



Agenda Report

March 23, 2026

TO: Honorable Mayor and City Council
FROM: Housing Department
SUBJECT: PUBLIC HEARING: APPROVE SUBSTANTIAL AMENDMENT TO THE 2025 ANNUAL ACTION PLAN FOR HOME INVESTMENT PARTNERSHIP ACT FUNDS

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the recommended action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines per Section 15061 (b)(3), the "common sense" provision that CEQA only applies to projects that may have a significant effect on the environment;
2. Approve the submission to the U.S. Department of Housing and Urban Development of a Substantial Amendment to the 2025 Annual Action Plan as described in the report for a grant allocation increase of \$512,416 in non-committed HOME Partnership Act funds; and
3. Authorize the City Manager to execute any and all documents necessary to effectuate staff recommendation.

BACKGROUND:

The Annual Action Plan sets forth the projected uses of federal entitlement funds, including Community Development Block Grant ("CDBG"), HOME Investment Partnership Act ("HOME"), and Emergency Solutions Grant ("ESG") for the program year. The Plan addresses the efforts made toward accomplishing the goals and objectives included in the City's Five-Year Consolidated Plan. On May 19, 2025, the City Council convened a public hearing approving the submission of the 2025 Annual Action Plan as an application to the U.S. Department of Housing and Urban Development (HUD). The modification described below requires that the Annual Action Plan be amended in accordance with HUD regulations by a "Substantial Amendment" (as that term is used in the Citizen Participation Plan).

The Substantial Amendment to the 2025 Annual Action Plan will enable the City to increase its allocation of HOME funds by \$512,416 to support the construction of an affordable senior housing complex at 280 Ramona Street, known as the Ramona Senior Housing project. The 100-unit project, developed by National Community Renaissance (National CORE) includes 48 units of permanent supportive housing. The Substantial Amendment brings to the project a total allocation of \$2,756,073 in HOME funds to assist the development of the project, as such funding is set forth in that certain Development, Lease and Loan Agreement No. 23,765), dated November 30, 2023, between the City and National CORE.

The table below summarizes the Substantial Amendment allocation of HOME funds.

Description	Implementing Agency	Amount	Action
<u>Ramona Senior Housing Project</u> Construction of a 100-unit affordable senior housing apartment complex on the southeast corner of Ramona Street and Garfield Avenue.	National CORE	\$512,146	Increase HOME allocation to \$2,756,073

COUNCIL POLICY CONSIDERATION:

The proposed action is consistent with the City’s General Plan – Housing Element and the Five-Year Consolidated Plan. It also supports and promotes the quality of life and the local economy – a goal of the City Council’s Strategic Plan.

ENVIRONMENTAL ANALYSIS:

The proposed action is exempt from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15061 (b)(3), the "common sense" provision of CEQA which applies to projects which may have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The approval of the subject Substantial Amendment to the Annual Action Plans is a funding mechanism only and is excluded from the definition of “project” pursuant to State CEQA Guidelines Section 15378(b)(4). Furthermore, the action proposed herein will not have a significant effect on the environment and, hence, is not subject to CEQA.

FISCAL IMPACT:

The recommended action will have no direct fiscal impact. Approval of the Substantial Amendment by the City Council and subsequent approval by HUD will increase HOME funding for the Ramona Senior Housing project by \$512,146 for a total HOME allocation of \$2,756,073.

Respectfully submitted,


James Wong (Mar 11, 2026 14:50:24 PDT)
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Approved by:



MIGUEL MÁRQUEZ
City Manager