

EXEMPTIONS and CIVIL RIGHTS, EQUITY, IMMIGRATION, AGING, AND DISABILITY COMMITTEE REPORT relative to the 52nd Program Year (PY) of the Housing and Community Development Consolidated Plan (2026-2027) (Action Plan).

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

1. NOTE and FILE the Mayor report dated April 24, 2026, attached to the Council file.
2. DETERMINE that, (a) pursuant to CEQA Guideline section, 15378(b)(4), the 2023- 2027 Housing and Community Development Consolidated Plan PY 52 (2026-2027) Action Plan (Action Plan) is not a project subject to the California Environmental Quality Act (CEQA) and not subject to 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 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 150601(b)(3), 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. The above determination is documented in the CEQA Notice of Exemption, attached to the Chief Legislative Analyst (CLA) report dated June 2, 2026, attached to the Council file.
3. 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 Developments (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 CFR 58.34 and categorically excluded per 24 Code of Federal Regulations (CFR) Part 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: (1) confirmation that the project to be funded is categorically excluded under NEPA per 24 CFR 58 and exempt under CEQA per the Guidelines before project implementation; or (2) appropriate environmental review before project implementation.
4. AMEND Recommendation 17 of the CLA report dated June 2, 2026, attached to the Council file, to read as follows:

17. Instruct LAHD, with the assistance of the CLA, to report within 120 days, and/or prior to the acquisition of a property, on the use of HOME and/or CDBG funding allocated for the purpose of creating Interim/Transitional Housing, including acquisition and rehabilitation costs and timeline, operating and services costs related to the proposed acquisition, as well as sources of funds for such purposes; **and include an analysis of compliance with Alliance settlement requirements and obligations, the projected cost per unit, cost of supportive services, and the proposed location of each housing site, across the City.**
5. APPROVE the CLA report dated June 2, 2026, attached to the Council file, as amended.

Fiscal Impact Statement: The CLA report states that PY 52 Community Development Block Grant (CDBG) will provide approximately \$19.0 million to support positions (direct salaries: \$14.5 million; expenses including contracts: \$1.9 million; and related costs reimbursement: \$2.6 million). For PY 52, the total related cost is approximately \$11.1 million, of which only approximately \$2.6 million can be funded with CDBG funds. This leaves \$8.5 million in unfunded related costs that the Council may consider funding with the General Fund. For reference, the Council and Mayor approved an estimated \$5.8 million in related costs for PY 51 to be funded 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) 48 is used to calculate the 2026-27 related costs. In most cases, CAP 48 is higher than CAP 47, which was used to calculate related costs in PY 51. 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 and Mayor.

Community Impact Statement: No

SUMMARY

At the meeting held on June 5, 2026, your Civil Rights, Equity, Immigration, Aging, and Disability Committee considered a Mayor's report and CLA report relative to the 52nd Program Year (PY) of the Housing and Community Development Consolidated Plan (2026-2027) (Action Plan).

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:	ABSENT
JURADO:	YES
RODRIGUEZ:	YES
PADILLA:	ABSENT

JL 6.5.2026 26-0619

-NOT OFFICIAL UNTIL COUNCIL ACTS-