpose of developing affordable housing in the Chapman-Mulberry neighborhood to Habitat for Humanity of Butte County for a 5-unit single family subdivision to be built under Habitat’s self-help model. This project has completed infrastructure improvements at the site and will begin the home construction in Fall 2026. The City also owns a parcel at the intersection of Bruce and Humboldt roads and another downtown, at 1st and Main known as Lost Park.

Discussion

Based on funding trends over the last several years, both CDBG and HOME funding is expected to continue level with very minimal growth. While the most recent allocations in CDBG have slightly increased, HOME funding has slightly decreased. There continues to be not enough resources to address the backlog of needs, compounded by ongoing natural disaster crises, the pandemic and economic uncertainties. In the absence of significant increases, funding will present challenges to the achievement of goals. The City’s primary focus for federal funds will be to continue to provide stable level of services as we’ve done in the recent past. This Annual Plan reflects a commitment to leverage CDBG and HOME dollars through partnerships with local agencies, non-profit organizations, and private sector stakeholders. It also prioritizes integrating multiple funding sources (both local, State and Federal and private investment) to increase effectiveness of programs and projects. By aligning federal resources with local priorities and collaborative strategies, the City aims to utilize every dollar to address critical housing and community development needs.

Funding Contingency Plan

~~The estimated budget in this proposed Annual Plan assumes flat funding for both CDBG and HOME programs and will be updated to reflect final HUD allocation.~~

CDBG

~~If actual funding is above or below the estimated budget, the Administration and Public Services caps would adjust to meet the 20% Admin cap and 15% Public services cap. All other adjustments would affect the Infrastructure in support of affordable housing (Project #12) and would increase/decrease based on the actual CDBG allocation. The public service allocations will be amended as follows: Calculate the difference between estimated allocation and final allocation. If the final allocation results in a surplus, distribute the additional funds proportionally among all applicants. If final funding is lower than the estimated amount, reduce each applicant’s recommended funding proportionally.~~

HOME

If actual funding is above or below the estimated budget, the administration cap would adjust to meet the 10% cap. The Development of Multifamily Housing Project #19 would increase/decrease based on the actual HOME allocation.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Development of Homeowner Units	2025	2029	Affordable Housing	City of Chico	Affordable Housing, Homelessness Prevention, Neighborhood Revitalization	CDBG: \$0 HOME: \$790,000.00	Homeowner Housing Added: 5 Household Housing Units (Habitat Wisconsin)
2	Development of Multi-Family Units	2025	2029	Affordable Housing	City of Chico	Affordable Housing Homelessness Prevention Neighborhood Revitalization	CDBG: \$0 HOME: \$278,404.696,531.00	Rental units added: Project to be determined. Estimated 30 Housing Units (5 HOME units)
3	Rehabilitation of Rental Units	2025	2029	Affordable Housing	City of Chico	Affordable Housing Homelessness Prevention Neighborhood Revitalization	CDBG: \$250,000.00 HOME: \$600,000.00	Rental units rehabilitated: 66 Household Housing Unit (2 HOME units at Turning Point Commons)

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Rehabilitation of Owner-Occupied Housing	2025	2029	Affordable Housing	City of Chico	Affordable Housing Homelessness Prevention Neighborhood Revitalization	CDBG: \$53,000.00	Homeowner Housing Rehabilitated: 4 Household Housing Unit
5	Infrastructure in Support of Affordable Housing	2025	2029	Affordable Housing Community Development	City of Chico	Affordable Housing Homelessness Prevention Neighborhood Revitalization	CDBG: \$304,375.00 <u>\$287,340</u>	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit – 79 households assisted
6	Rental Assistance	2025	2029	Affordable Housing Homeless	City of Chico	Homelessness Prevention	CDBG: \$20,000.00 HOME: \$150,000.00	Tenant-based rental assistance: 15 Households Assisted
7	Non-Homeless Public Services	2025	2029	Non-Homeless Special Needs	City of Chico	Homelessness Prevention	CDBG: \$43,1484,460.00	Public service activities other than Low/Moderate Income Housing Benefit: 360 Persons Assisted
8	Homeless Public Services	2025	2029	Homeless	City of Chico	Homeless Services	CDBG: \$101,836.004,460	Homeless Person Overnight Shelter: 1220 Persons Assisted
9	Code Enforcement	2025	2029	Non-Housing Community Development	City of Chico	Neighborhood Revitalization	CDBG: \$150,000.00	Housing Code Enforcement/Foreclosed Property Care: 750 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
10	Capital and Public Improvements	2025	2029	Non-Housing Community Development	City of Chico	Neighborhood Revitalization	CDBG: \$300,000.00	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 3010 Persons Assisted
11	Micro Enterprise Assistance	2025	2029	Non-Housing Community Development	City of Chico	Economic Development	CDBG: \$60,000.00	Businesses assisted: 150 Businesses Assisted

