

Attachment A

Resolution No. 2025-51

RESOLUTION NO. 2025- 51

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, APPROVING THE 2025-2029 CONSOLIDATED PLAN, 2025-2026 ANNUAL ACTION PLAN, AND CITIZEN PARTICIPATION PLAN FOR THE FEDERAL COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

WHEREAS, the City of Newport Beach ("City") participates in the United States Department of Housing and Urban Development's ("HUD") Community Development Block Grant ("CDBG") program;

WHEREAS, HUD requires the City to prepare a Five Year Consolidated Plan for the use of HUD grant programs outlining the use of the grants and the strategic vision for housing and community development in the city;

WHEREAS, the current 2020-2025 Consolidated Plan, adopted on May 12, 2020 and amended on July 14, 2020 and July 13, 2021, will expire on June 30 2025;

WHEREAS, HUD also requires the City to prepare an annual action plan for the appropriation of the CDBG annual grant;

WHEREAS, the City anticipates receiving \$402,015 in grant funds for the 2025-2026 program year, and the draft 2025-2026 Annual Action Plan appropriates these funds along with funds from prior program years to various projects and programs that are deemed consistent with the draft 2025-2029 Consolidated Plan and HUD requirements;

WHEREAS, the consolidated plan process ensures that citizens within the community have an opportunity to participate in the identification of the City's housing and community development goals and policies, and the preparation of specific actions or projects proposed to address the City's goals and needs through a citizen participation plan;

WHEREAS, the City's adopted Citizen Participation Plan was last updated in 2020, and with every new Five Year Consolidated Plan, the City reviews the plan and makes necessary amendments to the Citizen Participation Plan ("Citizen Participation Plan");

WHEREAS, on January 18, 2025, in accordance with the Citizen Participation Plan, a Notice of Funding Availability was published in the Daily Pilot newspaper and sent to known non-profit community organizations currently operating within the city requesting proposals from non-profit organizations to provide public services to low- and moderate-income residents within the city and to provide fair housing services to all residents of the community;

WHEREAS, four proposals to provide public services and one proposal to provide fair housing services were received by the City;

WHEREAS, the City prepared the 2025-2029 Consolidated Plan and the 2025-2026 Annual Action Plan in accordance with applicable sections of 24 Code of Federal Regulations ("C.F.R.") Part 91;

WHEREAS, the development of the 2025-2029 Consolidated Plan and the 2025-2026 Annual Action Plan involved a citizen participation process including a noticed community meeting held on June 9, 2025, and a needs assessment survey inviting both the community and community based organizations to work in partnership with the City to identify needs and allocate CDBG funds;

WHEREAS, the City published in the Daily Pilot newspaper on June 21, 2025, notice that the draft 2025-2029 Five Year Consolidated Plan, the 2025-2026 Annual Action Plan, and the Citizen Participation Plan would be available to the public for review and comment from June 21, 2025 to July 22, 2025; and

WHEREAS, a public hearing was held by the City Council on July 22, 2025, in the City Council Chambers located at 100 Civic Center Drive, Newport Beach, California regarding the draft 2025-2029 Consolidated Plan, the 2025-2026 Annual Action Plan, and the Citizen Participation Plan. A notice of time, place and purpose of the public hearing was given in accordance with the California Government Code Section 54950 *et seq.* and 24 C.F.R Part 91.

NOW, THEREFORE, the City Council of the City of Newport Beach resolves as follows:

Section 1: The City Council does hereby approve the 2025-2029 Consolidated Plan and the 2025-2026 Annual Action Plan attached hereto as Attachment "A" of this resolution, which is incorporated herein by reference. The City Council does hereby approve the Citizen Participation Plan attached hereto as Attachment "B" of this resolution, which is incorporated herein by reference.

Section 2: The City Council does hereby authorize: (a) the City Manager, or his/her designee, to: 1) submit the 2025-2029 Consolidated Plan, 2025-2026 Annual Action Plan, and the Citizen Participation Plan to HUD; 2) execute the Fiscal Year 2025-2026 CDBG Program Grant Agreement and all related documents on behalf of the City; and 3) execute all subrecipient agreements with the nonprofit organizations receiving allocations of CDBG funds in the Action Plan; and (b) the Community Development Director, or his/her designee, to be the official representative of the City to administer the program and submit required environmental documentation to HUD for CDBG projects.

Section 3: The City Council finds the development of required plans and allocation of CDBG program funds is an administrative activity exempt under 24 C.F.R. Part 58, Section 58.34 of the National Environmental Policy Act of 1969 ("NEPA"), as amended.

Section 4: The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.

Section 5: If any section, subsection, sentence, clause or phrase of this resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The City Council hereby declares that it would have passed this resolution, and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 6: The City Council finds the adoption of this resolution is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

Section 7: This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting the resolution.

ADOPTED this 22nd day of July, 2025.

Joe Stapleton
Mayor

ATTEST:

Molly Perry
Interim City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE



Aaron C. Harp
City Attorney

Attachment(s): Attachment A - 2025-2029 Consolidated Plan and 2025-2026
 Annual Action Plan
 Attachment B - Citizen Participation Plan

Attachment A

2025-2029 Consolidated Plan and 2025-2026 Annual Action Plan

File available via link due to size at:

https://www.newportbeachca.gov/Pln/PC_TEMP_LINK/CDBG_Attachment%20A_Draft%20ConPlan_07092025.pdf

Attachment B
Citizen Participation Plan

CITY OF NEWPORT BEACH

Citizen Participation Plan

U.S. Department of Housing and Urban Development Grant Programs

July 2025

DRAFT

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Citizen Participation Plan

As required by the U.S. Department of Housing and Urban Development (HUD) regulations found at 24 CFR 91.105, this Citizen Participation Plan sets forth the City of Newport Beach's policies and procedures for providing citizens and other interested parties with opportunities to participate in an advisory role in the planning, implementation, and evaluation of the Community Development Block Grant (CDBG) program. The purpose of the CDBG program is the provision of decent housing, a suitable living environment, and expanded economic opportunities for low- and moderate-income residents earning less than 80 percent of the Area Median Income, or in predominantly low- and moderate-income neighborhoods where at least 51 percent of the households are low and moderate-income households.

