



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: MAY 20, 2025
FROM: HOUSING AND HUMAN SERVICES WARD: ALL

SUBJECT: NOTICED PUBLIC HEARING: ADOPTION OF THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FIVE-YEAR CONSOLIDATED PLAN 2025-2030; THE CITIZEN PARTICIPATION PLAN 2025-2030; THE ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE 2025-2030; AND THE FISCAL YEAR 2025/26 ANNUAL ACTION PLAN – FIVE AFFIRMATIVE VOTES REQUIRED

ISSUES:

The first issue before the City Council is to conduct a Public Hearing to receive public input on: (1) the strategies to be undertaken through the City's U.S Housing and Urban Development Five-Year Consolidated Plan 2025-2030; (2) the actions and recommendations of the Analysis of Impediments to Fair Housing Choice 2025-2030; (3) the Citizen Participation Plan 2025-2030; and (4) the funding recommendations for projects and other actions to be taken under the Fiscal Year 2025/26 Annual Action Plan.

The second issue before the City Council is to approve and adopt the recommendations outlined in the: (1) City's U.S Housing and Urban Development Five-Year Consolidated Plan 2025-2030; (2) Analysis of Impediments to Fair Housing Choice 2025-2030; (3) Citizen Participation Plan 2025-2030; and (4) Fiscal Year 2025/26 Annual Action Plan.

RECOMMENDATIONS:

That the City Council:

1. Conduct the Noticed Public Hearing and accept public comment;
2. Approve and adopt the recommendations outlined in the (1) City's U.S Housing and Urban Development Five-Year Consolidated Plan 2025-2030; (2) Analysis of Impediments to Fair Housing Choice 2025-2030; (3) Citizen Participation Plan 2025-2030; and (4) Fiscal Year 2025/26 Annual Action Plan including the recommendations for the expenditure of Community Development Block Grant (Attachment 1), Emergency Solutions Grant, Housing Opportunities for Persons with AIDS, and HOME Investment Partnerships Program grant funds;
3. Authorize the Housing and Human Services staff to finalize the Plans and submit the documents to the U.S. Department of Housing and Urban Development prior to the deadline;
4. With five affirmative votes, authorize the Chief Financial Officer, or designee, to record budget

adjustments and supplemental appropriations as recommended by Housing and Human Services staff to modify the current funding recommendations, if necessary, once the final HUD allocation is made available;

5. Authorize the City Manager, or his designee, to execute the U.S. Department of Housing and Urban Development grant agreements prepared by HUD and related materials for the Community Development Block Grant, Emergency Solutions Grant, HOME Investment Partnerships Program, and Housing Opportunities for Persons with AIDS;
6. Authorize the City Attorney's Office to prepare the standard Community Development Block Grant, Emergency Solutions Grant, HOME Investment Partnerships Program and Housing Opportunities for Persons with AIDS Agreements with the City grantees as set forth herein and in the authorized amounts for services to be provided for Fiscal Year 2025/26 and authorize the City Manager, or his designee, to execute such Agreements; and
7. Authorize the City Manager, or his designee, to approve internal transfers for Community Development Block Grant, Emergency Solutions Grant, HOME Investment Partnerships Program, and Housing Opportunities for Persons with AIDS funded activities that need funding changes of over \$50,000 or more than 10% of the original funded amount, whichever is less provided that such transfers are in accordance with City procedures and U.S. Department of Housing and Urban Development guidelines.

BACKGROUND:

As a designated entitlement jurisdiction, the City of Riverside receives federal funding to support projects and programs that provide decent housing, sustain suitable living environments, and expand economic opportunities for low- and moderate-income persons.

In order to receive these funds, the U.S. Department of Housing and Urban Development (HUD) requires the submission of the following documents: (1) Five-Year Consolidated Plan, (2) Analysis of Impediments to Fair Housing Choice (AI), and a Citizen Participation Plan (CPP). In addition, the City must submit the Annual Action Plan for Fiscal Year 2025/26 with specific projects and funding allocations for the year.