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Development of Homeowner Units
	Goal Description	Provide funding for self-help homes to be built by Habitat for Humanity, including infrastructure and site improvements in support of the project.
2	Goal Name	Development of Multi-Family Rental Units
	Goal Description	Production of new affordable units, including: Extremely low-income households and persons at risk of homelessness Single-room occupancies/studios/one-bedroom units Supportive services for seniors, persons with disabilities, individuals with substance use and mental illness, and families with children
3	Goal Name	Rehabilitation of Rental Units
	Goal Description	Support the preservation of existing affordable rental housing units through rehabilitation of individual units and properties.

4	Goal Name	Rehabilitation of Owner-Occupied Housing
	Goal Description	Preserve habitability and promote stability for low- and moderate-income homeowners by facilitating connection to City sewer.
5	Goal Name	Infrastructure in Support of Affordable Housing
	Goal Description	Provide funding for necessary public infrastructure to support the development of housing for low-income individuals, such as street improvements, sidewalks, storm drainage, sewer and water, and other necessary frontage improvements
6	Goal Name	Rental Assistance
	Goal Description	Provide Tenant Based Rental Assistance (TBRA) to low-income households at risk of homelessness
7	Goal Name	Non-Homeless Public Services
	Goal Description	Provide Public Services which provide a safety net to support individuals and households from becoming homeless
8	Goal Name	Homeless Public Services
	Goal Description	Provide services for individuals and households currently experiencing homelessness, including emergency shelter, transitional housing, street outreach and other needed services which are eligible as Public Services under CDBG.
9	Goal Name	Code Enforcement
	Goal Description	Provide code enforcement activities in low-income census tracts in order to address deteriorating conditions in both housing units and the physical environment and support neighborhood revitalization efforts.
10	Goal Name	Capital and Public Improvements
	Goal Description	Provide improvements to the built environment to address safety and accessibility needs and support Fair Housing access in Low-Moderate Income neighborhoods.

11	Goal Name	Micro Enterprise Assistance
	Goal Description	Provide business counseling, education and support to small businesses owned by Low- and Moderate-Income individuals. This will support job creation and retention and job training needed by other Low-Moderate Income individuals.

Table 7 – Goals Summary

Projects

AP-35 Projects – 91.220(d)

Introduction

The Projects identified in this section directly address the 2025-2029 Consolidated Plan Priority Needs and Goals.

Projects

#	Project Name
1	CDBG Administration
2	HOME Administration
3	Rehab Program Delivery
4	Housing Services
5	Rental Rehabilitation - Turning Point Commons
6	Tenant Based Rental Assistance (TBRA)
7	Homeowner Units - Habitat for Humanity Wisconsin
8	Code Enforcement
9	Economic Development
10	Homeowner Rehabilitation
11	Warner St. / W. Sacramento Ave. Multimodal Improvements
12	Infrastructure in Support of Affordable Housing – Humboldt Road
13	PS True North Housing Alliance
14	PS Chico Area Council on Aging - Meals on Wheels
15	PS Innovative Health Care Services - Peg Taylor Center
16	PS Catalyst Domestic Violence Services
17	PS Chico Housing Action Team (CHAT)
18	PS Community Action Agency - Esplanade House
19	Development of Multi-Family Rental Units – Project TBD

Table 8 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Prior to the 2018 Camp Fire, housing availability and homelessness were critical issues in the City. The Camp Fire coupled with the COVID Pandemic exacerbated these issues in Chico, but also statewide. Based on public participation, a community survey and interviews with service providers in our community last year, this year’s proposed activities continue to focus on placing households into permanent, affordable housing, including the preservation of existing affordable housing units through rehabilitation, helping households maintaining their housing through the utilization of public services through partnerships with our non-profit organizations. The City is also committing funding to infrastructure in support of affordable housing and infrastructure and public improvements in low-

income census tracts. The City will also continue connecting homeowners to City sewer through the homeowner rehab activity and economic empowerment have also been prioritized, by slightly increasing the funding going to SBDC in PY 26-27.

Obstacles to addressing underserved needs continue to include:

- land prices
- resources for construction of infrastructure;
- resources for operating subsidies;
- affordable housing;
- skilled workforce;
- limited transportation options; and
- and limited resources for mental health and/or detox facilities.