As a recipient of CDBG funds, the City is required to produce the following Consolidated Plan Documents:

1. Citizen Participation Plan – the City's policies and procedures for community participation in the planning, implementation, and evaluation of the CDBG program.
2. Assessment of Fair Housing (AFH) – a five-year plan completed by the City individually or as part of a local consortium of other HUD grantees pursuant to HUD guidance for the evaluation of local housing conditions, economics, policies and practices and the extent to which these factors impact the range of housing choices and opportunities available to all residents in an environment free from discrimination.
3. Consolidated Plan – a five-year plan that documents the City of Newport Beach's housing and community development needs, outlines strategies to address those needs and identifies proposed program accomplishments.
4. Annual Action Plan – an annual plan that describes specific CDBG projects and activities that will be undertaken over the course of the program year, which runs from July 1 to June 30.
5. Consolidated Annual Performance and Evaluation Report (CAPER) – an annual report that evaluates the City's accomplishments and use of CDBG funds.

The HUD requirements for citizen participation do not restrict the responsibility or authority of the City of Newport Beach for the development and execution of the Consolidated Plan Documents, but rather facilitate citizen access to, and engagement with the CDBG program.

In accordance with the regulations, the minimum annual number of public hearings at which citizens may express their views concerning the Consolidated Plan Documents shall be two (2) public hearings. These public hearings shall occur at two different points during the program year. Additional public hearings and comment periods will be held in the development of the AFH and the Consolidated Plan for 2025-2029 and in the event of substantial amendments to the Citizen Participation Plan, Consolidated Plan, AFH, or Action Plan become necessary as described later in this document.

The City, at its discretion, may conduct additional outreach, public meetings or public hearings as necessary to foster citizen access and engagement.

A. Encouragement of Citizen Participation

The City of Newport Beach provides for and encourages citizens to participate in the development of the Citizen Participation Plan, Consolidated Plan, AFH, Action Plan, and CAPER. The City encourages participation by low- and moderate-income persons, particularly those living in slum and blighted areas (if any such areas are formally designated) and in areas where CDBG funds are proposed to be used, and by residents of predominantly low- and moderate-income neighborhoods¹. The City will also take appropriate actions to encourage the participation of all its citizens, including minorities and non-English speaking persons, as well as persons with disabilities.

The City will make a concerted effort to notify and encourage the participation of citizens, local and regional institutions, the local Continuum of Care organization addressing homelessness, and public and private organizations including businesses, developers, nonprofit organizations, philanthropic organizations, community-based and faith-based organizations, broadband internet service providers, organizations engaged in narrowing the digital divide, agencies whose primary responsibilities include the management of flood prone areas, public land or water resources, emergency management agencies, state and local health service providers, social service providers, fair housing organizations, state and local governments, public housing agencies, affordable housing developers, businesses, community and faith based organizations, and other stakeholders in the amendment of the Citizen Participation Plan or the development of the AFH, Consolidated Plan, Annual Action Plans through mailings (including electronic mailings), online postings and public notices in the newspaper.

The City may also explore alternative public involvement techniques and quantitative ways to measure efforts that encourage citizen participation in a shared vision for change in communities and neighborhoods, and the review of program performance as directed by the CDBG Advisory Committee comprised of the City Manager, the Community Development Director and the Principal Planner. All communication, public comments, and complaints concerning the Citizen Participation Plan and the Consolidated Plan Documents should be directed to:

Real Property Administrator
Community Development Department
100 Civic Center Drive
Newport Beach, CA 92660
(949) 644-3236

¹ Predominately low- and moderate-income neighborhoods are defined as those in which 51% of the residents have incomes at or below 80% of area median income, as determined with HUD-supplied data.

B. Citizen Participation Plan

The following describes the process and procedures related to the development of the Citizen Participation Plan.

a. Plan Development

The City's Citizen Participation Plan development procedures are outlined below.

i. Plan Considerations

As a part of the Citizen Participation Plan process, and prior to the adoption of the Consolidated Plan, the City will make available the information required by HUD. This information will be made available to citizens, public agencies, and other interested parties.

The information to be supplied will include: the amount of funding that the City expects to receive (including grant funds and program income, as applicable), the range of activities that may be undertaken, and the estimated amount of funds that will benefit persons of low- and moderate-income.

The City will also provide an assessment of community development and housing needs and identify short-term and long-term community development objectives directed toward the provision of decent housing and the expansion of economic opportunities primarily for persons of low- and moderate-income.

ii. Plan Review and Comment

The draft Citizen Participation Plan shall be made available for public review for a 30-day period. The Citizen Participation Plan shall be provided in a format accessible to persons with disabilities upon request. Such formats may include, but are not limited to providing oral, Braille, electronic or large print versions of the plan to those visually impaired and delivering copies to those who are homebound. The Citizen Participation Plan will encourage comment and participation by minority and non-English speakers. Publication of the plan will be advertised in other non-English languages as specified in the City's Limited English Proficiency (LEP) Plan and translation services will be available upon request.

Written comments will be accepted by the Community Development Department Real Property Administrator or designee during the public review period. A summary of all written comments and those received during the public hearing as well as the City's responses will be attached to the Citizen Participation Plan prior to submission to HUD.

iii. [Public Hearing](#)

The City Council shall conduct a public hearing to accept oral public comments on the draft Citizen Participation Plan. The City Council may approve or reject the Citizen Participation Plan.

iv. [Submittal to HUD](#)

The Citizen Participation Plan shall be approved as a stand-alone document. The City shall submit to HUD: the approved document, a summary of all written comments and those received during the public hearing as well as the City's responses, and proof of compliance with the minimum 30-day public review and comment period requirement. A summary of any comments or views not accepted and the reasons therefore shall be supplied to HUD.

b. Amendments

The City shall amend the Citizen Participation Plan using the following procedures, as needed:

i. [Amendment Considerations](#)

The City shall amend the Citizen Participation Plan, as necessary, to ensure adequate engagement and involvement of the public in making decisions related to the programs and documents governed by 24 CFR Part 91. Formal amendment of the Citizen Participation Plan may be required should a provision of the Citizen Participation Plan be found by the City to conflict with HUD regulations.

ii. [Public Review and Comment](#)

Amendments to the Citizen Participation Plan shall be made available for public review for a 30-day period. A public hearing shall be conducted by the City Council at a regularly scheduled meeting so that citizens may express their views. Written comments will be accepted by the Community Development Department Real Property Administrator or designee during the public review period. A summary of all written comments and those received during the public hearing as well as the City's responses will be attached to the amended Citizen Participation Plan prior to submission to HUD.

