

STAFF REPORT



COMMUNITY DEVELOPMENT

DATE: June 10, 2025

TO: Justin Hess, City Manager

FROM: Patrick Prescott, Community Development Director
VIA: Simone McFarland, Assistant Community Development Director
BY: Kasey Lee, Housing Development Manager

SUBJECT: Adoption of a Resolution to Approve the Annual Action Plan for the Fiscal Year 2025-2026 Community Development Block Grant Program

RECOMMENDATION

Adopt A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AUTHORIZING AND APPROVING:

1. THE SUBMISSION OF THE FISCAL YEAR 2025-2026 ANNUAL ACTION PLAN UNDER THE FIVE-YEAR CONSOLIDATED PLAN FOR FISCAL YEARS 2025-2029 TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD);
2. THE FILING OF APPLICATIONS AND CERTIFICATIONS FOR FEDERAL FUNDS FOR FISCAL YEAR 2025-2029 FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAMS; AND
3. THE CITY MANAGER OR DESIGNATED OFFICIAL TO EXECUTE CDBG AGREEMENTS AND AMENDMENTS WITH SUBRECIPIENTS

BACKGROUND

Annually, the U.S. Department of Housing and Urban Development (HUD) allocates CDBG funds to cities, counties, and states to undertake projects and programs that address a wide range of community development needs, as specifically described in a jurisdiction's five-year Consolidated Plan and Annual Action Plan (AAP). The five-year Consolidated Plan for 2025-2029 creates the framework for how the City will fulfill housing and community development goals utilizing CDBG and HOME funds. Within the Consolidated Plan five-year period, the City will issue an AAP which describes the

programs, goals, and funding that will be implemented in a given fiscal year (Attachment 2).

Staff is requesting Council approve the appropriation and allocation of CDBG funds and the appropriation of HOME funds and incorporate these allocations into the AAP. Once approved, staff will begin issuing contracts to the grant subrecipients.

DISCUSSION

For many years, CDBG funds have created or enhanced the availability of community services for residents of Burbank. The preservation of public facilities and community centers have also received CDBG funding. Most importantly, CDBG continues to support local nonprofit and community organization partnerships that offer free or low-cost services to people seeking their assistance.

CDBG Available Resources

The CDBG grant allocation for FY 2025-2026 is \$1,072,998, and the HOME grant allocation for FY 2025-2026 is \$473,919.96. The plan for HOME funding will be decided on a project basis with staff returning to Council for approval. Of the total amount of CDBG funds, 65% is allocated towards capital/economic development projects, 15% is allocated towards public service projects, and 20% is allocated towards program administration. The table below provides the funding amount that can be used for each activity:

| FY 2024-2025 CDBG Activity Distribution | Funding Amount |
|--|-----------------------|
| Capital/Economic Development Funds | \$697,448.70 |
| Public Services (capped at 15% of new entitlement funds) | \$160,949.70 |
| Program Administration (capped at 20% of new entitlement funds – City budgeted item) | \$214,599.60 |
| Total Funds to Distribute | \$1,072,998 |

Request for Funding Proposals

In January, staff solicited proposals from interested parties that include nonprofits, City Departments, and other eligible subrecipients. A total of nine proposals were received – seven for public services and two for capital/economic development (Attachment 3).

The CDBG Request for Proposals (RFPs) included an emphasis on housing and homelessness, which is consistent with the priorities identified in the City's 2025-2029 Consolidated Plan and Five-Year Homelessness Plan (2022-2027). All proposals were vetted by the Goals Committee and City staff, who reviewed the applications for eligibility, merit, emphasis on addressing housing and homelessness, and how the programs will effectively and efficiently serve the Burbank community.

CDBG Public Service Recommendations

In response to the CDBG RFP, seven applications were received for public service programs. The activities consist of a wide range of eligible uses. The following proposed programs are separated into non-homeless and homeless activities:

Community Development (Non-Homeless) Activities

- Armenian Relief Society
 - *Social services to underserved populations*
- Boys and Girls Club
 - *Afterschool and summer programs for local youth*
- Burbank Noon Lions (not recommended for funding)
 - *Indigent eye/ear care*

Homeless Activities

- Burbank Temporary Aid Center (BTAC)
 - *Emergency assistance for individuals and families*
- Family Service Agency of Burbank (FSA)
 - *Residential therapeutic care for Burbank's homeless population*
- Fine Arts Revolution
 - *Art therapy for Burbank's homeless population*
- Home Again Los Angeles (HALA)
 - *Outreach services targeting homeless families*

