



# AGENDA STAFF REPORT

Control: 26001182

**MEETING DATE:** 04/28/2026

**LEGAL ENTITY TAKING ACTION:** Board of Supervisors

**BOARD OF SUPERVISORS DISTRICT(S):** All Districts

**SUBMITTING AGENCY/DEPARTMENT:** OC Community Resources

**DEPARTMENT CONTACT PERSON(S):** Dylan Wright, 714-480-2788  
Julia Bidwell, 714-480-2991

**SUBJECT:** Approve FY 2026-27 Annual Action Plan and Contracts

|                             |   |  |
|-----------------------------|---|--|
| <b>CEO CONCUR</b><br>Concur | <b>COUNTY COUNSEL REVIEW</b><br>Approve agreement to form | <b>CLERK OF THE BOARD</b><br>PUBLIC HEARINGS<br>3 Votes Board Majority |
|-----------------------------|---|--|

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|--|--|--|
| <b>Budgeted:</b> N/A                       | <b>Current Year Cost:</b> N/A                          | <b>Annual Cost:</b> FY 2026-27<br>\$5,976,244.84 |
| <b>Staffing Impact:</b> No                 |  | <b>Sole Source:</b> No                           |
| <b>Current Fiscal Year Revenue:</b><br>N/A | <b>Funding Source:</b> See Financial Impact<br>Section | <b>County Audit in Last 3 years:</b><br>No       |

**Levine Act Review**  
**Completed?** Yes

**Prior Board Action:** 11/4/2025 #11

**RECOMMENDED ACTION(S):**

1. Conduct, per Title 24 Code of Federal Regulations Section 91.105, a public hearing and consider public comments for inclusion in FY 2026-27 Annual Action Plan.
2. Approve the FY 2026-27 Annual Action Plan as identified in Attachment A.
3. Approve the federal allocation of U.S. Department of Housing and Urban Development new, reprogrammed and program income for Community Development Block Grant; HOME Investment Partnership Act; and Emergency Solutions Grant funds in a total aggregate amount of \$5,976,244.84 in the FY 2026-27 Annual Action Plan as identified in Attachment A.
4. Approve providers and projects for public services, housing rehabilitation, façade improvements, and public facilities and improvements activities and associated costs as identified in the FY 2026-27 Summary of the U.S. Department of Housing and Urban Development Annual Objectives and Proposed Project Funding, as identified in Attachment B, including the following:
  - Public Services:
    - a. Abrazar, Inc.
    - b. City of Laguna Beach
    - c. Orange County Fair Housing Council, Inc. DBA Fair Housing Council of Orange County

- d. County of Orange's Emergency Shelter Operations and Services

Housing Rehabilitation:

- a. City of Brea
- b. City of Seal Beach
- c. City of Stanton

Public Facilities and Improvements:

- a. City of Brea (regular and FY 2024-25 funded project)
- b. City of Laguna Hills
- c. City of Laguna Woods (regular and waitlisted project)
- d. City of Los Alamitos
- e. City of Seal Beach
- f. City of Stanton (regular and waitlisted project)
- g. County of Orange

Metropolitan Cities of:

