

CITY OF RANCHO SANTA MARGARITA

Public Hearing

2025-2029 Consolidated Plan
including the 2025-2026 CDBG
Annual Action Plan

May 14, 2025



COMMUNITY DEVELOPMENT BLOCK GRANT CDBG

- ▶ CDBG is a federal grant administered by HUD
 - ✓ Received by over 1,200 local & state governments
 - ✓ The City has received CDBG since 2006
- ▶ All activities must meet a National objective:
 - ✓ Benefit low & moderate-income residents *
 - ✓ Eliminate conditions of slum & blight
 - ✓ Urgent need (e.g., disaster)


CONSOLIDATED PLAN

- ▶ 5-year strategic plan:
 - ✓ Identifies housing & community needs
 - ✓ Strategies to meet needs
 - ✓ Use of CDBG funds to address identified needs
- ▶ 2020-2024 ConPlan approved May 27, 2020
 - ✓ Covers FY 20-21 through FY 24-25
- ▶ Draft 2025-2029 ConPlan
 - ✓ Covers FY 25-26 through FY 29-30

COMPONENTS OF THE CONSOLIDATED PLAN

- ▶ Housing & Community Needs Assessment
 - ✓ Assessment of housing, homeless, special needs & community needs
- ▶ Market Analysis
 - ✓ Analysis of housing stock, homelessness prevention/homeless resources & special needs resources
 - ✓ Barriers to affordable housing, including fair housing impediments
- ▶ Strategy Plan
 - ✓ Identifies programs, resources & 5-year goals & objectives to address housing & community needs
- ▶ Annual Action Plan
 - ✓ 1-Year expenditure plan for use of CDBG to address ConPlan goals

5-YEAR PRIORITIES

- ▶ CDBG-eligible public facility & infrastructure improvements
 - ▶ Housing preservation
 - ✓ Via the City's Minor Home Repair Program for senior & disabled homeowners
 - ▶ Public social services to assist lower-income RSM residents
 - ▶ Services to prevent homelessness or to assist individuals who are homeless
 - ▶ Program administration, including fair housing services
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2025-2026 ANNUAL ACTION PLAN

► Annual Action Plan

- ✓ Annual expenditure plan that identifies the activities to be undertaken with CDBG funds

► April 23, 2025, City Council Meeting

- ✓ Staff presented preliminary FY 25-26 Expenditure Plan
- ✓ Funding is allocated in 4 categories
 - ✓ Capital Improvements
 - ✓ Housing Preservation
 - ✓ Public Services
 - ✓ Administration

2025-2026 ANNUAL ACTION PLAN

- ▶ HUD has not published the 2025 CDBG allocations
 - ✓ \$200,000 in CDBG for FY 25-26 (*estimate*)
 - ✓ Approx. 4% less than the current year
 - ✓ 2 allocation caps:
 - ✓ 15% cap for public services - \$30,000
 - ✓ 20% cap for program admin - \$40,000
 - ✓ \$32,305 in prior-year uncommitted funds
- ▶ **\$232,305** total estimated available for FY 25-26

FY 2025-2026 CDBG FUNDS

- May 14, 2025, HUD published the 2025 CDBG Allocation
 - **\$213,967**

FY 24-25 vs FY 25-26 Funds

FY 24-25 Allocation	FY 25-26 Allocation	Difference	% Change
\$208,305	\$213,967	\$5,662	2.6%

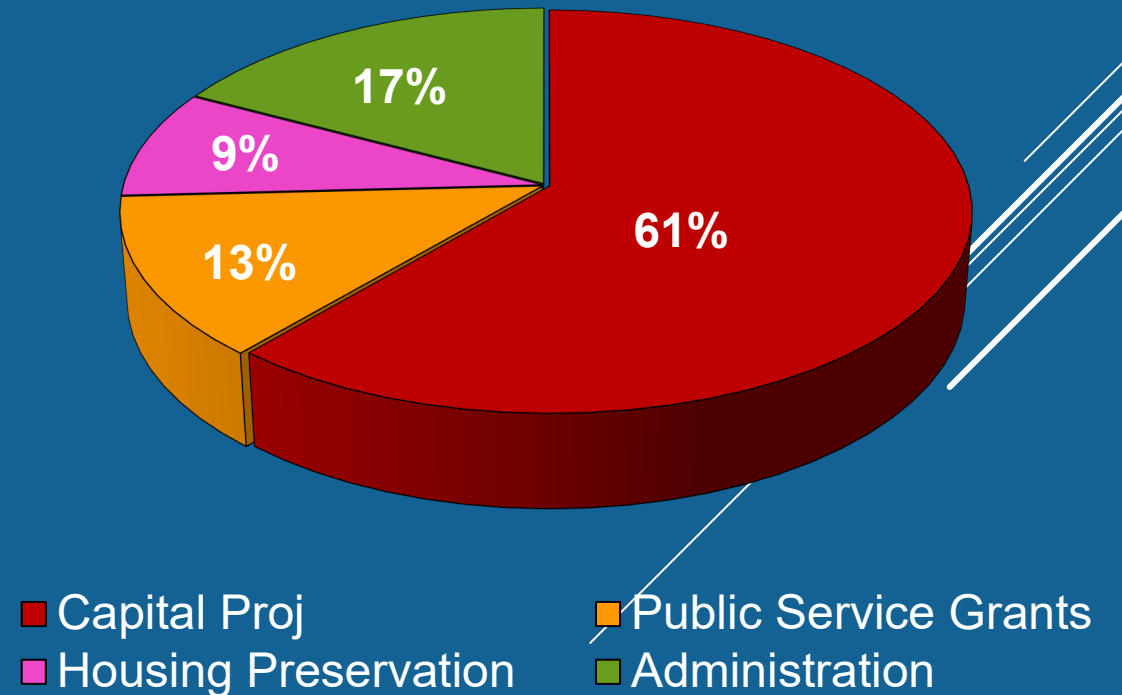
* Anticipated FY 25-26 Funds vs Actual FY 25-26 Funds *