The City is required to implement its Citizen Participation Plan in establishing not only the aforementioned Consolidated Plan and AI but also the Annual Action Plan. This year, the community input process included mailing the "Community at Home" postcard to each resident in Riverside, an on-line survey, community meetings in all seven City Council Wards, a public notice of funding availability released on November 24, 2024, a 30-day public comment period on the draft Plans, and the Public Hearing noticed for May 20, 2025, relative to the Annual Action Plan. A complete draft of all four documents was made available for public review and comment for a 30-day period beginning April 18, 2025. The availability of the draft Plans was advertised in the local newspapers, English and Spanish, and the complete documents have been made available for review on the City's website.

A description of each document is provided below.

Consolidated Plan 2025-2030

The Consolidated Plan (Attachment 2) provides a basis and strategy for the use of federal funds granted by HUD under the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) programs for a five-year period. The plan is the product of

extensive public outreach through public meetings and consultation with agencies and organizations involved in the development of affordable housing, job creation, services to children, the elderly, persons with disabilities, persons with HIV/AIDS, and the homeless.

Analysis of Impediments (AI) 2025-2030

The AI (Attachment 3) is a study which identifies any impediments to fair and equal housing opportunities and certifies that the City will engage in fair housing planning.

Citizen Participation Plan (CPP) 2025-2030

The primary role of the CPP (Attachment 4) is to provide citizens, especially low- and moderate-income citizens, opportunities to participate and provide input as to the prioritizing, planning, implementation, and assessment of the programs and projects. This is accomplished through a variety of mechanisms such as postcard announcements sent to every resident annually, City Council Ward meetings, availability to public records, and performance reports.

Fiscal Year (FY) 2025/26 Annual Action Plan

The Annual Action Plan for program year 2025/26, (Attachment 5) sets forth how the City will use annual entitlement program funds provided through the CDBG, ESG, HOPWA and HOME programs. The City of Riverside FY 2025/26 HUD allocations for these formula programs and the proposed activities to be funded are as follows:

CDBG Program

-\$2,777,642,849,347

The FY 2025/26 CDBG funding allocation is \$2,849,347,777,642. Eligible activities include acquisition of real property; construction, rehabilitation or improvements to public and non-profit facilities; housing-related services; economic development; and public services. Eligible activities are required to meet at least one of three National Objectives: 1) assist low- and moderate-income persons; 2) aid in the prevention or elimination of slum or blight; or 3) meet urgent community needs. Proposed CDBG funding for FY 2025/26 is listed in Attachment 1 and the program administration cost is \$569,869.40,55,528.40.

ESG Program

\$244,121,51,666

The FY 2025/26 ESG funding allocation is \$244,121,51,666. Eligible activities include capital investments in emergency shelter or transitional housing, support for the operations and services provided at such facilities, outreach, and homeless prevention services. Funding recommendations for FY 2025/26 ESG allocation are as follows:

Activity	Amount
Housing and Human Services - Rapid Re-Housing Program	\$165,811.93,72,791.05
Foothill AIDS Project	\$ 10,000.00
Operation Safehouse Emergency Shelter	\$ 25,000.00
Operation Safehouse Young Adult Emergency Shelter	\$ 25,000.00
Program Administration	\$ 18,874.95,309.07
Total	\$244,121.00,51,666.00

HOPWA Program

\$4,806,531,636,741

The FY 2025/26 HOPWA funding allocation is \$4,806,531,636,741. The City of Riverside has been designated by HUD as the Eligible Metropolitan Service Area (EMSA) grantee to administer the HOPWA funding for both Riverside and San Bernardino Counties. HOPWA funds may be used for housing projects, rental subsidies, mortgage and utility payments, supportive services, and

program administration. Funding recommendations for the FY 2025/26 HOPWA allocation are as follows:

Activity	Amount
Foothill Aids Project: Resource Identification, Housing Information Services, Tenant Based Rental Assistance, Permanent Facility-Based Housing Assistance, Temporary Facility-Based Housing Services, Short-Term Rent, Mortgage and Utility Assistance, Permanent Housing Placement, and Supportive Services	\$1,92,000,000.00
Housing Authority of Riverside County: Tenant Based Rental Assistance, Project Based Rental Assistance, Short Term Rent, Mortgage and Utility Assistance, Supportive Services, Permanent Housing Placement, and Housing Information Services	\$1,862,336.00797,638.77
TruEvolution: Tenant-Based Rental Assistance, Short-Term Rent, Mortgage and Utility Assistance, Supportive Services, and Permanent Housing Placement	\$ 800,000
Program Administration:	\$ 144,195.0039,102.23
Total	\$4,806,531.00636,741.00

HOME Program

\$987,954.4974,100

The FY 2025/26 HOME funding allocation is \$987,954.4974,100. The HOME Program goal is to preserve and increase the supply of decent, safe, and sanitary affordable rental and owner-occupied housing for persons at 80% or below the Riverside County area median household income. Ongoing programs that will receive additional funding are the Affordable Housing Program, Acquisition and Rehabilitation of multi-family residential units, Infill Residential Development, and Tenant Based Rental Assistance.