- a. City of Placentia (includes façade improvements)
- b. City of Yorba Linda

5. Approve Contracts for Public Services, Housing Rehabilitation, Public Facilities & Improvements activities including Metropolitan Cities Contracts as identified in Attachments H through W not to exceed \$3,505,926.
6. Authorize the County Procurement Officer or Deputized designee to execute amendments to the Community Development Block Grant funded housing rehabilitation and public facilities and improvements contracts in Attachments H through W to increase the total contract amounts therein up to the maximum funding amounts stated in the FY 2026-27 Summary of the U.S. Department of Housing and Urban Development Annual Objectives and Proposed Project Funding, as identified in Attachment B, provided additional or reallocated funding becomes available, or decrease contract amounts if funding is decreased, according to the applicable project funding and waitlist process described in the FY 2026-27 Funding Allocation Policy and Process, Attachment X.
7. Authorize the OC Community Resources Director or designee to sign and submit all ministerial administrative documents for implementation of the FY 2026-27 Annual Action Plan, and all U.S. Department of Housing and Urban Development Grant Agreements and forms, and make non-material changes to foregoing, as may be required by U.S. Department of Housing and Urban Development.
8. Authorize the OC Community Resources Director or designee to adjust funding as necessary to implement the FY 2026-27 Annual Action Plan, execute contracts and contract amendments described in the 2026-27 Summary of the U.S. Department of Housing and Urban Development Annual Objectives and Proposed Project Funding, as identified in Attachment B, and execute one or more waitlisted contracts as described in the County's Fiscal Year 2026-27 Funding Allocation Policy and Process, in accordance with future funding increases or decreases, provided such changes are consistent with the terms of the FY 2026-27 Annual Action Plan and 2026-27 Summary of HUD Annual Objectives and Proposed Project Funding.
9. Authorize the County Procurement Officer or Deputized designee to execute Community Development Block Grant Contracts in Attachments H through W and make any non-substantial changes to Contracts in Attachments H through W, as required.
10. Authorize the County Procurement Officer or Deputized designee to review and approve subsequent subcontractor requests as necessary, pursuant to section 3.3-130 of the Contract Policy Manual, without further Board of Supervisors action, provided the County Procurement Officer or Deputized designee

performs the required due diligence and establishes that the proposed subcontractor is qualified to perform services under the Contract, the addition of a subcontractor does not affect the overall scope of work or performance goals and the addition of the subcontractor does not increase the Contract's not to exceed amount.

11. Authorize the County Procurement Officer or Deputized designee to exercise contingency cost increases in an amount not to exceed a total of 10 percent of the Contract amount for the first year of the Contracts, for the entire term of the Contracts, including renewals, that are within the scopes of work set forth in the Contracts in Attachments H through W. The use of these contingency contract cost increases is subject to approval requirements established by the County Procurement Officer.
12. Designate the Director of OC Housing and Community Development or designee to act as the certifying officer under 24 Code of Federal Regulations Part 58, its related Federal authorities listed in Sections 58.5, 58.6 and 58.13, as well as Section 102 of National Environmental Policy Act and its related provisions in 40 Code of Federal Regulations parts 1500 through 1508 and authorize the Director of Housing and Community Development or designee to execute all documents related to the administration, management and implementation of the section 102 of National Environmental Policy Act.
13. Approve Amendment No. Four to Agreement with Abrazar, Inc. for Community Center Management and Operations, as identified in Attachment G, to extend operation of the Midway City Community Center for an additional one year from July 1, 2026, through June 30, 2027
14. Authorize the OC Community Resources Director or designee to execute Amendment No. Four to Agreement with Abrazar, Inc., for Community Center Management and Operations and other instruments or documents as necessary to implement the extension of the Community Center Management Agreement, as necessary.

**SUMMARY:**

Conducting a public hearing and approving the FY 2026-27 Annual Action Plan and related Contracts will fulfill federal U.S. Department of Housing and Urban Development requirements for submission of required planning and funding documents for the use of federal housing and community development funds and extending the Community Center Management and Operations Agreement with Abrazar, Inc. will allow for continued operations at the Midway City Community Center.

**BACKGROUND INFORMATION:**

The FY 2026-27 Annual Action Plan (AAP) covers the period of July 1, 2026, through June 30, 2027, the second year of the five-year Consolidated Plan period. It serves as a one-year action strategy for achieving the long-term goals of the five-year Consolidated Plan, detailing specific projects, annual budgets, and performance goals to address housing and community development needs.

The FY 2026-27 AAP includes a total funding amount of \$5,976,244.84 for the allocation of Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant (ESG) funds. FY2026-27 AAP is subject to final U.S. Department of Housing and Urban Development (HUD) funding allocations and may be increased or decreased. Any increase or decrease will be applied evenly to the recommended contracts.

The recommended providers for the Board of Supervisors' (Board) selection and associated projects and activities with the proposed and maximum project funding amounts are identified in the FY 2026-27 Summary of Specific U.S. Department of Housing and Urban Development Annual Objectives and Proposed Project Funding (Attachment B).

These projects and activities address overall housing and community development needs throughout Orange County, including activities that also support the County of Orange’s (County) efforts in addressing homelessness.