Minor edits to the Citizen Participation Plan, such as updating contact information or technical details about schedules and publications, will not constitute a "Substantial Amendment", and therefore, will not be released for public review and comment. Copies will be made available following the process described in Section G of this document.

iii. [Public Hearing](#)

The City Council shall conduct a public hearing to review and accept public comments on the draft amendment to the Citizen Participation Plan.

iv. [Submittal to HUD](#)

A copy of the Amended Citizen Participation Plan, including a summary of all written comments and those received during the public hearing as well as the City's responses and proof of compliance with the minimum 30-day public review and comment period requirement shall be submitted to HUD for their records. A summary of any comments or views not accepted and the reasons therefore shall be supplied to HUD as applicable.

C. Five-Year Consolidated Plan

The following paragraphs describe the policies and procedures for the development of the Five-Year Consolidated Plan. To comply with 24 CFR Part 91.105(b), the information supplied in the draft Consolidated Plan for public review will include:

- Amount of assistance the City expects to receive (grant funds and program income)
- Range of activities that may be undertaken
- Estimated amount of funding that will benefit low- and moderate-income persons

The City shall also provide an assessment of community development and housing needs and identify short-term and long-term community development objectives directed toward the provision of decent housing and the expansion of economic opportunities primarily for persons of low- and moderate-income.

The City will make this information available in the Consolidated Plan published for comment and review.

a. Plan Development

The City encourages the participation of residents and stakeholders in the development of the Consolidated Plan. The City shall follow the following procedure to prepare and adopt the Consolidated Plan:

i. [Plan Considerations](#)

The City will make a concerted effort to notify and encourage the participation of citizens, local and regional institutions, the local Continuum of Care organization addressing homelessness, and public and private organizations including businesses, developers, nonprofit organizations, philanthropic organizations, community-based and faith-based organizations, broadband internet service providers, organizations engaged in narrowing the digital

divide, agencies whose primary responsibilities include the management of flood prone areas, public land or water resources, emergency management agencies, state and local health service providers, social service providers, fair housing organizations, state and local governments, public housing agencies, affordable housing developers, businesses, community and faith based organizations, and other stakeholders in the development of the Consolidated Plan through mailings (including electronic mailings), online postings and public notices in the newspaper.

When preparing the Consolidated Plan describing the City's homeless strategy and the resources available to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) and persons at risk of homelessness, the jurisdiction must consult with:

1. The Orange County Continuum of Care (COC);
2. Public and private agencies that address housing, health, social service, victim services, employment, or education needs of low-income individuals and families; homeless individuals and families, including homeless veterans; youth; and/or other persons with special needs;
3. Publicly funded institutions and systems of care that may discharge persons into homelessness (such as health-care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and
4. Business and civic leaders.

The City also will consult with adjacent units of general local government, including local government agencies with metropolitan-wide planning responsibilities, particularly for problems and solutions that go beyond the City's jurisdiction.

The City will consult with the Orange County Housing Authority, the local public housing agencies (PHA) concerning consideration of public housing needs and planned programs and activities.

A variety of mechanisms may be utilized to solicit input from these persons/service providers/agencies. These include telephone or personal interviews, focus groups, surveys, and consultation and community workshops.

ii. [Plan Review and Comment](#)

The complete draft Consolidated Plan shall be made available for public review for a 30-day period. The Consolidated Plan shall be provided in a format accessible to persons with disabilities upon request. Such formats may include, but are not limited to providing oral, Braille, electronic or large print versions of the plan to those visually impaired and delivering copies to those who are homebound.

The plan will encourage comment and participation by minority and non-English speakers.

The plan will encourage comment and participation by low- and moderate-income residents, especially those living in low- and moderate-income neighborhoods, in areas where CDBG funds are proposed to be used and residents of public and assisted housing. Activities to encourage participation may include, but are not limited to, advertising publication of the Consolidated Plan in target areas, hosting community meetings in target areas, and making copies of the plan available in these neighborhoods. Copies will be made available following the process described in Section G of this document.

Written comments will be accepted by Community Development Department Real Property Administrator or designee during the public review period. A summary of all written comments and those received during the public hearing as well as the City's responses will be attached to the Consolidated Plan prior to submission to HUD.

iii. [Public Hearing](#)

The City Council shall conduct a public hearing to accept public comments on the draft Consolidated Plan. Section G describes the process for publishing notice for and conducting public hearings.

iv. [Submittal to HUD](#)

The Consolidated Plan shall be submitted to HUD with a summary of all written comments and those received during the public hearing as well as the City's responses and proof of compliance with the minimum 30-day public review and comment period requirement. A summary of any comments or views not accepted and the reasons therefore shall be supplied to HUD as applicable. The Consolidated Plan will be submitted to HUD 45 days before the program year pursuant to regulations, unless otherwise directed by HUD.

b. Consolidated Plan Amendment

The City shall follow the following procedure to complete substantial and minor amendments to the Consolidated Plan, as needed:

i. [Amendment Considerations](#)

The City shall substantially amend the Consolidated Plan if a "substantial change" is proposed by City staff or the City Council. For the purpose of the Consolidated Plan, a "substantial change" is defined as:

1. The City adds or removes Consolidated Plan - Strategic Plan goals.

The City may make minor changes to the Consolidated Plan, as needed, so long as the changes do not constitute a substantial amendment as described above. Changes to numeric accomplishment goals within an existing strategic

plan goal shall not constitute a substantial amendment. Such changes to the Consolidated Plan will not require public review or a public hearing.

ii. [Public Review and Comment](#)

The City encourages residents and stakeholders to participate in the development of substantial amendments. Substantial Amendments to the Consolidated Plan shall be made available for public review for a 30-day period. Written comments will be accepted by the Community Development Department Real Property Administrator or designee during the public review period. A summary of the comments and the City's responses to the comments will be attached to the Consolidated Plan Substantial Amendment.

