



Folsom City Council Staff Report

MEETING DATE:	6/10/2025
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 11398 - A Resolution of the City Council of the City of Folsom Approving an Increase in Maximum Grant Amounts and Updated Guidelines for the Seniors Helping Seniors Home Repair Program, Funded by Community Development Block Grant Funds (Fund 201)
FROM:	Community Development Department

RECOMMENDATION / CITY COUNCIL ACTION

Resolution No. 11398 - A Resolution of the City Council of the City of Folsom Approving an Increase in Maximum Grant Amounts and Updated Guidelines for the Seniors Helping Seniors Home Repair Program, Funded by Community Development Block Grant Funds (Fund 201)

BACKGROUND / ISSUE

In 1996, the City Council approved the initiation of the Seniors Helping Seniors Home Repair Program (SHS Program). The SHS Program assists extremely low-to low-income senior citizens with health and safety issues in their homes. The program is open to senior citizens that are 65 years or older (special circumstances may waive the age requirement) who own a home in the City of Folsom. Under the current SHS Program Guidelines, income-qualified senior citizens can receive *minor repair grants* up to \$3,500 per year, with a provision for up to \$5,000 for special circumstances, to address health and safety concerns. These grants can be used for essential repairs such as fixing non-functioning heating or air systems, replacing broken windows or light bulbs, installing grab bars, changing furnace filters, and other minor improvements. Additionally, a *major repair grant* of up to \$10,000, available once every five years, is offered to eligible households for larger-scale repairs, including the installation of a new deck, a new HVAC system, bathtub conversions, and other high-cost repairs.

From 1997 to 2011, the City funded the SHS Program using Redevelopment Agency resources. Since 2011, however, the program has been supported through Community Development

Block Grant (CDBG) funds, provided via an inter-agency contract with the Sacramento Housing and Redevelopment Agency (SHRA), ensuring its continued implementation and success.

The current maximum grant amounts were last adjusted in 2021, but they have not kept pace with inflation—particularly the rising costs of building materials and labor. To address this, staff is seeking City Council approval to increase the maximum grant limits, ensuring they align with present economic conditions and support the program’s continued effectiveness.

Specifically, staff is proposing that the SHS *minor repair grants* be increased to \$5,000 per year for each eligible senior household, with an allowance of up to \$7,000 for special circumstances, as determined by the Community Development Department Director. Additionally, the *major repair grants*, which are available once every five years, would be increased to \$12,000 to ensure adequate support for larger-scale home improvements.

POLICY / RULE

The City Council has the authority under the Community Development Block Grant (CDBG) Program to approve the maximum grant amounts for the Senior Helping Seniors Home Repair Program not to exceed the total annual allocation.

ANALYSIS

On average, the City’s SHS Program responds to over 150 calls for service each year with the majority of these resulting in a grant award. As previously indicated in the background section of this report, there are two types of grants available through the SHS Program: *minor repair grants* (up to \$3,500 per year with a provision for up to \$5,000 for special circumstances) and a *major repair grant* (up to \$10,000).

Since the last update to the SHS guidelines in 2021, staff has observed a steady increase in minor grant repair costs, with many now nearing the \$3,500 threshold. For instance, in 2021, the cost of replacing a 30-gallon water heater ranged from \$1,650 to \$1,800. By 2025, that cost has risen to \$2,700 to \$3,200, marking a substantial increase over four years. This surge is largely driven by inflation, supply chain disruptions, rising labor costs, and advancements in energy efficiency standards. Similar cost escalations, now pushing the minor grant to its threshold, have been observed in routine deck repairs, as well as window and door replacements.

To ensure continued program effectiveness, staff proposes adjusting the maximum minor repair grant to \$5,000 annually, with an additional \$7,000 available for special circumstances, as determined by the Community Development Department Director.

In addition, the major repair grant, currently capped at \$10,000 and available once every five years, is no longer sufficient to cover high-cost health and safety repairs. This is particularly evident in new HVAC system installations and re-piping, which are essential to maintaining safe and livable housing conditions. To ensure the program can effectively support these home

repairs, staff recommends raising the grant amount to \$12,000, aligning funding levels with rising material and labor costs.

As discussed above, the SHS Program plays a crucial role in providing financial assistance to low-income senior homeowners for essential health, safety, emergency, and accessibility repairs. To ensure its continued effectiveness, grant funding levels must reflect rising costs in building materials and labor.

Recognizing these increased expenditures, the Community Development Department maintains rigorous financial oversight to ensure sustainable funding practices. The program receives an annual CDBG allocation of \$200,000 from SHRA, with unused funds carrying over to subsequent years. To preserve resources for urgent needs, staff strategically postpone non-emergency grants—such as window replacements—until the end of the funding cycle. Given this careful budget management, staff does not anticipate any funding shortfalls related to the proposed grant increases.

The approval of this resolution will update the SHS Program Guidelines to:

- Increase the *minor repair grant* to **\$5,000 per year** per eligible senior household, with up to **\$7,000** available for special circumstances, as determined by the Community Development Department Director.
- Raise the *major repair grant limit* to **\$12,000**, available **once every five years**.
- Update program procedures consistent with current practices.

A copy of the updated SHS Program Guidelines, incorporating these revisions, is attached as Attachment 2.

FINANCIAL IMPACT

There is no financial impact on the General Fund. The CDBG funding program requires the expenditure of funds with reimbursement requested and therefore the Community Development Block Grant Fund (Fund 201) is utilized to cover the upfront contractor and material costs and invoices are sent to SHRA monthly for reimbursement from the grant proceeds. For the 2025/26 fiscal year, \$200,000 of the Fund 201 has been budgeted for the SHS Program to cover the cost of materials and outside contractors.

ENVIRONMENTAL REVIEW

The proposed City Council action to approve the increased grant amounts and update the Seniors Helping Seniors Home Repair Program Guidelines is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378 and Section 15061(b)(3). Under Section 15378, the action does not constitute a “project” under CEQA, as it pertains solely to administrative or procedural matters that do not result in direct physical environmental changes. Furthermore, Section 15061(b)(3) - the “common sense exemption” -

applies because it can be determined with certainty that the adoption of this updated document will not lead to significant effects on the environment.

ATTACHMENTS

1. Resolution No. 11398 - A Resolution of the City Council of the City of Folsom Approving an Increase in Maximum Grant Amounts and Updated Guidelines for the Seniors Helping Seniors Home Repair Program, Funded by Community Development Block Grant Funds (Fund 201)
2. Seniors Helping Seniors Home Repair Program Guidelines (dated June 2025)

Submitted,

A handwritten signature in blue ink, appearing to read 'Pam Johns', with a long horizontal flourish extending to the right.

Pam Johns, Community Development Director