A summary of the prior year AAP projects that were completed and reported in the FY 2024-25 Consolidated Annual Performance and Evaluation report to HUD are as follows:

| <b>Project Type</b>                       | <b>Services</b>  | <b>Anticipated Outcomes</b>  |
|---|--|--|
| Public Services (PS)                      | <ul style="list-style-type: none"> <li>• Services and case management for the individuals experiencing homelessness and individuals at risk for homelessness</li> <li>• Senior Services</li> <li>• Operating cost of programs that serve people experiencing homelessness and AIDS patients</li> </ul> | <ul style="list-style-type: none"> <li>• 8,968 people provided with various services, including 1,117 persons experiencing homelessness</li> <li>• Rapid re-housing of households experiencing homelessness</li> </ul> |
| Housing Rehabilitation                    | <ul style="list-style-type: none"> <li>• Projects that strengthen, preserve, , and enhance the physical character and quality of life in Orange County’s low- and moderate-income neighborhoods, including the housing stock</li> </ul>  | <ul style="list-style-type: none"> <li>• Rehabilitation of 103 housing units</li> </ul>  |
| Public Facilities and Improvements (PF&I) | <ul style="list-style-type: none"> <li>• Senior Centers</li> <li>• Public Facilities for Homeless Services</li> <li>• Neighborhood Facilities</li> <li>• Water/Sewer Improvements</li> <li>• Street Improvements</li> <li>• Sidewalk Improvements</li> </ul>   | <ul style="list-style-type: none"> <li>• 46,923 people helped by completion of improvements</li> </ul>   |
| Affordable Housing with HOME Funds        | <ul style="list-style-type: none"> <li>• Expand Affordable Housing Opportunities</li> </ul>  | <ul style="list-style-type: none"> <li>• 43 affordable housing units created</li> </ul>  |

On November 4, 2025, the Board adopted the Funding Allocation Policy and Process (FAPP) for FY 2026-27 (Attachment X). The FAPP included the funding process for eligible Exempt/PS, Housing Rehabilitation and PF&I activities.

On November 5, 2025, OC Community Resources, Housing & Community Development (OCCR/H&CD) issued a Request for Application (RFA) seeking qualified providers for Housing Rehabilitation activities and PF&I activities. All three of the Housing Rehabilitation applicants are recommended for funding. Seven out of eight PF&I applicants are recommended for funding. One PF&I application did not pass threshold. The RFA also resulted in the qualification of two projects that are waitlisted should additional CDBG funding become available (Attachments Q and U).

Exempt/PS activities are on a three-year funding cycle. All six eligible Exempt/PS activities are recommended for funding.

Housing Rehabilitation activities are on a three-year funding cycle, and PF&I activities are on a one-year funding cycle.

The FY 2026-27 AAP also includes funding for two metropolitan cities: Placentia and Yorba Linda. The cities submitted eight proposals that were all found eligible for funding.

All providers and projects for PS, Housing Rehabilitation, PF&I activities, and funding for the two metropolitan cities are identified in Attachment B.

All Contractors' performances have been confirmed as at least satisfactory. OCCR/H&CD has verified that there are no concerns with respect to the other contractors' ownerships/names, litigation statuses, or conflicts with County interests.

All contracts will contain language that will permit the immediate reduction of services or termination of the contract due to fiscal non-appropriation without penalty.

A majority of the Contracts are between the County and participating cities for their use of the funds to provide improvements or services in their communities and are not contracts for direct services to the County.

OCCR/H&CD is requesting delegated authority to increase Housing Rehabilitation and PF&I contracts up to the maximum funding amounts shown in Attachment B. The funding maximums for PF&I projects are based on application amounts and the \$300,000 maximum for Housing Rehabilitation contracts is per the FY 26-27 FAPP.