The City will encourage participation from all residents, especially low- and moderate-income residents, minorities, non-English speakers and those with disabilities. The City will take efforts to make the plan accessible to all such groups. Copies will be made available following the process described in Section G of this document.

iii. [Public Hearing](#)

The City Council shall conduct a public hearing to accept public comments on the draft amendment to the Consolidated Plan. Section G describes the process for publishing notice for and conducting public hearings.

iv. [Submittal to HUD](#)

A copy of the Amended Consolidated Plan, including a summary of all written comments and those received during the public hearing as well as the City's responses and proof of compliance with the minimum 30-day public review and comment period requirement shall be submitted to HUD for their records. A summary of any comments or views not accepted and the reasons therefore shall be supplied to HUD as applicable.

D. Annual Action Plan

The following describes the process and procedures related to the development of the Annual Action Plan.

a. Plan Development

The City's procedures for preparing and adopting the Annual Action Plan include:

i. [Plan Considerations](#)

In addition to local residents, the City will ensure that public (including City staff) and private agencies that provide the following services will be consulted in the development of the Action Plan:

1. Health Services Providers
2. Social Services for: Children, Elderly, Disabled, Homeless, Persons With AIDS
3. State and Local Health Agencies
4. Adjacent Local Governments
5. Economic Development Interests
6. Community and faith-based organizations
7. Orange County Housing Authority
8. Housing developers

These persons/service providers/agencies will be contacted and brought into the process in the following manner:

9. Each year, the City will send a written Notice of Funding Availability (NOFA) to each cooperating department and nonprofit agency advising them that the planning cycle has begun for CDBG funds, and that the City is accepting project proposals.
10. City staff will conduct outreach to special interest groups in Newport Beach, such as senior citizens and the disabled, and make presentations on the Action Plan to these groups where necessary.
11. The City will conduct an eligibility analysis on all project proposals submitted and review the eligible proposals for service provider grants.

The review for funding consideration will be conducted by the CDBG Advisory Committee.

ii. [Plan Review and Comment](#)

The draft Annual Action Plan incorporating the City's proposed uses of CDBG funds shall be made available for public review for a 30-day period. The City will encourage participation from all residents, especially low- and moderate-income residents, minorities, and those with disabilities. The City will make the plan accessible to all such groups. Copies will be made available following the process described in Section G of this document.

Written comments will be accepted during public review period by the Community Development Department Real Property Administrator or designee. A summary of the comments and the City's responses to the comments will be attached to the draft Action Plan.

iii. [Public Hearing](#)

The CDBG Advisory Committee may hold a public meeting to discuss the eligible project proposals and funding recommendations for both public service grant and capital outlay projects and make funding decisions.

The City Council shall conduct one (1) public hearing to accept comments on the draft Action Plan which will be provided for public review for a 30-day period (see above).

The City Council shall approve or reject the Action Plan. Section G describes the process for publishing notice for and conducting public hearings.

iv. [Submittal to HUD](#)

Upon adoption of the Annual Action Plan pursuant to HUD regulations, the City Council shall direct City staff to submit the Action Plan to HUD. Documents related to the public participation process, including copies of public notices and a summary of all public comments received, shall be attached to Action Plan. The Action Plan will be submitted to HUD at least 45 days before the program year pursuant to regulations, or as otherwise allowed or required by HUD.

b. Annual Action Plan Amendment

The City shall follow the following procedure to complete substantial and minor amendments to the Annual Action Plan, as needed:

i. [Amendment Considerations](#)

The City shall substantially amend the Action Plan if a “substantial change” is proposed by City staff or the City Council. For the purpose of the Action Plan, a “substantial change” is defined as:

- Carrying out an activity not previously described in the Action Plan;
- Canceling an activity previously described in the Action Plan;
- Increasing or decreasing the amount to be expended on a particular activity from the amount stated in the Action Plan by more than 20 percent; or
- Substantially changing the purpose, scope, location, or beneficiaries of an activity.

Changes in funding for an existing activity not amounting to more than 20 percent will not be considered as a substantial change to the Annual Action Plan; no formal amendment to the Action Plan requiring public review and comments will be warranted. However, City Council approval of the activity funding changes is still required.

ii. [Public Review and Comment](#)

The City encourages citizen participation in the development of substantial amendments. Substantial Amendments to the Annual Action Plan shall be made available for public review for a 30-day period. Written comments will be accepted during public review period. Comments should be made to the Community Development Department Real Property Administrator or designee. A summary of the comments and the City's responses to the comments will be attached to the Action Plan Substantial Amendment.

The City will encourage participation from all residents, especially low- and moderate-income residents, minorities, and those with disabilities. The City will make efforts to make the plan accessible to all such groups. Copies will be made available following the process described in Section G of this document.

iii. [Public Hearing](#)

The City Council shall conduct a public hearing to review and consider the Substantial Amendment to the Action Plan. The City Council shall accept public comments on the Substantial Amendment to the Action Plan at the public hearing. After public comments are heard and considered by the City Council, the City Council shall approve, approve with modifications, or deny the request for a substantial amendment to the Action Plan. Section G describes the process for publishing notice for and conducting public hearings.

iv. [Submittal to HUD](#)

A copy of the Substantial Amendment to the Annual Action Plan along with copies documenting the public participation process (i.e. public notices and public comments) shall be submitted to HUD for their records.

E. Consolidated Annual Performance and Evaluation Report (CAPER)

The following describes the process and procedures related to the development of the Consolidated Annual Performance and Evaluation Report (CAPER):

a. Plan Development

The City shall follow the following procedure in the drafting and adoption of Consolidated Annual Performance and Evaluation Report (CAPER):

i. [Plan Considerations](#)

Staff will evaluate and report the accomplishments of the previous program year for CDBG and will summarize expenditures that took place during the previous program year.

ii. [Plan Review and Comment](#)

The City encourages citizen participation in the development of the CAPER. The draft CAPER shall be made available for public review for a 15-day period. Written comments will be accepted during public review period by the Community Development Department Real Property Administrator or designee. A summary of any written comments received, or oral comments provided during the public hearing and the City's responses to the comments will be attached to the draft CAPER. Copies will be made available following the process described in Section G of this document.

iii. [Submittal to HUD](#)

Upon completion of the public review period, City staff shall submit the CAPER to HUD. Documents related to the public participation process, including copies of public notices and a summary of all public comments received, shall be attached to the CAPER. The CAPER shall be submitted to HUD within 90 days following the end of the program year pursuant to regulations.