AP-38 Project Summary

Project Summary Information

1	Project Name	CDBG Administration
	Target Area	City of Chico
	Goals Supported	Rehabilitation of Rental Units Rehabilitation of Owner-Occupied Housing Non-Homeless Public Services Homeless Public Services Code Enforcement Capital and Public Improvements Infrastructure in Support of Affordable Housing Micro Enterprise Assistance
	Needs Addressed	Affordable Housing Homelessness Prevention Homeless Services Neighborhood Revitalization Economic Development
	Funding	CDBG: \$19 3,318.008,561.00
	Description	General CDBG Administration, including Fair Housing objectives and Continuum of Care Administration.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	Various
	Planned Activities	General administration, fair housing workshops and Continuum of Care administration support.
2	Project Name	HOME Administration
	Target Area	City of Chico
	Goals Supported	Development of Homeowner Units Rehabilitation of Rental Units Rental Assistance

	Needs Addressed	Affordable Housing
	Funding	HOME: \$57, 536.00 28.00
	Description	General HOME administration
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	Various
	Planned Activities	General Administration
3	Project Name	Rehab Program Delivery
	Target Area	City of Chico
	Goals Supported	Rehabilitation of Rental Units Rehabilitation of Owner-Occupied Housing
	Needs Addressed	Affordable Housing Neighborhood Revitalization
	Funding	CDBG: \$3,000.00
	Description	Program delivery costs associated with Housing Rehabilitation Program activities.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Goal outcomes will be counted under Project # 10.
	Location Description	Various
	Planned Activities	Program delivery costs associated with the Housing Rehabilitation activities (sewer connections).
4	Project Name	Housing Services
	Target Area	City of Chico
	Goals Supported	Development of Homeowner Units Rental Assistance

	Needs Addressed	Affordable Housing Homelessness Prevention
	Funding	CDBG: \$30,000.00
	Description	Delivery of the TBRA Program and other non-rehab housing projects.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Goal outcomes will be counted under Projects # 5 & 6.
	Location Description	Various
	Planned Activities	TBRA administration and support of homeownership and rental units. Accomplishments will be counted under TBRA, homeowner and rental projects.
5	Project Name	Rental Rehabilitation - Turning Point Commons
	Target Area	City of Chico
	Goals Supported	Rehabilitation of Rental Units
	Needs Addressed	Affordable Housing Homelessness Prevention
	Funding	CDBG: \$250,000 HOME: \$600,000
	Description	Rehabilitation of an existing 66-unit affordable housing project. The CHDO set-aside is part of the HOME funding allocation. Funds were committed in FY 25-26.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Sixty-six (66) low-to moderate-income households will benefit from the activity.
	Location Description	25 Via La Paz, Chico CA
	Planned Activities	Rehabilitation of both interior of units and exterior of buildings.
6	Project Name	Tenant Based Rental Assistance (TBRA)
	Target Area	City of Chico

	Goals Supported	Rental Assistance
	Needs Addressed	Homelessness Prevention
	Funding	HOME: \$150,000.00
	Description	Tenant Based Rental Assistance
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 15 Extremely low-income families at risk of homelessness will be assisted.
	Location Description	City of Chico Sphere of Influence
	Planned Activities	Temporary rental assistance for households working toward self-sufficiency. Assistance may go beyond 24 months in limited circumstances. This assistance shall be utilized throughout the City of Chico sphere of influence.
7	Project Name	Homeowner Units - Habitat for Humanity Wisconsin
	Target Area	City of Chico
	Goals Supported	Development of Homeowner Units
	Needs Addressed	Affordable Housing Neighborhood Revitalization
	Funding	CDBG: \$0 HOME: \$790,000.00
	Description	Funding in support of 5 self-help homes/small subdivisions to be completed by Habitat for Humanity. Funds have been committed since FY 21-22, and the project loans and property transfer were approved by Council July 2024.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Five low-to moderate-income households will benefit
	Location Description	Boucher and Wisconsin Streets in Chapman-Mulberry (Rosalynn Court)
	Planned Activities	Construction of homes and supporting infrastructure.
	Project Name	Code Enforcement

8	Target Area	City of Chico
	Goals Supported	Code Enforcement
	Needs Addressed	Neighborhood Revitalization
	Funding	CDBG: \$150,000.00
	Description	Code enforcement in low-income neighborhoods.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 750 households will benefit from identifying issues required to upgrade housing and neighborhoods.
	Location Description	Low- and Moderate-income census tracts within the city.
	Planned Activities	Code enforcement
9	Project Name	Economic Development
	Target Area	City of Chico
	Goals Supported	Micro Enterprise Assistance
	Needs Addressed	Economic Development
	Funding	CDBG: \$60,000.00
	Description	Microenterprise counseling and education
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 150 small businesses will be assisted through education and technical assistance.
	Location Description	City-wide
Planned Activities	Funding for the Small Business Development Center for education workshops and technical assistance to small businesses.	
10	Project Name	Homeowner Rehabilitation
	Target Area	City of Chico
	Goals Supported	Rehabilitation of Owner-Occupied Housing
	Needs Addressed	Affordable Housing Neighborhood Revitalization

