

CITY OF ORANG
SUBSTANTIAL AMENDMENT TO THE
2025-2026 ANNUAL ACTION PLAN

BACKGROUND

Each year the US Department of Housing and Urban Development (HUD) provides funding for housing and community development programs to the City of Orange, specifically Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) Program funds. To receive these funds, the City must complete a report every five years called the Consolidated Plan.

The purpose of the Consolidated Plan is to identify the City of Orange's housing and community development needs, priorities, goals, and strategies and to stipulate how funds will be allocated to housing and community development activities over the period of the Consolidated Plan.

The Consolidated Plan is implemented through the Annual Action Plans (AAP) which provide a comprehensive summary of the strategies, activities, and federal and non-federal resources allocated each year to address the specific needs and objectives outlined in the Consolidated Plan. The 2025-2029 Consolidated Plan includes the first year of the 2025-2026 Annual Action Plan.

The City shall amend the approved Consolidated Plan and Annual Action Plans when:

- A substantial change (e.g., 20% or more) in its allocation priorities or a substantial change in the method of distribution of funds takes place; or
- Carries out an activity, using funds from any program covered by the consolidated plan (including program income), not previously described in the action plan; or
- Substantially change the purpose, scope, location, or beneficiaries of an activity.

The substantial change criteria utilized by the City of Orange in this case is determined by the addition of a new activity that was not previously considered by the Council for the use of HUD funding and in which the change would exceed:

1. 20% of the original allocations or when beneficiaries are impacted by the change; and/or
2. Carries out an activity, using funds from any program covered by the consolidated plan (including program income), not previously described in the action plan.

As required by Title I of the Cranston-Gonzalez National Affordable Housing Act, the City of Orange has submitted an Annual Action Plan for the 2025-2026 fiscal year. This

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Plan outlines the activities and expected allocation for this year. The City also has a Citizen Participation Plan which outlines procedures for citizen participation in the planning process of the Consolidated Plan and Annual Action Plan particularly those areas to be affected by the proposed funds.

AMENDMENT TO 2025-2026 ANNUAL ACTION PLAN INCLUDED IN THE 2025-2029 CONSOLIDATED PLAN

At the June 24, 2025, City Council meeting, members of the City Council approved the allocation of the HUD funds for the 2025-2026 fiscal year described in the 2025-2026 Annual Action Plan included in the 2025-2029 Consolidated Plan. This proposal is to create a new activity under CDBG and allocate funding to it described below:

- Business Assistance Façade Program
Create and implement a business façade improvement program to support eligible businesses with financial assistance to improve their store fronts visible from the right of way.
- Amount Allocation: \$150,000
Fund program with \$150,000 consisting of \$45,741 from the Fiscal Year 2025-2026 Annual Action Plan's Community Development Assistance Program (Admin) and \$36,973.89 from Fiscal Year 2023 and \$67,285.11 from Fiscal Year 2024 available unspent funds.

These eligible activities are allowed under the CDBG guidelines and will support the City of Orange's commitment to further economic development goals.

CITIZEN PARTICIPATION

HUD requires that entitlement communities provide the public with a 30-day comment period to provide residents and other interested parties an opportunity to provide input on the proposed Amendment. This public comment period will run from October 30, 2025, to December 2, 2025.

PUBLIC COMMENTS

The City of Orange will incorporate all comments during the 30-day comment period.