



== CITY OF ==

# NEWPORT BEACH

## City Council Staff Report

February 24, 2026  
Agenda Item No. 10

**TO:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

**FROM:** Jaime Murillo, Community Development Director - 949-644-3209, [jmurillo@newportbeachca.gov](mailto:jmurillo@newportbeachca.gov)

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**TITLE:** Resolution No. 2026-14: Substantial Amendment to the 2025-2026 Annual Action Plan for the Federal Community Development Block Grant Program

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### **ABSTRACT:**

The City of Newport Beach receives funds each year through the U. S. Department of Housing and Urban Development (HUD) program for Community Development Block Grants (CDBG), to benefit those with low and moderate incomes, aid in the prevention of neighborhood deterioration, and meet other urgent community development needs. After the City Council's July 2025 approval of the CDBG 2025-2029 Consolidated Plan and 2025-2026 Annual Action Plan, staff identified an opportunity to use CDBG funds to complete a capital project to make Americans with Disability Act (ADA) accessibility improvements to public sidewalks, driveways, access ramps, etc. at various locations throughout the city. Pursuant to HUD regulations, adding a new activity constitutes a substantial amendment to the Annual Action Plan and requires a public hearing prior to submission to HUD. For the City Council's consideration is an Amendment which allocates \$750,000 in CDBG funds to a citywide ADA improvements project, which will support accessibility improvements throughout the city.

### **RECOMMENDATIONS:**

- a) Conduct a public hearing to receive comments on the Draft Substantial Amendment to the 2025-2026 Annual Action Plan;
- b) Find the approval of the Substantial Amendment to the 2025-2026 Annual Action Plan exempt from the National Environmental Policy Act (NEPA) pursuant to 24 CFR Part 58, Section 58.34;
- c) Find the approval of the Substantial Amendment to the 2025-2026 Annual Action Plan is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15302(c), Class 2 (reconstruction of existing facility involving negligible or no expansion of capacity) of the CEQA Guidelines, because this project has no potential to have a significant effect on the environment;
- d) Adopt Resolution No. 2026- 14, *A Resolution of the City Council of the City of Newport Beach, California, Approving a Substantial Amendment to the 2025-2026 Annual*

*Action Plan for the Federal Community Development Block Grant Program* (Attachment A); and

- e) Authorize the City Manager to:
1. Submit the Substantial Amendment to the 2025-2026 Annual Action Plan to HUD;
  2. Execute all related documents on behalf of the City; and
  3. Authorize the Community Development Director, or his/ her designee, to be the official representative of the City of Newport Beach, and to submit required environmental documentation for CDBG projects.

**DISCUSSION:**

The City proposes the addition of a CDBG activity previously not described in the 2025-2026 Annual Action Plan (Action Plan). Pursuant to HUD regulations, these changes are considered a “Substantial Amendment” to the 2025-2026 Annual Action Plan and require specific citizen participation actions before approval by the City Council and submission to HUD. The 2025-2026 Annual Action Plan is the first year Action Plan of the 2025-2029 Consolidated Plan, which was previously approved by the City Council on July 22, 2025.

This Amendment will program a total of \$750,000 of unallocated CDBG funds from this program year and previous years’ grant balances for use in the current fiscal year, as shown in Table 1 below, towards a citywide ADA improvements project (Project).

Table 1	
CDBG Funding Distribution for Project	
Funding Source	Amount
FY2025-26 - Unallocated balance	\$238,724
FY2024-25 - Grant balance	\$310,340
FY2023-24 - Grant balance	\$200,936
<b>Total Funding</b>	<b>\$750,000</b>

The Project was established in accordance with the priority needs and goals of the 2025-2029 Consolidated Plan. Priority Number 4 of the 2025-2029 Consolidated Plan is to Improve Public Facilities and Infrastructure. This Project involves the removal and replacement of concrete to meet ADA compliance for sidewalks, parkways, driveways, access ramps, cross gutters, curbs, and/or gutters. Improvements will occur throughout 103 total locations in the city and will serve to benefit 6,669 people with disabilities. The Project will be considered for award and approval under a subsequent agenda item at the same meeting this amendment is being considered, on February 24, 2026.

## **Community Outreach**

To allow interested residents the opportunity to review and comment on the proposed changes, a notice was published in the Daily Pilot and posted on the City's website on January 24, 2026. Notice was also emailed to all parties that have signed up to receive notifications from the Planning Division, informing the general public of the availability of the Amendment document for public review and opportunity for comment. A 30-day public review period commenced on January 24, 2026, and concludes on February 24, 2026, with this public hearing before the City Council when it considers the Amendment. At the time this staff report was written, no public comments had been received. Additionally, the current adopted Citizen Participation Plan requires that a public hearing be held to receive testimony from interested residents or parties regarding the Amendment; this public hearing fulfills this requirement.

## **FISCAL IMPACT:**

This item provides for City Council approval of expenditures for \$750,000 in CDBG funds for the 2025-26 fiscal year. Funds include \$238,724 of unallocated FY2025-26 CDBG funds, and \$511,276 of carryover FY2024-25 and FY2023-24 CDBG funds. There is no fiscal impact on the General Fund.

## **ENVIRONMENTAL REVIEW:**

This activity is categorically excluded under 24 CFR Part 58, Section 58.34 of the National Environmental Policy Act of 1969 (NEPA) and converts to Exempt under the statute. The purpose of this project is to improve safety and access disabled persons and the elderly citywide.

Staff recommends the City Council find approval of the Substantial Amendment to the 2025-2026 Annual Action Plan is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15302(c), Class 2 (reconstruction of existing facility involving negligible or no expansion of capacity) of the CEQA Guidelines, because this project has no potential to have a significant effect on the environment.

## **NOTICING:**

In accordance with HUD regulations, a Draft Substantial Amendment to the 2025-26 Annual Action Plan was made available for a 30-day public review and comment period from January 24, 2026, to February 24, 2026, and a public notice regarding this public hearing was published concurrently for this public hearing before the City Council. The Draft Amendment was made available for public review and comment online on the City's website on January 24, 2026, and was available for review at City Hall located at 100 Civic Center Drive, Newport Beach, California 92660 in the City Clerk's Office and the Community Development Department, and at the Central Library at 1000 Avocado Avenue, Newport Beach, California 92660.

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

**ATTACHMENT:**

Attachment A – Resolution No. 2026-14