	Funding	CDBG: \$50,000.00
	Description	Rehabilitation of homes occupied by Low- and Moderate-income households (connection to city sewer).
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 4 Low- and Moderate-income households located in both in nitrate compliance areas and outside nitrate boundaries will be connected to city sewer.
	Location Description	Various locations within City of Chico
	Planned Activities	City sewer connection grants for low- and moderate-income homeowners within nitrate compliance areas. Housing rehabilitation grants for sewer connections to city sewer for low- and moderate-income homeowners outside nitrate boundaries.
11	Project Name	Warner St. / W. Sacramento Ave. Multimodal Improvements
	Target Area	City of Chico
	Goals Supported	Capital and Public Improvement
	Needs Addressed	Neighborhood Revitalization
	Funding	CDBG: \$300,000.00
	Description	Capital improvement infrastructure in low-income census tract
	Target Date	Start date late Summer/early Fall 2026
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 3,010 low-income households (CT 5.02= 925, CT 6.03=505, CT 6.04=795, CT 10= 785).
	Location Description	Warner St. / W. Sacramento Ave
	Planned Activities	Public improvements in and surrounding four low-income census tract(s). Project will increase pedestrian and bicycle safety, including re-paving portions of W. Sacramento Avenue and Warner Street. The target start date is late summer/early fall 2026.
12	Project Name	Infrastructure in Support of Affordable Housing – Humboldt Road
	Target Area	City of Chico
	Goals Supported	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit

	Needs Addressed	Affordable Housing
	Funding	CDBG: \$300,000.00 <u>287,340.00</u>
	Description	Public infrastructure improvements (sidewalk) tied directly to the development of affordable housing
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 79 households will be assisted
	Location Description	Humboldt Road/Yosemite Drive
	Planned Activities	Public improvements are tied to the development of Humboldt Senior housing.
13	Project Name	PS True North Housing Alliance
	Target Area	City of Chico
	Goals Supported	Homeless Public Services
	Needs Addressed	Homelessness Prevention Homeless Services
	Funding	CDBG: \$30,000.00 <u>29,344.00</u>
	Description	Public services funding for the Torres Shelter.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 900 persons will be assisted with this funding.
	Location Description	101 Silver Dollar Way
	Planned Activities	Funding for utilities and operational programming in support of the 24/7 low-barrier emergency shelter.
14	Project Name	PS Chico Area Council on Aging - Meals on Wheels
	Target Area	City of Chico
	Goals Supported	Non-Homeless Public Services
	Needs Addressed	Homelessness Prevention
	Funding	CDBG: \$21,574.00 <u>2,230.00</u>

	Description	Public services funding for the Meals on Wheels program.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 300 seniors, with or without disabilities will benefit from this program.
	Location Description	Chico
	Planned Activities	Meals on Wheels provides nutritious, dietetically correct meals on a daily basis to seniors and/or the infirm in their homes. The CDBG funding provides a subsidy to those unable to afford the total cost of the meal. Meals provided to the home allow clients to remain in their homes rather than in a hospital or other institution.
15	Project Name	PS Innovative Health Care Services - Peg Taylor Center
	Target Area	City of Chico
	Goals Supported	Non-Homeless Public Services
	Needs Addressed	Homelessness Prevention
	Funding	CDBG: \$ 2,157,002,230.00
	Description	Public services funding for Peg Taylor Center--adult day health care and social services for disabled adults with serious health conditions.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 100 persons will be served by utilizing this funding.
	Location Description	Peg Taylor Center
Planned Activities	Peg Taylor Center provides daily access to community-based social and health services and assists in crisis situations for low-income seniors and other highly vulnerable adults with disabilities and their families. Funding to support nursing and social work personnel costs, utility and office expenses.	
16	Project Name	PS Catalyst Domestic Violence Services
	Target Area	City of Chico
	Goals Supported	Homeless Public Services

	Needs Addressed	Homelessness Prevention Homeless Services
	Funding	CDBG: \$ 29,344.00 30,000.00
	Description	Operational costs for Catalyst Domestic Violence Services housing program.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 60 women and men experiencing domestic violence will benefit from the housing and supportive services provided by Catalyst.
	Location Description	Catalyst shelter
	Planned Activities	Catalyst will provide housing and supportive services including case management, education and activities to increase positive coping and healthy relationship skills for people who are experiencing homelessness due to domestic or intimate partner violence.
17	Project Name	PS Chico Housing Action Team (CHAT)
	Target Area	City of Chico
	Goals Supported	Homeless Public Services
	Needs Addressed	Homelessness Prevention Homeless Services
	Funding	CDBG: \$ 21,574.00 2,230.00
	Description	Transitional/permanent supportive housing program for persons who are homeless with a mental illness.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 20 homeless individuals with mental illness will benefit from this program.
	Location Description	Various, within City of Chico
	Planned Activities	Partial funding for a case manager to aid mentally ill residents living in homes managed by CHAT.
18	Project Name	PS Community Action Agency - Esplanade House
	Target Area	City of Chico