F. Assessment of Fair Housing (AFH)

The Assessment of Fair Housing (AFH) is a five-year plan completed by the City individually or as part of a local consortium of other HUD grantees pursuant to HUD guidance for the evaluation of local housing conditions, economics, policies and practices and the extent to which these factors impact the range of housing choices and opportunities available to all residents in an environment free from discrimination. The following describes the process and procedures related to the development of the AFH.

a. Plan Development

The City shall follow the following procedure in the drafting and adoption of the AFH:

i. [Plan Considerations](#)

As soon as feasible after the start of the public participation process for the AFH, the City will make the HUD-provided data and any other supplemental information available to residents, public agencies and other interested parties by posting the data on the City's website and referencing this information in public notices.

The City will make a concerted effort to notify and encourage the participation of citizens, local and regional institutions, the local Continuum of Care organization addressing homelessness, and public and private organizations including businesses, developers, nonprofit organizations, philanthropic organizations, community-based and faith-based organizations, broadband internet service providers, organizations engaged in narrowing the digital

divide, agencies whose primary responsibilities include the management of flood prone areas, public land or water resources, emergency management agencies, state and local health service providers, social service providers, fair housing organizations, state and local governments, public housing agencies, affordable housing developers, businesses, community and faith based organizations, and other stakeholders in the development of the AI or AFH through mailings (including electronic mailings), online postings and public notices in the newspaper, as well as telephone or personal interviews, mail surveys, and consultation workshops.

ii. [Plan Review and Comment](#)

The draft AFH shall be made available for public review for a 30-day period. Written comments will be accepted during public review period by the Real Property Administrator or designee. A summary of the comments and the City's responses to the comments will be attached to the draft AFH. Copies will be made available following the process described in Section G of this document.

iii. [Public Hearing](#)

The City Council shall conduct a public hearing to accept public comments on the draft AFH. The City Council shall approve or reject the AFH. Section G describes the process for publishing notice for and conducting public hearings.

iv. [Submittal to HUD](#)

Upon adoption of an AFH, the City shall submit the AFH to HUD for review and acceptance or rejection. The goals of the AFH shall be incorporated into the Consolidated Plan prior to submission of the Consolidated Plan to HUD.

b. AFH Amendment

The City shall follow the following procedure to complete substantial amendments to AFH, as needed.

i. [Amendment Considerations](#)

The City shall substantially amend the AFH if a "substantial change" is proposed by City staff or the City Council or as otherwise required by HUD. An AFH that was previously accepted by HUD must be revised and submitted to HUD for review if a material change occurs. A material change is a change in circumstances in the jurisdiction of a program participant that affects the information on which the AFH is based to the extent that the analysis, the fair housing contributing factors, or the priorities and goals of the AFH no longer reflect actual circumstances. Examples include Presidentially declared disasters, under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), in the program participant's area that are of such a nature as to significantly impact the steps a program participant

may need to take to affirmatively further fair housing; significant demographic changes; new significant contributing factors in the participant's jurisdiction; and civil rights findings, determinations, settlements (including Voluntary Compliance Agreements), or court orders; or, upon HUD's written notification specifying a material change that requires the revision. A revision to the AFH consists of preparing and submitting amended analyses, assessments, priorities, and goals that take into account the material change, including any new fair housing issues and contributing factors that may arise as a result of the material change.

ii. [Public Review and Comment](#)

The City encourages residents and stakeholders to participate in the development of substantial amendments. Substantial Amendments to the AFH shall be made available for public review for a 30-day period. Written comments will be accepted by the Community Development Department Real Property Manager or designee during the public review period. A summary of the comments and the City's responses to the comments will be attached to the Consolidated Plan Substantial Amendment.

The City will encourage participation from all residents, especially low- and moderate-income residents, minorities, and those with disabilities. The City will make efforts to make the plan accessible to all such groups. Copies will be made available following the process described in Section G of this document.

iii. [Public Hearing](#)

The City Council shall conduct a public hearing to accept public comments on the draft amendment to the AFH. The City Council may approve or reject the amendment to the AFH. A revised AFH must be submitted within 12 months of the onset of a material change that triggers a "Substantial Amendment," or at such later date as HUD may specify. Section G describes the process for publishing notice for and conducting public hearings.

G. Public Hearings, Notification and Access

The following policies and procedures outlining the public hearing process and public hearing notification apply to the development and substantial amendment of the Consolidated Plan, Citizen Participation Plan, Annual Action Plan, CAPER, and AFH.

a. Public Meetings and Hearings

i. [Public Hearing Process](#)

The City will conduct at least two (2) public hearings per year to obtain citizens' views and comments on planning documents during the public review and comment period. These meetings will be conducted at different times of the program year and together will cover the following topics:

1. Housing and Community Development Needs
2. Development of Proposed Activities
3. Review of Program Performance

ii. [Public Hearing Notification](#)

Staff will ensure adequate advance notice of all public meetings and hearings. Notices will be printed/posted at least 14 calendar days prior to the meeting date. Adequate noticing will include:

1. Printing a public notice in the *Daily Pilot* and possibly other newspaper(s) of general circulation in the City;
2. Display copies of notices on the City's website; and
3. Posting notices at City Hall and at the Newport Beach Public Library.

Notices will include information on the subject and topic of the meeting including summaries when possible and appropriate to properly inform the public of the meeting. Notices will be published in accordance with the City's approved Limited English Proficiency Plan (LEP) and will be accessible to those with disabilities. Meeting locations and access are described below.

b. Documents for Public Review

Staff will ensure adequate advanced notice of all public review/comment periods. Notices will be printed/posted prior to the commencement of the public review period alerting residents of the documents for review and providing a summary of the contents of the documents to include information on the content and purpose of the document and the list of locations where copies of the entire draft document(s) may be reviewed. The public comment period for each Consolidated Plan document and substantial amendment to each document subject to public review is listed below:

Document	Length of Public Comment Period
Consolidated Plan	30 days
Action Plan	30 days
CAPER	15 days
AFH	30 days
Citizen Participation Plan	30 days

The City will ensure that documents are available for disabled and non-English speaking residents upon request.

