

**REPORT OF THE
CHIEF LEGISLATIVE ANALYST**

DATE: June 6, 2025

TO: Honorable Members of the Rules, Elections, and
Intergovernmental Relations Committee

FROM: Sharon M. Tso
Chief Legislative Analyst

me for SMT

Council File No.: 25-0002-S45
Assignment No.: 25-05-0455

SUBJECT: Resolution (Rodriguez, Park – Soto-Martinez) to SUPPORT a Community
Development Block Grant-Disaster Recovery Award for the City

CLA RECOMMENDATION: Adopt Resolution (Rodriguez, Park – Soto-Martinez) to include in the City's 2025-2026 Federal Legislative Program, SUPPORT for legislative and/or administrative action that funds the Community Development Block Grant-Disaster Recovery program and includes the City as an awardee to address long-term recovery efforts relative to the January 2025 wildfires.

SUMMARY

Resolution (Rodriguez, Park – Soto-Martinez) introduced May 23, 2025, states that the Congress may appropriate Community Development Block Grant-Disaster Recovery (CDBG-DR) funds after the President declares a major disaster to assist with long-term recovery needs, such as for the restoration of infrastructure and housing, economic revitalization, and other mitigation efforts. The Resolution also states that the former President declared a major disaster for the State of California on January 8, 2025, due to wildfires which devastated significant parts of the City. The Resolution resolves that the City include in its 2025-2026 legislative program support for legislative and/or administrative action to fund the CDBG-DR program, and to include the City as a grant awardee to address its long-term recovery efforts.

BACKGROUND

CDBG-DR grant funding is appropriated by Congress and allocated to the Department of Housing and Urban Development (HUD). These grants are intended to rebuild disaster-impacted areas and may help cities in the long-term recovery process, provided that Congress appropriates CDBG-DR grant funding for the year in which the Presidentially-declared disaster took place.

Legislative Action

In Fiscal Year 2025 (FY 25), Congress appropriated a total of \$12 billion in CDBG-DR funding for disasters occurring in 2023 and 2024. This appropriation included direct allocations for cities including, Asheville, North Carolina (\$225,010,000), Detroit, Michigan (\$346,864,000), Chicago, Illinois (\$426,608,000), and Houston, Texas (\$314,645,000). However, the President's budget request to Congress for FY 26 does not include an appropriation for any Community Planning and Development grants, including CDBG-DR. Our Office will continue to monitor federal legislation concerning an appropriation of CDBG-DR funding.

Administrative Action

If there is a Congressional appropriation, HUD will publish a CDBG-DR Award Allocation Notice (AAN) with applicable requirements in the Federal Register. Generally, Community Development Block Grant program requirements are applicable to the CDBG-DR award. This includes national objectives, such as being of benefit to low-moderate income areas and individuals. However, these requirements may be modified by a statute included in the appropriation, or by a HUD-established waiver or alternative requirement. Waivers or alternative requirements will be outlined in the AAN. HUD may not waive requirements related to fair housing, nondiscrimination, labor standards, or environment.

Eligible Activities & Action Plan

On January 8, 2025, HUD published a Universal Notice relative to all future CDBG-DR awards, including details concerning eligible disaster recovery activities and the Action Plan. Eligible activities must be tied to the most impacted and distressed (MID) areas. These may include activities related to new construction and reconstruction of housing; repairs to public facilities and improvements; and the return of businesses and jobs in MID areas. The Universal Notice also states that grantees must submit, within 90 days of the AAN, an Action Plan describing programs and activities that conform to the applicable requirements. The Action Plan must identify the use of all CDBG-DR funding, including eligibility criteria for accessing funds and how the proposed uses will address long-term recovery needs.

Departmental Action

The Mayor's proposed Program Year 51 (PY 51) Consolidated Plan (Con Plan) report, dated May 12, 2025, states that the City will conduct an interdepartmental application process that assesses unmet needs across the City to create an effective CDBG-DR Action Plan (C.F. 25-0525). Further, the Con Plan report informs that the Action Plan preparation process will provide the City's congressional delegation with a plan for the optimal use of federal resources for recovery.

The Community Investment for Families Department (CIFD) has reported that the City is working with a consultant to assist with applying for CDBG-DR funding, and to expedite the federal allocation/award of funds. CIFD anticipates leveraging its role as the City's Con Plan administrator to engage with elected offices and departments to solicit project ideas to allow the City's congressional delegation to present eligible programs to Congress for funding consideration.

DEPARTMENTS NOTIFIED

Office of the Mayor
Community Investment for Families Department
City Administrative Officer



David J. Wimsatt
Analyst

Attachment: Resolution (Rodriguez, Park – Soto-Martinez)

BB

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council;

WHEREAS, on May 2, 2025, the President sent his Fiscal Year 2026-27 discretionary budget request to Congress, which proposes to reduce the Housing and Urban Development Department (HUD) funding by \$33 billion, which is close to half of the HUD budget;

WHEREAS, the President's budget proposes to eliminate HUD grants, such as the Community Development Block Grant (CDBG), citing poor targeting of CDBG funds, wasteful projects, and use on programs better funded and administered at the State and local levels;

WHEREAS, the former President declared a major disaster for the State of California on January 8, 2025, due to wildfires and straight-line winds, which the Federal Emergency Management Agency (FEMA) subsequently coded as "DR-4856-CA";

WHEREAS, the wildfires and straightline winds devastated significant parts of the City, and short-term FEMA aid, including debris removal, emergency response, and permanent work was insufficient to promote a full recovery in the City;

WHEREAS, Congress may appropriate Community Development Block Grant Disaster Recovery (CDBG-DR) funds after the President declares a major disaster, in which HUD is directed to assist with long-term recovery needs, such as restoration of infrastructure and housing, economic revitalization, and other mitigation in the most impacted and distressed (MID) areas of the City;

WHEREAS, the City, as an entitlement community within the CDBG program, should advocate for a CDBG-DR award from HUD, pursuant to FEMA DR-4856-CA, to help rebuild and address long-term recovery efforts in MID areas of the City;

NOW, THEREFORE, BE IT RESOLVED, that by adoption of this Resolution, the City of Los Angeles hereby includes in its 2025-2026 Federal Legislative Program SUPPORT for legislation and/or administrative action that funds the Community Development Block Grant - Disaster Recovery program and includes the City as an awardee to address long term recovery efforts relative to the January 2025 wildfires.

PRESENTED BY Monica Rodriguez
MONICA RODRIGUEZ
Councilmember, 7th District

Traci Park
TRACI PARK
Councilmember, 11th District

SECONDED BY: [Signature]

MAY 23 2025

ORIGINAL