	Goals Supported	Homeless Public Services
	Needs Addressed	Homeless Services
	Funding	CDBG: \$ 21,574,002,230.00
	Description	Public services funding for transitional housing facility operations.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 40 homeless/formerly homeless households (adults and children) will be served by the Esplanade House transitional housing program during the program year.
	Location Description	Esplanade House
	Planned Activities	The Esplanade House provides homeless families with transitional housing while they become self-sufficient through services offered at the facility. Funding will partially cover the personnel costs of the Case Manager who provides intensive case management and enhanced housing navigation to homeless families living at the Esplanade House. Case management and supportive services are provided to assist in self-sufficiency and recovery goals. Childcare is available onsite.
19	Project Name	Development of Multi-Family Rental Units – Project TBD
	Target Area	City of Chico
	Goals Supported	Development of Rental Units
	Needs Addressed	Affordable Housing Homelessness Prevention
	Funding	CDBG: \$0 HOME: \$ 278,404,696,531
	Description	Multi-family project to be determined.
	Target Date	6/30/2029
	Estimate the number and type of families that will benefit from the proposed activities	An apartment project serving very low- and low-income households.
	Location Description	TBD

	Planned Activities	Construction related to the development of new, permanent affordable housing units.
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AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Entire City of Chico is the geographic area of the entitlement.

Geographic Distribution

Target Area	Percentage of Funds
City of Chico	100%

Table 9 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Low-income households reside throughout the City. Therefore, the City plans to provide assistance to the jurisdiction as a whole without excluding neighborhoods.

Discussion

Assistance will be directed to the City of Chico as a whole based on project feasibility and program demand.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

One Year Goals for the Number of Households to be Supported	
Homeless	15
Non-Homeless	159
Special-Needs	0
Total	174

Table 10 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	15
The Production of New Units	89
Rehab of Existing Units	70
Acquisition of Existing Units	0
Total	174

Table 11 - One Year Goals for Affordable Housing by Support Type

Discussion

One Year Goals for the Number of Households to be Supported include the following categories:

Homeless - 15

TBRA: 15

Non-Homeless - 159

Owner-Occupied Rehabilitation- sewer connection: 4

Rehabilitation of Rental Units: 66 (Turning Point Commons)

Production of New Units: 5 (Habitat for Humanity), 79 (Humboldt Senior Housing). 5 (TBD)

Special Needs - 0

One Year Goals for the Number of Households Supported Through include the following categories:

Rental Assistance -15

TBRA: 15

Production of New Units - 89

Ownership Housing Development: 5 (Habitat)

Production of Rental Units: 79 (Humboldt Senior Housing). 5 (TBD)

Rehab of Existing Units -70

Rental: 66 (Turning Point Commons)

Owner-Occupied Housing Rehabilitation: 4 (sewer connections)

AP-60 Public Housing – 91.220(h)

Introduction

The Housing Authority of the County of Butte (HACB) operates 145 units of public housing within the City of Chico. This section summarizes HACB actions planned to address public housing needs and encourage public housing residents to become more involved in management.

Actions planned during the next year to address the needs to public housing

HACB has planned upgrades across its Chico public housing properties to enhance safety, comfort, and overall upkeep. Planned improvements include exterior painting, bathtub refinishing, and installing new signage at Rhodes Terrace and Shelton Oaks. HACB also plans to replace aging HVAC systems and roofs, remodel kitchens for a more functional space, replacement of VCT tiles & abatement, and to continue to trim and maintain trees to improve curb appeal at Public Housing properties.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

- Section 3 opportunities made available as part of contractor engagement, contracting awards prioritized to contractors retaining Section 3 new hires.
- Participation in Resident Advisory Board (RAB), addresses Public Housing policy, revisions to Public Housing Administrative Plan, operational feedback to management, and review of proposed Public Housing capital expenditures.
- Per State law, two (2) Commissioners of the seven (7) member Board of Commissioners must be residents of Housing Authority-owned housing. Currently, one (1) resident of HUD Low Income Public Housing, and one (1) resident of “other” Housing Authority-owned property represent Housing Authority tenant interests.
- Public Housing residents are specifically provided opportunity to:
 - Comment on the annual revision to Public Housing Admissions and Continued Occupancy Policy (ACOP), the opportunity provided by written notice and a 45-day comment period.
 - Comment on changes proposed and/or made to the Public Housing Lease, the opportunity provided by means of written notice and a 60-day comment period.
 - Comment on annual changes to the Utility Allowance schedule, the opportunity provided by means of written notice and a 60-day comment period.
 - Comment on annual changes made to the Schedule of Standard Maintenance Charges the opportunity provided by means of written notice and a 30-day comment period.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

HACB is currently listed as a Troubled Performer due to its late submission of 2023 Financials. Funding has not been impacted at this time, although a potential 5% decrease could be made on the pending

2026 grant award. Operations will not be significantly impacted by this funding decrease.