Adequate noticing will include:

- Printing public notice in the *Daily Pilot* and possibly other newspaper(s) of general circulation in the City;
- Display copies of the notices on the City's website; and

- Posting notices at City Hall and at the Newport Beach Public Library.

The City will place an adequate supply of draft copies of each document and substantial amendments to each document subject to public review at the following locations:

City Hall: Community Development Department

100 Civic Center Drive
Newport Beach, California 92660

Newport Beach Public Library

1000 Avocado Avenue
Newport Beach, California 92660

Materials will also be posted to the City website at:

www.newportbeachca.gov/index.aspx?page=1364

All printed reports and materials shall be made available in a form accessible to persons with disabilities, upon request.

c. Access to Meetings

Unless otherwise noted, Public Hearings requiring City Council action will be conducted in front of the Newport Beach City Council at 4:00 P.M. at the Newport Beach City Hall Council Chambers (100 Civic Center Drive, Newport Beach, California 92660). For public hearings not requiring City Council participation, the City will make every reasonable effort to conduct such hearings in the low- and moderate-income target areas and at times accessible and convenient to potential and actual beneficiaries.

Efforts to ensure this may include, but are not limited to, scheduling meetings in target neighborhoods, scheduling meetings during the evening and weekend and requesting feedback from neighborhood groups and stakeholders for guidance in effective meeting scheduling. Such hearing will be posted and advertised to allow sufficient notice to all interested persons.

In accordance with the City's Limited English Proficiency Plan (LEP), translations will be available at all public hearings if the Community Development Department Real Property Administrator receives such a request at least 48 hours prior to the public hearing.

It is the intention of the City to comply with the Americans with Disabilities Act (ADA) in all respects. If an attendee or participant at public hearing needs special assistance beyond what is normally provided, the City will attempt to accommodate these people in every reasonable manner. Efforts may include, but are not limited to, accessible seating, video recording for those homebound, sign language services and production of written transcripts. The City's Community Development Department Real Property Administrator must be notified at least

48 hours prior to the public hearing. The Community Development Department Real Property Administrator may be reached at:

Real Property Administrator
Community Development Department
100 Civic Center Drive
Newport Beach, CA 92660
(949) 644-3236

d. Access to Consolidated Plan Documents and Records

All approved Consolidated Plan Documents, and any approved amendments thereto, will be kept on file by the City at the City Hall Community Development Department (100 Civic Center Drive, Newport Beach, California 92660), online at: www.newportbeachca.gov/index.aspx?page=1364 and can be made available to those requesting the plan. The Consolidated Plan Documents shall be provided in a format accessible to persons with disabilities upon request. Such formats may include, but are not limited to providing oral, Braille, electronic or large print versions of the plan to those visually impaired and delivering copies to those who are homebound. Upon request, the Consolidated Plan Documents or summaries of those documents will be made available in an accessible manner in accordance with the City's approved Limited English Proficiency Plan (LEP) or those with disabilities.

The City will ensure timely and reasonable access to information and records related to the development of the Consolidated Plan Documents, and the use of HUD CPD funds from the preceding five years. Information to be made available will include budget and program performance information, meeting minutes, and comments received by the City during the development of the Consolidated Plan and its supporting documents.

Requests for information and records must be made to the City in writing. Staff will respond to such requests within 15 working days or as soon as possible thereafter.

H. Technical Assistance

Upon request, staff will provide technical assistance to groups representing extremely-low, low-, and moderate-income persons to develop funding requests for HUD CPD eligible activities. Technical assistance will be provided as follows:

- Establish an annual project proposal submission and review cycle (Notice of Funds Availability, or "NOFA") that provides information, instructions, forms and advice to interested extremely low-, low- and moderate-income citizens or representative groups so that they can have reasonable access to the funding consideration process.
- Provide self-explanatory project proposal forms and instructions to all persons who request them whether by telephone or by letter. The City's funding application form is designed to be easily understood and short, while

still addressing all key items necessary to assess the proposed project. Statistics concerning specific areas of the City are furnished by City staff upon request.

- Answer, in writing, all written questions and answer verbally all verbal inquiries received from citizens or representative groups regarding how to write or submit eligible project proposals.
- Meet with groups or individuals as requested, to assist in identifying specific needs and to assist in preparing project proposal applications.
- Obtain information in the form of completed project proposal forms from citizens or non-profit agencies and assemble a list of proposals available for public review.
- Conduct a project eligibility analysis to determine, at an early stage, the eligibility of each project. In cases where only minor adjustments are needed to make proposals eligible or otherwise practical, City staff will advise the applicants on the options available and desired changes to the proposals.
- Provide bilingual translation on as needed basis.

To request technical assistance, please contact the Community Development Department Real Property Administrator at:

Real Property Administrator
Community Development Department
100 Civic Center Drive
Newport Beach, CA 92660
(949) 644-3236

I. Comments and Complaints

a. Comments

Citizens or the City government, as well as agencies providing services to the community, are encouraged to state or submit their comments in the development of the Consolidated Plan Documents and any amendments to the Consolidated Plan. Written and verbal comments received at public hearings or during the comment period will be considered and summarized, and included as an attachment to the City's final Consolidated Plan. Written comments should be addressed to:

Real Property Administrator
Community Development Department
100 Civic Center Drive
Newport Beach, CA 92660
(949) 644-3236

A written response will be made to all written comments within ten working days, acknowledging the letter and identifying a plan of action, if necessary. Every effort

will be made to send a complete response within 15 working days to those who submit written proposals or comments.

Copies of the complete final Consolidated Plan and amendments to it will be available to residents at the following locations:

City Hall
Community Development Department
100 Civic Center Drive
Newport Beach, California 92660

b. Complaints

A complaint regarding the Consolidated Planning process and Consolidated Plan amendments must be submitted in writing to the Community Development Department Real Property Administrator. A written response will be made to written complaints within 15 working days, acknowledging the letter and identifying a plan of action, if necessary.

The City will accept written complaints provided they specify:

- The description of the objection, and supporting facts and data; and
- Provide name, address, telephone number, and date of complaint.