CDBG Capital/Economic Development Recommendations

Two applications were submitted for capital projects or economic development projects for the benefit of low-to-moderate-income persons. The applications were for the following projects/programs:

- City of Burbank
 - *Buena Vista St. Homeless Access Center/HALA Headquarters Office construction project*
- Upwards Boost (not recommended for funding)
 - *Assistance for day care providers*

Two organizations that received CDBG funding in FY 2024-25 are not recommended for funding in FY 2025-26, including the Burbank Coordinating Council (did not submit an application for funding) and the Burbank Noon Lions (did not attend the mandatory Community Development Goals Committee meeting, as required by the Goals Committee). Staff requests Council approval of the FY 2025-26 CDBG funding recommendations from the Goals Committee as outlined (Attachment 4).

FY 2024-25 CDBG Subrecipient Updates

A total of seven grants were approved for current year (FY 2024-25) CDBG funding – all under the public services category. All programs are underway with the exception of the Burbank Coordinating Council, who relinquished their grant funds because the Summer Campership Program did not come to fruition. More than two-thirds of the grant subrecipients have expended over 75% of their funding, and all programs are on track to meet the accomplishments outlined in their respective subrecipient agreements. The deadline to expend CDBG funds is June 30, 2025, unless the project falls under capital/infrastructure projects, which may be carried over on an annual basis. One capital project – the Burbank Temporary Aid Center Roof Replacement Project – completed construction in FY 2024-25. There are three other capital projects currently underway that will be carried over to the next FY:

- Armenian Cultural Foundation Solar Panel Project
 - *Project is in the pre-bid stages and is expected to begin construction in July 2025.*
- Buena Vista Homeless Access Center/HALA Headquarters Office
 - *Environmental assessment is scheduled for completion in June 2025, and the construction Request for Qualifications (RFQ) was released in May 2025; construction is expected to begin summer 2025.*
- Parks and Recreation Santa Anita Playlot Project
 - *Scheduled to start construction in September 2025.*

COMMUNITY OUTREACH

Community Outreach for the FY 2025-26 Annual Action Plan was included in the outreach efforts for the FY 2025-2029 Consolidated Plan. Outreach efforts consisted of:

- Consolidated Plan/Annual Action Plan Survey – Open October 1, 2024 through November 15, 2024; distributed in English, Spanish and Armenian.
- Survey was posted on the City website and notices in the newspaper.
- Flyer with survey QR code was posted at City libraries and parks, and was distributed to non-profits.
- Outreach meeting with non-profits held October 16, 2024.
- Outreach meeting with City departments held October 22, 2024.
- Community meetings were held in person on November 12, 2024, at 1:00 p.m. and virtually on November 14, 2024, at 6:00 p.m.
- Launched a social media campaign via the Public Information Office with information on community meetings and survey.

Additionally, staff solicited public review and comment for 30 calendar days, from May 10 through June 10, 2025. A notice for public comment was published in the Burbank Leader on April 26, 2025, and each document was available online on the City's website.

ENVIRONMENTAL REVIEW

The approval of the subject Annual Action Plan is a funding mechanism only and is excluded from the definition of "project" pursuant to State California Environmental Quality Act (CEQA) Guidelines § 15378(b)(4). Furthermore, the proposed action does not constitute a final funding commitment to any of the identified activities, as the grant sub-recipients of the activities would be required to enter into contractual agreements. Pursuant to the terms of the contracts, appropriate environmental review of each funded activity will take place prior to commencement of any activity. Therefore, the action proposed herein will not have a significant effect on the environment and, hence, is not subject to CEQA. Even if it was a project, the action proposed herein is exempt from CEQA, pursuant to State CEQA Guidelines § 15061 (b)(3), the "common sense" provision of CEQA which applies to projects which may have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

FISCAL IMPACT

Should the FY 2025-26 AAP for use of the CDBG Program funds be approved by Council, the appropriated funds for each activity will be incorporated into the City's FY 2025-26 Adopted Budget. The appropriation of HOME funds will be incorporated into the FY 2025-26 Adopted Budget, to be allocated once a project is determined.

CONCLUSION

Staff is committed to utilizing these federally restricted funds in the most efficient and effective manner. The CDBG projects and programs approved by Council will reach residents who are the most vulnerable to a financial crisis and improve the overall quality of life for those who are low-to-moderate income. Staff recommends that Council adopt the Resolution approving and authorizing the submission of the FY 2025-26 AAP.

ATTACHMENTS

Attachment 1 – Resolution

Attachment 2 – Annual Action Plan

Attachment 3 – FY 2025-26 CDBG Applications

Attachment 4 – FY 2025-26 Funding Recommendations