Discussion

HACB has taken corrective action by hiring a new CFO with significant public housing authority experience. The new CFO is implementing standard operating procedures, training staff, and ensuring timely financial disclosures.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

This section describes how the City will address the needs of homeless persons in the next year.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

As part of its Consolidated Plan goals to support Homeless Public Services and Homeless Public Facilities, the City will support the following actions during this year's Annual Plan:

- City's Outreach and Engagement Team (O&E) follows up with unsheltered persons in the City of Chico to determine eligibility to stay at the Torres Shelter and/or the City's Genesis Shelter. O&E also refers individuals to the alternative camping site for tent camping maintained by the City.
- City operates the Genesis shelter on City property. The site provides services to homeless individuals, including 177 pallet shelters, laundry and showering services, food, handwashing stations, bathrooms, potable water, garbage service, electricity, bike parking, and a pet run area.
- City staff will continue to work with the Butte Countywide Homeless Continuum of Care (Butte CoC) to fully implement and improve the Coordinated Entry System (CES) for homeless individuals. The Butte CoC implemented CES, which utilizes the VI-SPDAT for assessment, and has trained many agencies to enter their clients into the system. The County's housing and service providers are engaged and unified in the use of HMIS and CES. If a homeless individual is not working with an agency, Butte 211 is the primary intake point into the CES. The use of CES results in an efficient referral to appropriate services based on each homeless individual's needs.
- Continue to work with Butte County, in partnership with the Butte CoC, to identify on-going funding sources for street and encampment outreach.
- The City's Police Target Team collaborates with the Butte County Department of Behavioral Health (BCDBH) to respond to crisis calls. The 24/7 Mobile Crisis Response Team (MCRT) can respond with or without an officer from the Chico Police Department to individuals experiencing a mental health crisis. BCDBH also has two teams dedicated to providing homeless outreach (Resiliency Empowerment Support Team (REST) and Community Overdose Protection Effort (COPE) engagement). These programs help build trust in support systems and get individuals into housing and services.
- The City Manager's office continues to explore and assess funding and resource possibilities for

increased support for community members experiencing homelessness.

Addressing the emergency shelter and transitional housing needs of homeless persons

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The City's 2026-27 Annual Action Plan will address the following issues.

- Helping homeless persons make the transition to permanent housing and independent living
- Provide CDBG public services funding to Chico Housing Action Team to provide transitional and permanent supportive housing for homeless individuals with a mental illness.
- Provide CDBG public services funding to Catalyst Domestic Violence Services to support the operations of the Haven Shelter for individuals experiencing domestic violence.
- Provide CDBG public services funding to Community Action Agency of Butte County to support their Esplanade House transitional housing program for homeless families with children.
- Public Service funding to Chico Area Agency on Aging/Meals on Wheels and to Innovative Health Care/Peg Taylor Center to assist in the prevention of homelessness by providing affordable meals to people in their homes and affordable adult day health care, respectively, to support households' health and stability to maintain their housing. These services assist many elderly and disabled individuals to maintain their homes.
- Continue the partnership with the County and HABC to support the operations of 37 permanent supportive units at Oleander Community Housing project.
- Assist the Butte Countywide Homeless Continuum of Care (Butte CoC) in accessing HUD CoC funds for supportive housing through participation with the Butte CoC Council.
- Continue to operate the Tenant Based Rental Assistance (TBRA) program to prevent homelessness and provide stable housing to families for at least 12 months (up to 24 months).
- Chico has seen the development of seventeen affordable housing projects (some built and leasing up and some under construction) that were funded with Disaster Low Income Housing Tax Credits and/or CDBG-DR funding in response to the 2018 Camp Fire. See Chart A below with a breakdown of each project mentioned above and affordability level.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services,

employment, education, or youth needs.

The Coordinated Entry System described above will help Low Income individuals and families avoid becoming homeless after discharge from institutions or systems of care. The Butte CoC has implemented the framework of the CES, which utilizes the VI-SPDAT for assessment, and uses Butte 211 as the primary intake point. The Coordinated Assessment System will track individuals' and families' needs and progress and direct them to appropriate levels of housing and support services. The City will continue to collaborate with Butte CoC in this effort.

