



Agenda Item

City Council

Item #: 8.2.

6/24/2025

File #: 25-0339

TO: Honorable Mayor and Members of the City Council

THRU: Tom Kisela, City Manager

FROM: Russell Bunim, Community Development Director

1. SUBJECT

Continued Public Hearing to consider approval of the 2025-2029 Consolidated Plan including the 2025-2026 Annual Action Plan and 2025-2029 Regional Analysis of Impediments to Fair Housing Choice. (Continued from May 13, 2025)

2. SUMMARY

Public Hearing to approve the submission of the final 2025-2029 Consolidated Plan including the 2025-2026 Annual Action Plan and 2025-2029 Regional Analysis of Impediments to Fair Housing Choice and submit to the U.S. Department of Housing and Urban Development.

3. RECOMMENDED ACTION

1. Conduct and close Public Hearing.
2. Approve the 2025-2029 Consolidated Plan including the 2025-2026 Annual Action plan and 2025-2029 Regional Analysis of Impediments to Fair Housing Choice.
3. Authorize staff to incorporate comments received at the Public Hearing or make non-substantial changes if needed to the 2025-2029 Consolidated Plan or the 2025-2029 Regional Analysis of Impediments to Fair Housing Choice.
4. Authorize staff to submit the 2025-2029 Consolidated Plan to the Department of Housing and Urban Development and authorize the City Manager or their designee to execute all forms and agreements, including those with Subrecipients, and any other documents required by the Department of Housing and Urban Development upon approval of the Plan.

4. FISCAL IMPACT

All public projects, programs, and administration will be fully funded through the Community Development Block Grant (310) and HOME Investment Partnerships Program (317).

5. STRATEGIC PLAN GOALS

Goal 3: Enhance Public Communication Strategy and Quality of Life

6. DISCUSSION AND BACKGROUND

The U.S. Department of Housing and Urban Development (HUD) mandates that jurisdictions receiving annual entitlement funding through the Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) programs develop a Consolidated Plan (Con Plan) every five

years. This plan is designed to establish the City's housing and community development priorities, ensuring alignment with the objectives of the CDBG and HOME programs. Serving as a comprehensive strategic framework, the Con Plan enables the City to assess affordable housing and community development needs, evaluate market conditions, and make informed decisions based on data analysis.

Analysis of Impediments to Fair Housing Choice

As part of the development of the Con Plan, HUD requires participating jurisdictions to conduct an Analysis of Impediments to Fair Housing Choice (AI). The AI is a comprehensive study aimed at identifying and evaluating potential barriers - both in the public and private sectors - that may hinder an individual's ability to select housing free from discrimination. Additionally, it provides recommendations for addressing these barriers through a five-year Fair Housing Action Plan.

For the 2025-2029 AI, the City partnered with 33 other Orange County municipalities and the County of Orange to create a Regional AI. This comprehensive study addresses barriers to fair housing choice at both the countywide level and within the individual jurisdictions.

The Regional AI (Attachment A) was available for public review and comment from April 10, 2025 through May 12, 2025.

2025-2026 Annual Action Plan

The Con 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 Con Plan. The 2025-2029 Con Plan includes the first year of the plan, the 2025-2029 AAP.

Citizen Participation Process

The City advertised the Notice of Funding Availability in the City Orange News on November 14, 2025 and solicited applications for proposed projects and programs from November 14, 2025 through February 1, 2025. The City received eight applications for public programs and two applications for public infrastructure improvement projects. In addition, the Community Development Department requested funding to develop a business assistance program for the City Council's consideration.

On February 13, 2025, the CDBG Program Committee convened a public meeting to review presentations on proposed public programs and projects seeking CDBG funding. On March 13, 2025, the Committee deliberated on recommended funding awards based on the City's anticipated allocation. In the event that the final award differed from projections, the Committee recommended that allocations be proportionally adjusted to reflect the actual funding received.

The Committee's recommendations were incorporated into the 2025-2026 Annual Action Plan, which is part of the 2025-2029 Consolidated Plan, and made available for public review from April 3, 2025, to May 7, 2025.

On April 8, 2025, the City Council held a public meeting to consider the initial approval of the draft 2025-2029 Regional AI and 2025-2029 Consolidated Plan. During the meeting, the City received one public comment requesting a correction to the draft 2025-2029 Consolidated Plan, clarifying that the City of Orange does not have any cold weather shelters and emphasizing the need for additional low- and extremely low-income housing units. The comment was incorporated into the final version of the 2025-2029 Consolidated Plan.

On May 14, 2025, the City received notification that it will be allocated \$1,010,888 in CDBG funding and \$338,366.50 in HOME funding, which is lower than the originally estimated allocations of \$1,034,444 in CDBG and \$354,054 in HOME funding. To account for this difference, final allocation recommendations were adjusted in the draft 2025-2029 Consolidated Plan (Attachment B) to ensure alignment with the revised funding levels.

Staff is recommending the approval of the 2025-2029 Regional Analysis of Impediments to Fair Housing and 2025-2029 Consolidated Plan that includes the 2025-2026 Annual Action Plan for submission to HUD.

7. ATTACHMENTS

- Attachment A: Draft 2025-2029 Regional Analysis of Impediments to Fair Housing Choice
- Attachment B: Draft 2025-2029 Consolidated Plan