

# STAFF REPORT



## COMMUNITY DEVELOPMENT

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**DATE:** June 16, 2026

**TO:** Justin Hess, City Manager

**FROM:** Patrick Prescott, Community Development Director  
VIA: Maribel Leyland, Assistant Community Development Director  
Kasey Lee, Housing Development Manager  
**BY:** Melania Kuredjian, Administrative Analyst II

**SUBJECT:** Adoption of a Resolution to Approve the Annual Action Plan for the Fiscal Year 2026-2027 Community Development Block Grant Program

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### **RECOMMENDATION**

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

1. THE SUBMISSION OF THE FISCAL YEAR 2026-2027 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 2026-2027 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

### **EXECUTIVE SUMMARY**

The City of Burbank receives an annual allocation of CDBG and HOME funds from HUD to support activities benefiting primarily low- and moderate-income residents. As the recipient of these funds each year, the City is required to complete an Annual Action Plan (AAP) detailing the uses of these funds. The Fiscal Year (FY) 2026-2027 allocation for CDBG is \$1,069,143 and the FY 2026-2027 allocation for HOME is \$476,334.71 (the use of HOME funds will be determined when a project is identified).

As a part of the CDBG program, the City issues a Request for Proposals (RFP) for eligible organizations to apply. The City opened the RFP to the public on January 5, 2026. As a result of the RFP, sixteen applications were received. Eligible applicants presented their proposals to the CDBG Committee, which evaluated eligibility, alignment with Consolidated Plan priorities, community benefit, ability to administer federal funds, and prior performance.

Staff recommends Council approve the AAP, which includes the funding recommendations outlined in this report.

## **BACKGROUND**

Annually, HUD allocates CDBG and HOME funds to cities, counties, and states to undertake projects and programs that address a wide range of community development needs. As a recipient of these funds, jurisdictions are required to complete a five-year Consolidated Plan and an AAP. The five-year Consolidated Plan establishes the City's strategic framework for identifying housing and community development priorities and guides the use of CDBG and HOME funds in accordance with federal program requirements and local community needs. Each year within the Consolidated Plan five-year period, the City prepares an AAP that identifies the specific programs, projects, funding allocations, and performance goals that will be implemented in a given fiscal year. The FY 2026-2027 AAP is the second AAP within the City's 2025-2029 five-year Consolidated Plan (Attachment 2).

CDBG funding is intended for local jurisdictions to create viable urban communities by supporting decent housing, suitable living environments, and expanded economic opportunities, primarily benefiting low- to moderate-income residents through activities such as public services, affordable housing, public facility and infrastructure improvements, economic development, neighborhood revitalization, accessibility improvements, homeless assistance, and community planning. HOME funds are specifically focused on expanding the supply of safe, decent, and affordable housing through activities such as homebuyer assistance, property acquisition, new construction, rehabilitation, reconstruction, and tenant-based rental assistance. The plan for HOME funding will be decided once a project has been identified, with staff returning to Council for approval.

## **DISCUSSION**

As an entitlement jurisdiction, the City of Burbank receives an annual allocation of CDBG and HOME funds. As a recipient of these funds, the following is a summary of the AAP detailing how the funds will be spent.

### CDBG Available Resources

Of the total amount of allocated 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:

<b>FY 2026-2027 CDBG Activity Distribution</b>	<b>Funding Amount</b>
Capital/Economic Development Funds	\$694,942.95
Public Services (capped at 15% of new entitlement funds)	\$160,371.45
Program Administration (capped at 20% of new entitlement funds – City budgeted item)	\$213,828.60
<b>Total Funds to Distribute</b>	<b>\$1,069,143</b>

### Request for Funding Proposals

In January, staff issued an RFP to solicit proposals from interested parties that include nonprofits, City Departments, and other eligible subrecipients. A total of sixteen proposals were received – twelve (12) for public service programs and four for capital/economic development projects/programs (Attachment 3).

The RFP included an emphasis on access to affordable housing and homeless programs and services consistent with the priorities identified in the City’s 2025-2029 Consolidated Plan. All applications were assessed by the CDBG Committee<sup>1</sup> and City staff who considered eligibility, merit, emphasis on addressing housing and homelessness, and the extent to which the proposed programs align with City Council goals, federal CDBG requirements, and Consolidated Plan priorities.

The CDBG Committee plays an important role in reviewing applications and making funding recommendations. Committee members spend considerable time assessing applications, evaluating eligibility and community impact, and discussing funding priorities. As part of the review process, applicants are required to present their proposals to the Committee, providing an opportunity to clarify program goals, address questions, and highlight the anticipated community benefits. In making recommendations, City staff and the Committee consider factors such as the extent to which proposed activities meet the goals and priorities identified in the Consolidated Plan, project readiness and feasibility, prior performance, and the overall need for services within the Burbank community.