J. Language Access

When a significant number of people speak and read a primary language other than English, translation services at public hearings will be provided in such language if translation services are requested in advance at least 48 hours prior to the public meeting. Requests should be addressed to the Community Development Department Real Property Administrator. The Community Development Department Real Property Administrator may be reached at:

Real Property Administrator
Community Development Department
100 Civic Center Drive
Newport Beach, CA 92660
(949) 644-3236

K. Appeals

Appeals concerning the Consolidated Plan, statements, or recommendations of the staff should be made to the following persons in the order presented:

- Community Development Director
- City Manager
- City Council
- Los Angeles Area Office of HUD (if concerns are not answered)

L. Anti-Displacement and Relocation

The City's Anti-displacement and Relocation Plan describes how Newport Beach will assist persons who must be temporarily relocated or permanently displaced due to the use of HUD CPD funds. This plan takes effect whenever the City funds projects that involve the following:

- Property acquisition;
- Potential displacement of people from their homes and the need to relocate people (either permanently or temporarily); and
- The demolition or conversion of low- and moderate-income dwelling units.

1. Background

Two acts apply whenever any of the above issues are present: the Uniform Relocation Assistance and Real Property Policies Act of 1970 (URA) and Section 104(d) of the Housing and Community Development Act of 1974. Each of these acts places different obligations on the City.

The URA governs the processes and procedures which the City and the Finance Department must follow to minimize the burden placed on low- and moderate- income tenants, property owners, and business owners who must move (either temporarily or permanently) as the result of a project funded in whole or in part by the CDBG and HOME programs. The URA applies to:

- Displacement that results from acquisition, demolition, or rehabilitation for HUD-assisted projects carried out by public agencies, nonprofit organizations, private developers, or others;
- Real property acquisition for HUD-assisted projects (whether publicly or privately undertaken);
- Creation of a permanent easement or right of way for HUD-assisted projects (whether publicly or privately undertaken); and
- Work on private property during the construction of a HUD-assisted project even if the activity is temporary.

2. What is Displacement?

Displacement occurs when a person moves as a direct result of federally assisted acquisition, demolition, conversion, or rehabilitation activities, because he or she is:

- Required to move; or
- Not offered a decent, safe, sanitary and affordable unit in the project; or
- Treated "unreasonably" as part of a permanent or temporary move.

A person may also be considered displaced if the necessary notices are not given or provided in a timely manner and the person moves for any reason.

3. What is a Displaced Person?

The term *displaced person* means any person that moves from real property or moves their personal property from real property permanently as a direct result of one or more of the following activities:

- Acquisition of, written notice of intent to acquire, or initiation of negotiations to acquire such real property, in whole or in part, for a project;
- Rehabilitation or demolition of such real property for a project; and
- Rehabilitation, demolition, or acquisition (or written notice of intent) of all or a part of other real property on which the person conducts a business or farm operation, for a project.

Newport Beach offers advisory and financial assistance to eligible tenants (or homeowners) who meet the above definition.

4. Persons Not Eligible for Assistance

A person is not eligible for relocation assistance under the provisions of the URA if any of the following occurs:

- The person was evicted for serious or repeated violation of the terms and conditions of the lease or occupancy agreement, violation of applicable Federal, State, or local law, or other good cause. However, if the person was evicted only to avoid the application of URA, then that person is considered displaced and is eligible for assistance;
- The person has no legal right to occupy the property under State or local law;
- The City determines that the person occupied the property to obtain relocation assistance and the HUD Field Office concurs in that determination;
- The person is a tenant-occupant that moved into the property after a certain date, specified in the applicable program regulation, and, before leasing and occupying the property, Newport Beach or its subgrantee provided the tenant-occupant written notice of the application for assistance, the project's impact on the person, and the fact that he or she would not qualify as a "displaced person" because of the project;
- The person is a tenant-occupant of a substandard dwelling that is acquired or a tenant-occupant of a dwelling unit to which emergency repairs are undertaken and the HUD field office concurs that:
 - Such repairs or acquisition will benefit the tenant;
 - Bringing the unit up to a safe, decent, and sanitary condition is not feasible;
 - The tenant's new rent and average estimated monthly utility costs will not exceed the greater of: the old rent/utility costs or 30 percent of gross household income; and
 - The project will not impose any unreasonable change in the character or use of the property.

- The person is an owner-occupant of the property who moves because of an arm's length acquisition;
- Newport Beach or its subgrantee notifies the person that they will not displace him or her for the project; and
- The person retains the right of use and occupancy of the real property for life following the acquisition.

Newport Beach determines that the person is not displaced as a direct result of the acquisition, rehabilitation, or demolition for the project and the HUD field office concurs in the determination.

5. Minimizing Displacement

Newport Beach will take reasonable steps to minimize displacement occurring as a result of its CDBG activities. This means that the Community Development Department will:

- Consider if displacement will occur as part of funding decisions and project feasibility determinations;
- Assure, whenever possible that occupants of buildings to be rehabilitated are offered an opportunity to return;
- Plan substantial rehabilitation projects in "stages" to minimize displacement; and
- Meet all HUD notification requirements so that affected persons do not move because they have not been informed about project plans and their rights.

6. Anti-Displacement Policy

The City seeks to minimize, to the greatest extent feasible, the displacement, whether permanently or temporarily, of persons (families, individuals, businesses, nonprofit organizations, or farms) from projects funded with CDBG and HOME involving single- or multi-family rehabilitation, acquisition, commercial rehabilitation, demolition, economic development, or capital improvement activities.

Projects that Newport Beach deems beneficial but that may cause displacement may be recommended and approved for funding only if Newport Beach or its subgrantee demonstrates that such displacement is necessary and vital to the project and that they take efforts to reduce the number of persons displaced. Further, they must clearly demonstrate that the goals and anticipated accomplishments of a project outweigh the adverse effects of displacement imposed on persons who must relocate.

7. Displacement Assistance

Consistent with the goals and objectives of the CDBG program, Newport Beach will take all reasonable steps necessary to minimize displacement of persons, even temporarily. If displacement occurs, the City will provide relocation assistance to all persons directly, involuntarily, and permanently displaced according to HUD regulations.

