



City Council Staff Report

Subject: Community Development Block Grant (CDBG) 2025-2029
Consolidated Plan - Discussion of Priority Needs and Goals

Date: February 25, 2025

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Department: City Manager's Office

Recommendation:

Receive a Presentation on the Community Development Block Grant (CDBG) 2025-2029 Consolidated Plan Proposed Priority Needs and Goals, and Provide Feedback to Staff.

Background:

The Community Development Block Grant (CDBG) program is administered by the federal Department of Housing and Urban Development (HUD) and provides funding to states, cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. CDBG funded activities must demonstrate that they meet one or more of the following CDBG National Objectives:

- Low- and Moderate-Income Benefit: provides a benefit to low- and moderate- income persons;
- Slum and/or Blight Benefit: Aids in the prevention or elimination of slums or blight; and
- Urgent Need: Addresses an unexpected need having a particular urgency (such as flood, fire, or earthquake).

Under the CDBG program, the City of Rocklin is an entitlement community and annually receives CDBG funding on a formula basis. To be eligible to receive CDBG funds, the City must complete a Consolidated Plan every five years and an Action Plan on an annual basis. The Consolidated Plan is a comprehensive planning document that serves as a guide for the use of CDBG funding during the five-year plan period. Each year, the Annual Action Plan establishes annual CDBG funding allocations and goals.

The CDBG program operates under income limits established annually by HUD. CDBG funded activities must primarily benefit low- and moderate-income households defined as persons from households at or below 80% of Area Median Income (AMI), adjusted for family size. The City is a part of the Sacramento-Roseville-Arden-Arcade, CA Metropolitan Statistical

Area (MSA) and the CDBG program uses the following income limits to determine project eligibility.

**Sacramento/Roseville/Arden Arcade CA MSA
2024 HUD Low- and Moderate-Income Limits**

Household Size	Extremely Low- Income (30% of AMI)	Very Low-Income (50% of AMI)	Low- and Moderate- Income (80% of AMI)
1 Persons	\$24,750	\$41,300	\$66,050
2 Persons	\$28,300	\$47,150	\$75,450
3 Persons	\$31,850	\$53,050	\$84,900
4 Persons	\$35,350	\$58,950	\$94,300
5 Persons	\$38,200	\$63,650	\$101,850
6 Persons	\$41,050	\$68,400	\$109,400
7 Persons	\$43,850	\$73,100	\$116,950
8 Persons	\$46,700	\$77,850	\$124,500

Effective May 1, 2024

The five-year Consolidated Plan analyzes community needs, market conditions, and existing funding sources to develop strategies for the use of CDBG funds. Based on prior years' awards, it is estimated that the City will receive approximately \$280,000 per year, or a total of \$1,400,000 in CDBG funds over the Consolidated Plan period. The City is limited by CDBG regulation to spending no more than 15% of annual funding for public services and no more than 20% for administration of the CDBG program.

The Consolidated Planning process included the distribution of an online community needs survey, public meetings held on November 5, November 13, and December 5, 2024, as well as consultations with local service providers. The survey and the meetings were noticed on the City's website, in the Placer Herald, through social media, and by email to interested parties and stakeholders. Stakeholders included nonprofit organizations, affordable housing providers, service providers, government agencies, and advocacy organizations, all of whom work with low- and moderate-income members of the community. Service providers were also asked to complete questionnaires regarding the specific needs of their clients. The Roseville and Placer County Housing Authorities provided information regarding the families they serve, and the Roseville/Rocklin/Placer Continuum of Care provided information regarding persons at risk of, or experiencing, homelessness in the City. The Consolidated Plan includes an analysis of data from the U.S. Census American Community Survey (ACS) and other relevant information regarding the needs of low- and moderate-income residents. Information from the City's 2021-2029 Housing Element is also reflected in the Plan.

Once the draft five-year Consolidated Plan and Annual Action Plan are completed, they will be made available for public comment for a minimum of 30 days prior to the City Council public hearing.

Draft Consolidated Plan Priority Needs

The Consolidated Plan must identify "High Priority Needs" and "Low Priority Needs" for the next five years. The City receives a limited amount of CDBG funding each year and the

recommended Priority Needs take into consideration available funding and other resources that may be available to address needs, as well as the public comment and information received from the outreach efforts described. The following Priority Needs are recommended for inclusion in the Consolidated Plan:

High Priority Needs

- Services for low- and moderate-income youth, seniors and those providing food and nutrition services. These services were identified as priority concerns during Public Community Meetings, by respondents to the Community Needs Survey and through consultation with local service providers. The census ACS indicates that Rocklin is home to 1,903 low- and moderate-income households with children and 7,950 low- and moderate-income households with a member age 62 or older.
- Addressing housing instability. Housing instability was identified as a high priority need during Public Community Meetings, by respondents to the Community Needs Survey and through consultation with local service providers. The census ACS estimates that there are 2,190 low- and moderate-income households paying in excess of 50% of household income towards housing costs, which indicates they are at imminent risk of homelessness. The 2024 Placer County Point-in-Time Homeless Count found 39 homeless individuals living in the City.
- Services for survivors of domestic violence, sexual assault or trafficking. Services for these individuals were identified as a high priority need through consultation with local service providers. Many noted that these experiences can lead to mental health issues, substance use issues, loss of income and housing instability.

