

EXEMPTIONS AND CIVIL RIGHTS, EQUITY, IMMIGRATION AGING AND DISABILITY COMMITTEE REPORT relative to requested determinations, findings, instructions and authorizations for to the 51st Program Year (PY) of the Housing and Community Development Consolidated Plan (2025-2026) (Action Plan).

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. DETERMINE that:
 - a. Pursuant to CEQA Guidelines Section 15378(b)(4), the 2023-2027 Housing and Community Development Consolidated Plan PY 51 (2025-2026) Action Plan is not a project subject to the California Environmental Quality Act (CEQA) because it is the creation of a funding mechanism or other fiscal activity that does not involve any commitment to a specific project which may result in a potentially significant physical impact to the environment.
 - b. The Action Plan is not a CEQA project pursuant to CEQA Guidelines Sections 15378(b)(4) and 15353(a) because it does not commit the City to a definite course of action the City intends to carry out and the City will comply with CEQA if applicable before any Action Plan funds are committed to a definite course of use; and/or,
 - c. The Action Plan is exempt from the requirements of CEQA because, pursuant to Guideline Section 150601(b)(3), as the common sense exemption applies because it can be seen with certainty that the Action Plan application for funding does not have the potential to cause a significant effect on the environment.
2. FIND that all new federally funded projects are subject to environmental review under the National Environmental Policy Act (NEPA) requirements and per the Department of Housing and Urban Development's (HUD) regulations before any commitment of federal funds for expenditure unless they are exempt from such review. The City has determined that some action is programmatically exempted per Code of Federal Regulations (CFR) 58.34 and categorically excluded per CFR 58.35(a)(b) from this annual environmental requirement. Those projects that are not exempted or not yet defined are approved, subject to the following:
 - a. Confirmation that the project to be funded is categorically excluded under NEPA per 24 CFR Part 58, and exempt under CEQA per the Guidelines before project implementation; or,
 - b. Appropriate environmental review before project implementation.
3. NOTE and FILE the Report from Mayor dated May 12, 2025, attached to Council file No. 25-0525, relative to the 51st PY of the Housing and Community Development Consolidated Plan (2025-2026) (Action Plan).
4. AMEND Attachment A of Chief Legislative Analyst (CLA) report dated June 11, 2025, attached to said Council file, as follows:
 - a. Delete Line Item 54, entitled Rose Hills Park Improvements, and reallocate the funds to a new line item under Economic Development Entitled Assistance to Microenterprises Program/ DTLA Small Business Assistance, with \$300,000 in Community Development Block Grant (CDBG) funding.

- b. Reduce Line Item 43 entitled Hollenbeck Park Improvement by \$27,000, and create a new Line Item under neighborhood Improvements entitled Hermon Park Improvements with \$27,000 in CDBG funding.
 - c. Correct the PY 51 Neighborhood Improvements (Column P) subtotal to be \$12,646,909.
5. APPROVE the recommendations as detailed in the CLA report dated June 11, 2025, attached to the Council file.
 6. DIRECT the Community Investment for Families Department (CIFD) to report to Council by September 1, 2025 on the status of each project adopted in the said CLA report.

Fiscal Impact Statement: The CAO reports that PY 51 CDBG will provide approximately \$18.7 million to support positions (direct salaries: \$12.7 million; expenses including contracts: \$2.4 million; and related costs reimbursement: \$3.5 million). For PY 51, the City Administrative Officer (CAO) has calculated total related costs to be approximately \$9.3 million. Of this amount, approximately \$3.5 million can be funded with CDBG funds. This leaves \$5.8 million in unfunded related costs that the Council may consider funding with the General Fund. For reference, the PY 50 estimated \$2.5 million in related costs to be paid by the General Fund. The City's Financial Policies state that the City will pursue program grants, but will limit financial support of these programs to avoid commitments beyond available funding.

The CAO further reports that Cost Allocation Plan (CAP) 47 is used to calculate the 2025-26 related costs. In most cases, CAP 47 is higher than CAP 46, which was used to calculate related costs in PY 50. There is CDBG Coronavirus Aid, Relief, and Economic Security (CARES) balance available to fund some of the salaries and related costs for the CIFD. The amount of City resources, specifically the General Fund, to be dedicated to leverage CDBG grant program activities is a policy decision for the Council.

Community Impact Statement: None submitted

SUMMARY

At the meeting held on June 20, 2025, your Civil Rights, Equity, Immigration, Aging and Disability Committee considered a CLA report and Report from Mayor regarding requested determinations, findings, instructions and authorizations relative to the 51st Program Year of the Housing and Community Development Consolidated Plan (2025-2026) (Action Plan); and related items.

After an opportunity for public comment was held, the Committee moved to approve the recommendations, as amended, as stated above. This matter is now submitted to the Council for consideration.

Respectfully Submitted,

CIVIL RIGHTS, EQUITY, IMMIGRATION, AGING AND DISABILITY COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
SOTO-MARTINEZ:	YES
NAZARIAN:	YES
JURADO:	YES
RODRIGUEZ:	ABSENT
PADILLA:	YES