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<sup>1</sup> The CDBG Committee is a seven-member, City Council appointed, citizen review and recommending body established for the purpose of acting as a liaison for Burbank residents on matters related to the CDBG Program.

## CDBG Public Service Recommendations

In response to the CDBG RFP, 12 applications were received for public service programs (three were determined ineligible and removed from funding consideration).<sup>2</sup> Of the nine remaining, applications consisted of a variety of programs and activities which are listed below and 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 Housing Corporation
  - *Afterschool access program for youth*
- Burbank Noon Lions
  - *Indigent eye/ear care*
- Kids Community Dental Clinic
  - *Dental treatments and education for local youth*

### Homeless Activities

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

Of the nine applications listed above, two were not recommended for funding including the Burbank Housing Corporation After School Access Program and the Fine Arts Revolution Art Therapy Program. The Burbank Housing Corporation did not attend the mandatory CDBG Committee presentation meeting, and Fine Arts Revolution did not have an identified location to operate their program and lacked the capacity to meet CDBG program requirements.

## CDBG Capital/Economic Development Recommendations

All four applications submitted for capital projects or economic development projects are recommended for funding. The applications correspond to the following projects/programs:

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<sup>2</sup> The Truth and Accountability League (TAAL) program was deemed ineligible by HUD, and the Burbank Eco Council's two applications did not meet CDBG program requirements nor the City's insurance requirements.

- City of Burbank
  - *First Time Homebuyer Program providing down payment and/or closing cost assistance.*
- Family Service Agency of Burbank
  - *Security rehabilitation of facility*
- Home Again Los Angeles (HALA)
  - *Rehabilitation of Buena Vista Homeless Access Center (HALA's portion of the increased project costs)*
- Kids Community Dental Clinic
  - *Roof replacement of facility*

Additional details for each capital/economic development project are available in Attachment 3. Staff requests Council approval of the FY 2026-2027 AAP, including the FY 2026-2027 CDBG funding recommendations from the CDBG Committee (Attachment 4).

#### FY 2025-26 CDBG Subrecipient Updates

Critical to the FY 2026–27 AAP is an update on the current year programs. A total of seven organizations received current year (FY 2025-2026) CDBG funding – all under the public services category. 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, 2026, unless the project falls under capital/infrastructure projects which may be carried over on an annual basis.

As previously mentioned, there were no new capital/infrastructure projects in FY 2025-2026, as the capital funding for that year was committed to the Buena Vista Homeless Access Center project. However, two previously approved capital projects – the Parks and Recreation Santa Anita Playlot Project and the Armenian Cultural Foundation Solar Panel Project – were completed in FY 2025–26. The Buena Vista Homeless Access Center project, approved on January 13, 2026, is currently underway. Construction began in March 2026 and is expected to be completed by February 2027.

#### **COMMUNITY OUTREACH**

Staff solicited public review and comment of the FY 2026-2027 AAP for 30 calendar days – from May 2, 2026, through June 2, 2026. A notice for public comment was published in the Burbank Leader on April 18, 2026, and each document was available online on the City's website. The FY 2026–2027 AAP outreach meets the goals and objectives that were formulated through extensive community outreach as part of the City's FY 2025–2029 Consolidated Plan adopted by the City Council on June 10, 2025. That initial

outreach included community and stakeholder meetings, a multi-lingual survey, flyers posted at parks and libraries, and a social media campaign.

### **ENVIRONMENTAL REVIEW**

The approval of the subject AAP 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 subrecipients 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 2026-2027 AAP for the use of the CDBG Program funds be approved by Council, the identified funding recommendations for each activity will be incorporated into the City's FY 2026-27 Adopted Budget. As no HOME project has yet been identified, only HOME administrative funds will be incorporated into the FY 2026–2027 Adopted Budget; HOME program/project funds will be allocated once a project is determined.

### **CONCLUSION**

Staff is committed to utilizing CDBG federally restricted funds in a manner consistent with program guidelines and regulations and aligned with the priorities established in the Consolidated Plan. The CDBG projects and programs approved by Council will reach residents who are 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 approve the AAP and adopt the Resolution authorizing the submission of the FY 2026-2027 AAP.

### **ATTACHMENTS**

Attachment 1 – Resolution

Attachment 2 – Annual Action Plan

Attachment 3 – FY 2026-27 CDBG Applications

Attachment 4 – FY 2026-27 Funding Recommendations

Correspondences