Anticipated FY 25-26	Actual FY 25-26	Difference	% Change
\$200,000	\$213,967	\$13,967	7.0%

2025-2026 ACTION PLAN RECOMMENDATIONS

CDBG REVENUE	AMOUNT
2025-2026 CDBG Allocation <i>(Anticipated)</i>	\$200,000
Prior-Year CDBG Funds	\$32,305
TOTAL 2025-26 REVENUE	\$232,305
CDBG-FUNDED ACTIVITY	AMOUNT
Capital Improvements	
FY 25-26 ADA Curb Ramps	\$142,305
Public Services (15% Cap)	
3 Sub-recipients	\$30,000
Housing Preservation	
Minor Home Repair Grants	\$20,000
CDBG Administration (20% Cap)	
CDBG Admin/Fair Housing	\$40,000
TOTAL 2025-26 EXPENDITURES	\$232,305

2025-2026 CDBG Allocation

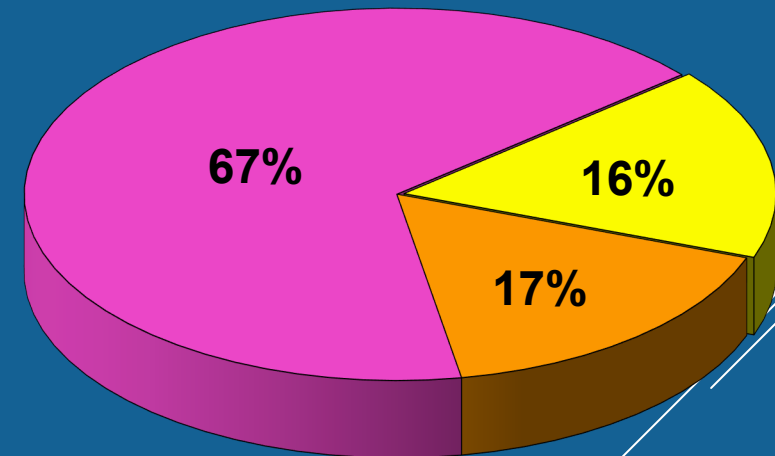


2025-2026 PUBLIC SERVICE GRANTS

CDBG COMMITTEE RECOMMENDATIONS

CDBG APPLICANT	RECOMMENDED GRANT
Age Well Senior Services	\$5,000
Family Assistance Ministries	\$5,000
RSM Cares	\$20,000

2025-2026 PUBLIC SERVICE GRANTS



■ Seniors ■ Homeless Prevention ■ Low/Mod

ASSESSMENT OF FAIR HOUSING

- ▶ The Fair Housing Act prohibits the City from discriminating in housing-related activities & to affirm fair housing
- ▶ State law also requires the City to affirm fair housing
- ▶ To comply, the City joined 33 OC cities & the County to develop the 2025-2029 Regional OC Assessment of Fair Housing
 - ✓ Analysis of housing & community indicators
 - ✓ A list of impediments to fair housing choice
 - ✓ A corresponding set of action steps to address fair housing barriers that mirrors the City's Housing Element

CITIZEN PARTICIPATION PLAN (CPP) AMENDMENTS

- ▶ CPP outlines policies & processes the City will implement to support public participation in the CDBG program
- ▶ The current CPP was amended in May 2020 to receive COVID-19 funding
- ▶ Three Amendments:
 - ✓ The City is allowed to reallocate CDBG funds from one activity to another up to 45% of the current year CDBG allocation - the amendment will increase the threshold to 55%
 - ✓ The current CPP refers to the HUD-required fair housing plan as the Analysis of Impediments to Fair Housing (AI). The amendment adds references to the Assessment of Fair Housing (AFH)
 - ✓ Grammatical corrections

RECOMMENDED ACTION

- ▶ Hold the required Public Hearing
- ▶ Adopt a Resolution approving the 2025-2029 Consolidated Plan, including the 2025-2026 Annual Action Plan and authorizing submission of the plan to HUD, and approve the 2025-2029 Regional Orange County Assessment of Fair Housing and Amendments to the Citizen Participation Plan



QUESTIONS