Discussion

The City's Tenant Based Rental Assistance (TBRA) program provides short-term rental assistance for typically 12 to 24 months. This program provides assistance to very-low, extremely-low-income and special needs families at-risk of homelessness, who are working towards self-sufficiency with a locally established social services provider. The City contracts with the Housing Authority of Butte County to administer this program.

The City provides non-federal funding to a local non-profit to assist households with utility payments to aid in the prevention of homelessness due to non-payment of utilities.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

This section describes the City's action plan to remove barriers to affordable housing.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Discussion:

The City continues to take actions to remove barriers to affordable housing by implementing the City's 2030 General Plan, 2022-2030 Housing Element, and ongoing updates to the Municipal Code.

Over the past year, the City advanced two phases of the Residential Readiness Program, a multi-phase effort to modernize Title 19 of the Chico Municipal Code and remove barriers to housing. Phase 1 (June 2024) included updates to streamline permitting, provide more flexibility for infill residential projects, clarify parking standards downtown, and expand the benefits of the Corridor Opportunity Site (-COS) overlay to additional zoning districts. Phase 2 (April 2025) focused on aligning Chico's code with new State housing mandates, including updated standards for accessory dwelling units (ADUs) and Low Barrier Navigation Centers, while also strengthening local density bonus provisions to support affordable housing. Together, these amendments 1) ensure consistency with evolving State housing law; 2) Implement key 2022 Housing Element actions; 3) Streamline processes and clarify outdated regulations; and 4) Advance Chicos application for State Pro-Housing Designation, enhancing eligibility for housing and infrastructure funding.

Phase 3 of the Residential Readiness Program is currently underway and includes additional code amendments as well as the evaluation and potential expansion of the Corridor Opportunity Site (-COS) overlay to key transit-served corridors. These efforts will continue to streamline development regulations, implement Housing Element actions, and strengthen Chico's pro-housing position.

The City has adopted the following land use policies:

- Implementation of a Streamlined Approval process for housing projects per State Senate Bill 35.
- Implementation of recently enacted State Senate Bill 9-California Housing Opportunity and More Efficiency Act which allows for more dense development in single-family residential zones.
- An Accessory Dwelling Unit (ADU) ordinance in compliance with State laws to encourage development of these units and updated comprehensive submittal package with reduced submittal fee.
- City secured grant funds to design 13 free pre-approved ADU plans (including one accessible

unit design) that allow for permit-streamlining and offer significant savings for the interested ADU owner. City finalized a 2-story ADU plan with parking below and the residence above and has a promotional video highlighting the ADU plans on the City's website.

- ADU impact fees have been reduced; owner occupancy requirement for primary unit has been removed for the majority of the City.
- Code changes to allow housing uses by Right without discretionary approvals.
- Housing density bonus or incentives for development of housing for very low, low or moderate-income households - if the prescribed percentage of units are made affordable, developers are eligible for a density bonus of up to 50% and may request up to three incentives or concessions.
- Small lot subdivisions - to allow small lot single-family housing development in new and existing neighborhoods to provide compact development and efficient infill.
- Transitional and permanent supportive housing is allowed by right in all residential zones.
- Modifications for accessibility may deviate from standard development standards with the approval of the public works director.

AP-85 Other Actions – 91.220(k)

Introduction:

This section describes the City's actions to address underserved needs, maintain affordable housing, reduce lead-based paint hazards, reduce poverty, develop institutional structure, and enhance public-private coordination in these areas.

Actions planned to address obstacles to meeting underserved needs

- Continue supporting the development of seventeen affordable housing projects that were funded in part through Disaster Tax Credits and CDBG-Disaster Recovery. These projects are expected to be in service over the next two years. These developments will greatly impact the extreme needs for affordable and special needs housing in Chico (see **Chart A**).
- Support the City's Genesis shelter to assist with housing homeless and providing wrap around services.
- Support ongoing operations of the Torres Emergency Shelter and navigation center to meet the needs of all unhoused individuals.
- Support facilities which serve the homeless, such as the Housing Navigation Center and Low Barrier Emergency Shelters
- Continued allocation of CDBG funds for Micro-enterprise assistance through the Small Business Development Center technical assistance and counseling program.
- The City budgets non-federal funds for a homeless prevention program and funded two organizations last year. The Home and Heart program continues to work on matching clients for their home share program. The City also funds a non-profit that assists low-income homeowners with past-due utility bills to ensure residents can remain in their homes.
- The City transferred City-owned property to Habitat for Humanity to support the development of five ownership housing units for low-income households.
- The City continues to fund warming and cooling centers during the hottest and coldest months of the year that provide a space for homeless to rest and charge their electronics.
- City completed a list of accessible units within the community and provided the document to the Disability Action Center so that they may make appropriate referrals.
- The Affordable Housing Resource Guide continues to be available on the City's website and at City Hall.
- The City continues to fund its non-HUD funded Lease Guarantee program, administered by the Housing Authority of the County of Butte.
- The City will be focusing on disseminating fair housing resources and increase outreach efforts to residents in high segregation and poverty census tracts, in accordance with the City's new Housing Element.
- The City's "Tenant Resources" website was updated to create a more user-friendly interface.