Low Priority Needs

- Homeowner housing rehabilitation. Rehabilitation assistance for lower-income homeowners was noted as a need by respondents of the Community Needs Survey, especially for improving accessibility for seniors and persons with disabilities. The first goal in the 2021-2029 Rocklin Housing Element is to maintain and improve the quality of existing housing and residential neighborhoods. The census ACS identifies 1,135 low- and moderate-income homeowner households in Rocklin.
- Public infrastructure accessibility/safety. Infrastructure Improvements for Lower--Income Neighborhoods was noted as a high need by respondents of the Community Needs Survey. The Public Works Department has identified barriers to pedestrian safety and accessibility located in census tracts and census block groups that are eligible for CDBG funding based on the percentage of low- and moderate-income residents.
- Support economic opportunity. Assistance to low- and moderate-income microenterprise business owners was noted as a priority need during Public Community meetings and employment assistance was identified as a high need in the Community Needs Survey.

Draft Consolidated Plan Goals

The Consolidated Plan must identify goals that address the Priority Needs over the five-year planning period. Recommended goals are:

Goal	Estimated Five-Year Funding	Outcome Indicator
Provide services to meet the needs of low- and moderate-income seniors	\$30,000	300 seniors assisted
Provide services and shelter to survivors of domestic violence, sexual assault and trafficking situations.	\$30,000	50 persons assisted
Provide services to meet the needs of low- and moderate-income youth and families with children.	\$40,000	30 youth assisted
Provide meal delivery for seniors and persons with disabilities, and provide access to food and nutrition services for low- and moderate-income households.	\$50,000	300 low- and moderate-income persons assisted
Provide services to vulnerable households to reduce housing instability and the risk of homelessness. Provide assistance to persons experiencing homelessness to move toward housing stability.	\$60,000	200 persons at risk or experiencing homelessness assisted
Provide financial and technical assistance to low- and moderate-income homeowners to complete accessibility improvements and/or rehabilitation. Support aging in place for elderly households and accessibility for persons with mobility impairment.	\$300,000	6 homeowner housing units adapted for accessibility or rehabilitated
Improve streets and sidewalks in low- and moderate-income neighborhoods to enhance pedestrian safety and reduce architectural barriers for persons with mobility impairments.	\$530,000	1,000 residents of low- and moderate-income neighborhoods assisted

Provide financial and/or technical assistance support to low- and moderate-income microenterprise business owners to improve their earning capacity. Provide financial support to businesses that create and/or retain jobs for low- and moderate-income persons. Support programs that provide job readiness skills for low- and moderate-income youth and underemployed adults.	\$100,000	5 businesses assisted 30 persons provided job readiness skills
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Funding and outcome indicators are based on prior years' allocations as well as the fact that CDBG funding is limited to spending no more than 15% of annual funding for public services.

All CDBG funded activities for years 2025 through 2029 must be consistent with the Priority Needs and Goals established in the 2025-2029 Consolidated Plan and comply with all HUD regulations governing the program. The 2025-2026 Annual Action Plan will identify the specific activities the City will undertake during the Program Year and subsequent Action Plans will be adopted for each respective year of the Consolidated Plan. As of the date of this report, HUD has not announced allocations for 2025, but recent allocations have been approximately \$280,000 per year.

Eligible subrecipients that have requested funding for the 2025-2026 Program Year would need to meet one or more of the recommended Priority Needs and Goals in the 2025-2029 Consolidated Plan. The City received applications for 2025-2026 CDBG funding from December 13, 2024 through January 24, 2025. Eight applications were received requesting a total of \$181,500. Staff are currently reviewing applications to determine eligibility and amount of funding to be recommended.

Next Steps

Staff will incorporate the feedback and funding recommendations received during the February 25, 2025 City Council discussion into the Annual Action Plan that will be made available for public comment for a minimum of 30 days prior to the City Council public hearing and adoption in time for submission to HUD by the May 15, 2025 deadline. Agreements with all subrecipients will specify that Rocklin funds must be utilized to assist Rocklin residents.

Fiscal Impact:

There is no impact to the General Fund to approve staff's recommendations. Approving the 2025-2029 Consolidated Plan is necessary in order for the City to receive CDBG Entitlement Funds from HUD and CDBG funding will be included in the City's proposed FY 2025-2027 Budget.