If Newport Beach temporarily displaces a low- or moderate-income household, that household becomes eligible for certain relocation payments. The assistance applies to those persons residing in the residence at the time the application is processed and is

based on the following procedures:

- If the structure and its occupants are determined eligible for temporary relocation assistance, the owner-occupants and tenants are eligible for the actual reasonable cost (based on fair market rent) of temporary lodging facilities until the structure is determined habitable by Newport Beach's housing inspector;
- Newport Beach must approve housing and the Lessor and Lessee must sign a rent agreement before move-in. Housing must be comparable functionally to the displacement dwelling and decent, safe, and sanitary. This does not mean that the housing must be in comparable size. The term "functionally equivalent" means that it performs the same function, has the same principal features present, and can contribute to a comparable style of living. Approved lodging accommodations include apartments and houses. Newport Beach does not reimburse "rental expenses" for living with a friend or family member;
- Either Newport Beach will provide the owner-occupants and tenants a direct payment for moving expenses (to and from temporary housing) and storage costs, or Newport Beach will arrange moving and storage of furniture with a moving company. If Newport Beach makes a direct payment, complete documentation and receipts are necessary to process claims when storage costs exceed the amount assumed by the direct payment;
- Damage deposits, utility hookups, telephone hookups and insurance costs are not eligible for reimbursement; and
- The City may pay the cost of relocation assistance from Federal funds or funds available from other sources.

8. One-For-One Replacement Dwelling Units

Newport Beach will generally avoid awarding funds for activities resulting in displacement. However, should Newport Beach fund an activity, specific documentation is required to show the replacement of all occupied and vacant dwelling units demolished or converted to another use. Newport Beach will assure that relocation assistance is provided as described in 24 CFR 570.606(b)(2).

Before obligating or expending funds that will directly result in such demolition or conversion, Newport Beach will make public and submit to the HUD field office the following information in writing:

- A description of the proposed assisted activity;
- The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as low- and moderate-income units;
- A time schedule for the commencement and completion of the demolition or conversion;
- The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement units;
- The source of funding and a time schedule for the provision of replacement dwelling units; or

- The basis for concluding that each replacement dwelling unit will remain a low- and moderate-income unit for at least ten years from the date of initial occupancy.

Consistent with the goals and objectives of the CDBG program, Newport Beach will take all reasonable steps necessary to minimize displacement of persons from their homes. The City will avoid funding projects that cause displacement of persons or businesses and will avoid funding any project that involves the conversion of low- and moderate-income housing to non-residential purposes.

9. Decent, Safe and Sanitary Dwelling

The basic definition is found at 49 CFR 24.2(1). The term decent, safe, and sanitary dwelling means a dwelling that meets the following standards and any other housing and occupancy codes that are applicable. It will:

- Be structurally sound, weather tight, and in good repair;
- Contain a safe electrical wiring system adequate for lighting and other devices;
- Contain a safe heating system capable of sustaining a healthful temperature for the displaced person;
- Be adequate to accommodate the displaced person. There will be a separate, well lit, ventilated bathroom that provides privacy to the user and contains a toilet, sink, and a bathtub or shower, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system. There should be a kitchen area that contains a fully usable sink, properly connected to hot and cold water and to a sewage drainage system, and adequate space and utility service connections for a stove and refrigerator;
- Contain unobstructed egress to safe, open space at ground level;
- For a mobility-impaired person, be free of any barriers that would preclude reasonable ingress, egress, or use of the dwelling by such person. This requirement will be satisfied if the displaced person elects to relocate to a dwelling that they select and the displaced person determines that they have reasonable ingress, egress, and the use of the dwelling; and
- Comply with lead-based paint requirements of 24 CFR Part 35.

M. Anti-Displacement and Relocation

The City and its CDBG subrecipients must follow specific guidelines regarding the acquisition and use of real property funded in whole or in part with CDBG funds.

1. Use of Real Property

The following standards apply to real property within the recipient's control and acquired or improved, in whole or in part, using CDBG funds. These standards will apply from the date funds are first spent for the property until five years after the project is audited and closed.

A recipient may not change the use of any such property (including the beneficiaries of

such use) from that for which the acquisition or improvement was made unless the recipient gives affected citizens reasonable notice of, and opportunity to comment on, any such proposed change, and either:

- The use of such property qualifies as meeting a national objective and is not a building for the general conduct of government;
- The requirements in the paragraph below are met;
- If the recipient determines, after consultation with affected citizens, that it is appropriate to change the use of property to a use that does not qualify under the above paragraph, it may retain or dispose of the property. The Newport Beach CDBG program must be reimbursed in the amount of the current fair market value of the property less any portion attributable to expenditures of non-federal funds for the acquisition of and improvements to the property;
- If the change of use occurs within five years of the project being audited and closed, income from the disposition of the real property will be returned to the Newport Beach CDBG program; and
- Following the reimbursement of the federal program pursuant to the above paragraph of this section, the property is no longer subject to any federal requirements.

2. Real Property Acquisition

All real property acquisition activities described in this section and funded in whole or in part with CDBG funds and all real property that must be acquired for an activity assisted with Federal funds, regardless of the actual funding source for the acquisition, are subject to the URA (as amended).

3. What is Real Property Acquisition?

Real property acquisition is any acquisition by purchase, lease, donation, or otherwise, including the acquisition of such interests as rights-of-way and permanent easements.

HUD Handbook 1378 and 49 CFR Part 24 currently contains such regulations. These regulations detail a standard procedure for acquiring property and methods of determining a purchase price and outline other documents that must be provided to Newport Beach before disbursement of funds. These regulations further require the applicant to provide relocation payments and assistance to any business or residential occupant of the property whom the acquisition will displace.

4. Eligible Activities

Newport Beach or its sub-grantee may acquire real property for a project using CDBG funds where the proposed use of the acquired property will be an activity that the City can demonstrate as beneficial to low- and moderate-income persons.

5. Environmental Review Process (24 CFR Part 58)

HUD requires that all real property acquisition projects be reviewed before the commitment of Federal funds to assess the impact of a project on the environment. Newport Beach will undertake this review process. The applicant should be aware,

however, that this review process may delay the date by which CDBG funds may be available and, in case of serious adverse environmental impacts, may effectively stop a project.