Actions planned to foster and maintain affordable housing

- Explore potential properties and partnerships for development of Single Room Occupancies, tiny homes, studios or one-bedrooms.
- Explore and apply for appropriate new State funding sources for affordable housing development, such as PLHA and Prohousing.
- Explore potential resources to support development of Accessory Dwelling Units (ADUs) for Low- and Moderate-income households.
- Work with owners of existing City-assisted multifamily developments to facilitate rehabilitation of the developments.
- Continue the owner-occupied sewer connection grants under the housing rehabilitation program.

Actions planned to reduce lead-based paint hazards

Continue to implement lead-based paint hazard policies and procedures in the Tenant Based Rental Assistance (TBRA) and Housing Rehabilitation projects. Continue development of new affordable housing units.

Actions planned to reduce the number of poverty-level families

- Continued allocation of CDBG funds for the Small Business Development Center counseling program.
- Continued allocation of CDBG Public Services funds for the Meals on Wheels program.
- Continued allocation of HOME funds for self-help housing programs, such as Habitat for Humanity and Community Housing Improvement Program.
- Continue providing funding for micro-enterprise counseling and assistance, tenant-based rental assistance, and funding for transitional housing programs which provide a safety net for Very-Low-income families.
- The City provides temporary housing assistance to participants in the HOME Tenant Based Rental Assistance program.
- The City continues to budget non-federal funds for two homeless prevention programs.

Actions planned to develop institutional structure

- The City will continue to use CDBG and HOME Administration funds to implement the Consolidated Plan and Annual Action Plans, train staff, address the Analysis of Impediments to Fair Housing, complete annual CAPER reports, and comply with HUD regulations.
- Continue to update the Housing Resource Guide, which provides citizens with information to

help them access affordable housing in the community.

- The City continues to provide technical assistance to non-profit groups to the extent possible, to improve the organizational capacity of housing and service organizations. There continues to be increased collaboration among the non-profits and City Departments.
- City staff continues to be trained to assist in the administration of the CDBG program and takes advantage of HOME and CDBG trainings.
- Continue to obtain services of applicable consultants to expand capacity.

Actions planned to enhance coordination between public and private housing and social service agencies

The City encourages private sector participation in all HOME and CDBG and non-HUD funded activities. All construction contracts for the housing rehabilitation- sewer-connection program are made available to private sector contractors. The Habitat for Humanity Homeownership Program utilizes private grants, in-kind donations, Youth Build (when available) and owner participation in the production of single-family homes. The Tenant-Based Rental Assistance Program provides assistance and security deposit grants for "at-risk" tenants. The success of the program depends very much on the participation of private sector landlords. The City works in cooperation with the Housing Authority of the County of Butte and private non-profit service providers to successfully implement the program. Continue to participate in the Butte Countywide Homeless Continuum of Care. Assist the Butte CoC members in achieving goals laid out in the 10-Year Strategy to End Homelessness. Assist the Butte CoC in planning and implementing the Coordinated Entry System for homeless persons.

Discussion:

Outlined in the above sections.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.	0
5. The amount of income from float-funded activities	0
Total Program Income	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

HOME Investment Partnership Program (HOME) Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

Not applicable
2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The City will use the Recapture Provision in compliance with 24 CFR Part 92.254(a)(5) in all cases where a homebuyer subsidy exists in order to recapture HOME assistance to homebuyers if the housing does not continue to be the principal residence of the household for the duration of the period of affordability.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Recapture provisions are based on 24 CFR 92.254 (a) (5) (ii), which stipulates the conditions for recapture of the HOME investment used to assist low-income families in purchasing a home. Homebuyer recapture provisions which require recapture of funds if the home does not continue to be the borrower's principal residence during the duration of the period of affordability, are included in a covenant to be recorded on the property and within the written loan agreement that is secured by a recorded deed of trust. The amount to be recaptured will not exceed the net proceeds, if any.

The net proceeds are the sale price minus the senior loan repayment (other than HOME funds) and any closing costs. In the event of a short sale or foreclosure during the HOME Affordability Period, the Loan may be forgiven.

Affordability period per the HOME guidelines:

- For assistance under \$15,000 the affordability period is 5 years.
 - For assistance under \$15,000-\$40,000 the affordability period is 10 years.
 - For assistance over \$40,000 the affordability period is 15 years.
4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows: Not applicable.
 5. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)). Not applicable
 6. If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)). Not applicable
 7. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a). Not applicable