

COUNCIL AGENDA REPORT

TO: Mayor and City Council

FROM: Chenin Dow, Director of Community Development

DATE: May 5, 2026

SUBJECT: Adoption of Resolutions for Final Approval of the Community Development Block Grant Program's Annual Action Plan for Fiscal Year 2026-27

Description:

The City Council will receive and approve the Community Development Block Grant Fiscal Year 2026-27 Annual Action Plan.

Environmental Notice: The activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, according to State Guidelines Section 15060(c)(3), no environmental review is required.

RECOMMENDATION:

1. Adopt a Resolution approving the Public Services activities and allocations under the Community Development Block Grant Program incorporated in the Annual Action Plan for Fiscal Year 2026-27; and
2. Adopt a Resolution approving the Capital Development activities and allocations under the Community Development Block Grant Program incorporated in the Annual Action Plan for Fiscal Year 2026-27; and
3. Adopt a Resolution approving the General Administrative activities and allocations under the Community Development Block Grant Program incorporated in the Annual Action Plan for Fiscal Year 2026-27; and
4. Authorize the City Manager, or designee, to execute the necessary documents.

BACKGROUND:

To remain eligible for funding under the Community Development Block Grant (CDBG) Program, the U.S. Department of Housing and Urban Development (HUD) requires that the City conduct a public participation process and develop an Annual Action Plan. This plan is part of the broader Five-Year Consolidated Plan, which outlines how the City intends to use CDBG funds each year.

The Block Grants Advisory Committee (BGAC), appointed by the City Council, leads the process through:

- Assessing community needs
- Establishing funding priorities
- Reviewing applications
- Conducting site visits
- Recommending funding allocations

These recommendations form the basis of the drafted Action Plan presented to the City Council for consideration.

DISCUSSION:

The draft Annual Action Plan for Fiscal Year 2026-27 were introduced at a public hearing during the City Council meeting on April 7, 2026. At that meeting, the Council approved Staff's and BGAC's recommendations (Attachment A).

Alternative(s)

Should the City Council choose not to adopt the draft Action Plan at this time, staff will return with the item at a future meeting, as outlined in the CDBG Citizen Participation Plan. This may delay the City's submission of the plan to HUD and consequently postpone the receipt of funding.

Fiscal Considerations

The approval of this Action Plan will provide approximately \$1.4 million annually in federal funding to address critical community needs.

Impact on the Community

The proposed activities and funding allocations will:

- Provide emergency assistance to the unhoused and special needs populations
- Support at-risk youth
- Expand opportunities for affordable housing
- Revitalize neighborhoods
- Improve infrastructure and enhance accessibility

For the complete Fiscal Year 2026-27 Annual Action Plan, visit the City's website at:

www.cityofsantamaria.org/caper.

ATTACHMENT(S)

- A – Final Allocation Amounts
- B - Resolution – Public Services
- C - Resolution – Capital Development
- D - Resolution – General Administration