



# Agenda Report

June 15, 2026

**TO:** Honorable Mayor and City Council

**THROUGH:** Housing, Homelessness and Planning Committee (June 3, 2026)

**FROM:** Housing Department

**SUBJECT: PUBLIC HEARING: APPROVAL OF THE ANNUAL ACTION PLAN (2026) AND RELATED FUNDING APPLICATIONS FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIP ACT, AND EMERGENCY SOLUTIONS GRANT PROGRAMS**

**RECOMMENDATION:**

It is recommended that upon close of the public hearing the City Council take the following actions:

1. Find that the recommended actions are not a "project" subject to the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21065 and within the meaning of State CEQA Guidelines Section 15378(b)(4) and (5):
2. Approve the submittal of a grant application for CDBG Program Year 2026 entitlement funds in the amount of \$2,164,886, and the reprogramming of existing unspent CDBG funds in the amount of \$912,114 for a total of \$3,077,000 to be allocated towards CDBG program activities;
3. Approve the submittal of a grant application for HOME Program Year 2026 entitlement funds in the amount of \$662,156 to be allocated towards HOME program activities;
4. Approve the submittal of a grant application for ESG Program Year 2026 entitlement funds in the amount of \$188,739, \$290,365 in unspent prior year ESG funds, and the reprogramming of existing unspent Rapid Unsheltered Survivor Housing (RUSH) disaster grant funding in the amount of \$470,136 for a total of \$949,240 to be allocated towards ESG program activities; and

5. Authorize the City Manager to execute, and the City Clerk to attest, the Annual Action Plan (2026), the grant applications, administrative amendments (such as time extensions, policy revisions, and budget modification corrections), certifications, and any and all other documents deemed necessary by HUD to obtain the allocation of the aforementioned federal entitlement funds.

**BACKGROUND:**

**Annual Action Plan (2026):**

The Annual Action Plan sets forth the projected use of funds for the coming program year and addresses the available resources for program implementation, activities to be undertaken, program guidelines, and monitoring. The Action Plan identifies efforts to be made toward accomplishing the goals and objectives included in the City's Five-Year Consolidated Plan. The draft 2026 Annual Action Plan (Attachment B) was available for public review and comment from April 16 through May 15, 2026. Any comments received will be included in the final version prior to submission HUD. Recommended funding allocations under the CDBG, HOME, and ESG programs are summarized in Attachment A. Table one below shows the funding availability and goals for year two of the Five-Year Plan:

**Table 1: Anticipated Funding Availability**

| <b>Funding Source</b> |                                     | <b>Amount</b>      |
|-----------------------|-------------------------------------|--------------------|
| 1                     | CDBG Entitlement Annual Allocation  | \$2,164,886        |
| 2                     | CDBG Unspent Carryover Funds        | \$912,114          |
| 3                     | HOME Entitlement Annual Entitlement | \$662,156          |
| 4                     | ESG Entitlement Annual Allocation   | \$188,739          |
| 5                     | ESG Unspent Carryover Funds         | \$290,365          |
| 6                     | ESG-RUSH Unspent Carryover Funds    | \$470,136          |
|                       | <b>Total</b>                        | <b>\$4,688,396</b> |

**Goals and Funding:**

Table two summarizes the proposed goals and funding to address community needs during Year 2 of the Five-Year Consolidated Plan (2025-2029).

**Table 2: PY26 Goals & Funding**

| <b>Activity Type</b>                | <b>Goals</b>                                                                                                                                                                    | <b>Funding*</b>                               |
|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| <b>Housing</b>                      | <b>Tenant-Based Rental Assistance:<br/>10 Housing Units</b>                                                                                                                     | <b>HOME: \$300,000</b>                        |
| <b>Public Service</b>               | <b>450 Persons Assisted</b>                                                                                                                                                     | <b>CDBG: \$132,000</b>                        |
| <b>Homelessness</b>                 | <b>Homeless Person Overnight Shelter:<br/>11 Persons Assisted</b><br><br><b>Street Outreach:<br/>35 Persons Assisted</b><br><br><b>Rapid Rehousing:<br/>14 Persons Assisted</b> | <b>ESG: \$479,104<br/>ESG-Rush: \$470,136</b> |
| <b>Infrastructure Improvements</b>  | <b>25,000 Persons Assisted</b>                                                                                                                                                  | <b>CDBG: \$1,875,000</b>                      |
| <b>Public Facility Improvements</b> | <b>23,500 Persons Assisted</b>                                                                                                                                                  | <b>CDBG: \$170,000</b>                        |

\*All total available funds to be allocated in 2026 for proposed activities are identified in Attachment A.

**ADVISORY COMMISSION RECOMMENDATIONS**

On April 8, 2026, the Human Services Commission recommended that the City Council approve the public services funding allocations for CDBG listed in Attachment A.

On May 12, 2026, the Northwest Commission recommended that the City Council approve the CDBG infrastructure and public facility improvement projects listed in Attachment A.

**COUNCIL POLICY CONSIDERATION:**

This proposed action supports the City Council’s strategic goals in the areas of improving, maintaining, and enhancing public facilities and infrastructure; improving mobility and accessibility throughout the City of Pasadena; and supporting and promoting the quality of life and the local economy.

**ENVIRONMENTAL ANALYSIS:**

CEQA excludes, from environmental review, actions that are not “projects” as defined by Public Resources Code Section 21065 and within the meaning of State CEQA Guidelines Section 15378(b). Sections 21065 and 15378(b) define a project as an action which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Section 15378(b)(4) and (5) excludes from the definition of “project” government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

**FISCAL IMPACT:**

The recommended actions will have no direct fiscal impact. City Council approval of the Plan and grant application submissions, and subsequent approval thereof by HUD, will result in a total allocation to the City of \$4,688,396 in CDBG, ESG and HOME funds to support housing, community development, and homeless prevention activities. These federal funds will be included as revenue in the proposed FY 2027 operating budget of the Housing Department. Approval also enables the City to be eligible for other federally funded programs that are consistent with an adopted Five-Year Consolidated Plan and Annual Action Plan.

Respectfully submitted,

  
James Wong (May 27, 2026 16:08:16 PDT)

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Approved by:



MATTHEW E. HAWKESWORTH  
Interim City Manager

Attachments: (2)

Attachment A – CDBG, ESG, and HOME 2026 Funding Recommendations

Attachment B - 2026 Annual Action Plan