Funding will be distributed as follows according to specific HUD program caps:

Activity	Amount
Affordable Housing Program	
(a) Acquisition and rehabilitation of multi-family residential units	\$889,159.05876,690
(b) Infill residential development	
Program Administration	\$98,795.4497,410
Total	\$987,954.4974,100

The City anticipates receiving approximately \$200,000 in Program Income funds, which may be used to fund the Affordable Housing Program and Tenant-Based Rental Assistance Program.

Program Administration

Finally, as an entitlement city, the City is responsible for expending funds in a timely manner. To facilitate program administration, staff requests that the City Manager, or his designee, be authorized to approve internal fund transfers of up to \$50,000 or more than 10% of the original funded amount, whichever is less. Provided that such transfers be in accordance with City procedures and HUD guidelines. In order to complete CDBG, ESG, HOME and HOPWA projects efficiently and effectively.

STRATEGIC PLAN ALIGNMENT:

The adoption of the 2025-2030 HUD 5-Year Consolidated Plan, and the 2025/26 HUD Annual Action Plan aligns with **Strategic Priority 2 – Community and Well-Being, Goal 2.3.** to strengthen neighborhood identities and improve community health and the physical environment

through amenities and programs that foster an increased sense of community and enhance feelings of pride and belonging citywide.

The City of Riverside's 2025-2030 Consolidated Plan and 2025/26 HUD Annual Action Plan align with each of the Cross-Cutting Threads as follows:

1. **Community Trust** – The City of Riverside has identified eight priority development areas to meet the greatest needs of residents in the City. Priorities are based on responses to annual Community Surveys conducted by the City through Community Ward Meetings, Post Card Surveys, and online.
2. **Equity** – Pursuant to the Housing Community Act of 1974, the U.S. Department of HUD provides critical priority for the funding to ensure all eligible persons receive equitable access to services and are served with dignity, respect, and compassion regardless of the circumstances, ability, or identity.
3. **Fiscal Responsibility** – There is no fiscal impact to the City General Fund associated with this item. This item allows the City to utilize Unprogrammed CDBG funds to assist projects with unmet needs.
4. **Innovation** – This item will allow the City to capitalize on federal funding to add projects while continuing to meet the ongoing needs of low-to-moderate-income individuals receiving assistance through the Blindness Support Services Inc. agency
5. **Sustainability & Resiliency** – The HUD Annual Action Plan describes the specific actions that will be undertaken using HUD entitlement funds to promote sustainable community and economic development and projects to encourage community engagement and resiliency.

FISCAL IMPACT:

The total fiscal impact of the FY 2025/26 Annual Action Plan is approximately \$8,887,953.49~~640,149~~ as outlined in the table below. The anticipated funding for the action plan is included in the FY 2025/26 Budget that will be brought forward to Council for adoption in June 2025 for the necessary appropriation authority required.

Table1. Estimated FY 2025/26 Program Allocation

Program	Estimated Allocation
Community Development Block Grant (CDBG)	\$2,849,347.00 777,642
Emergency Solutions Grant (ESG)	\$244,121.00 51,666
Housing Opportunities for Persons with AIDS (HOPWA)	\$4,806,531.00 636,744
Home Investment Partnerships Program (HOME)	\$987,954.49 74,100
Total Estimated Allocation	\$8,887,953.49640,149

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Approved by:	Michelle Davis, Housing and Human Services Director
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Kris Martinez, Assistant City Manager

Approved as to form: Rebecca McKee-Reimbold, Interim City Attorney

Attachments:

1. CDBG Project Funding Recommendations 2025-2026
2. Five-Year Consolidated Plan 2025-2030
3. Analysis of Impediments to Fair Housing Choice 2025-2030
4. Citizen Participation Plan 2025-2030
5. HUD Annual Action Plan Fiscal Year 2025-2026