OCCR/H&CD is also requesting delegated authority for the County Procurement Officer or Deputized designee to review and approve future subcontractor requests for any Contracts which require it pursuant to section 3.3-130 of the Contract Policy Manual, provided the County Procurement Officer or Deputized designee performs the required due diligence and establishes that the proposed subcontractor is qualified to perform services under the Contract, and the addition of a subcontractor does not affect the overall scope of work or increase the Contract's not to exceed amount. Under the terms of the Contract, any request to add subcontractor(s) must receive prior written approval from the County Procurement Officer or deputized designee. If a request to approve a subcontractor would affect the overall scope of work and/or Contract amount, in excess of the Contract's not to exceed amount, or otherwise fall outside the scope of the authority granted, OCCR/H&CD will bring the item back to the Board for approval.

#### Midway City Community Center Management and Operations Agreement

OCCR/H&CD is requesting approval of Amendment No. Four to the Community Center Management and Operations with Abrazar, Inc to extend operation of the Midway City Community Center for an additional one year from July 1, 2026 through June 30, 2027. The amendment will allow time for OCCR/H&CD to conduct a request for proposal for an operator in the next year. The amendment also includes revisions to the scope of work to provide for the delivery of County and other direct services at the new modular units at the Center and incorporate associated maintenance and operations costs for the modular units. The County Executive Office (CEO) will facilitate preparation of a Memorandum of Understanding or Plan of Cooperation to delineate roles and responsibilities between County departments and license agreements for other third-party service providers, as needed.

#### Public Notice

On March 13, OCCR/H&CD released a 30-day Public Notice and comment period for the proposed FY 2026-27 AAP. The Public Notice was published in the *Orange County Register, La Opinion and Nguoi Viet*; an electronic version was available at OCCR/H&CD. The comment period closes on April 13, 2026, and no comments have been received to date (as of March 31, 2026).

Compliance with National Environmental Policy Act (NEPA): As defined under the NEPA per 24 CFR 58.34 (a)(3), the proposed activity is exempt.

**Compliance with California Environmental Quality Act (CEQA):** This action is not a project within the meaning of the CEQA Guidelines Section 15378 and is therefore not subject to CEQA, since it does not have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The approval of this agenda item does not commit the County to a definite course of action in regard to a project since the actions approve a plan for the allocation of funding for future projects to be considered. This proposed activity is therefore not subject to CEQA. Any future action connected to this approval that constitutes a project will be reviewed for compliance with CEQA.

**FINANCIAL IMPACT:**

Appropriations for this agenda item will be included in the OC Housing Fund 15G FY 2026-27 Budget. Funding sources, amounts and percentages are detailed in the following table:

| <b>Funding Source:</b> Federal: 100%       | <b>Amount</b>   | <b>Percent</b> |
|--|-----------------|----------------|
| CDBG Funds New                             | \$ 3,467,220    | 58%            |
| CDBG Reprogrammed and Program Income Funds | \$ 826,834      | 14%            |
| HOME Funds New                             | \$ 1,244,582.84 | 21%            |
| HOME Program Income                        | \$ 135,000      | 2%             |
| ESG Funds New                              | \$ 302,608      | 5%             |
| Total:                                     | \$5,976,244.84  | 100%           |

The proposed Contracts include a provision stating the Contracts are subject to and contingent upon funding availability. In the event funding is reduced or terminated, the County may renegotiate the level of services and/or terminate the Contracts, without penalty to the County.

**STAFFING IMPACT:**

N/A

**REVIEWING AGENCIES/DEPARTMENTS:**

Office of Care Coordination

**ATTACHMENTS:**

- Attachment A - FY 2026-27 Annual Action Plan
- Attachment B - FY 2026-2027 Summary of Spec HUD Annual Objectives
- Attachment C - FY 2025-29 Citizen Participation Plan
- Attachment D - FY 2025-29 Consolidated Plan
- Attachment E - 24 Code of Federal Regulations Section 91.105
- Attachment F - Public Notice and Affidavit
- Attachment G - Amendment No. Four to Agreement # 13-23-629465 for Community Center Management and Operations Extension of Management Agreement Midway City CC
- Attachment H - HCD\_CDBG\_MA\_012-26011067\_Abrazar\_PS\_FY\_26-27\_Final
- Attachment I - HCD\_CDBG\_MA\_012-26011068\_FHC\_PS\_FY\_26-27\_Final
- Attachment J - HCD\_CDBG\_MA\_012-26011065\_Brea\_HR\_FY\_26-27\_Final
- Attachment K - HCD\_CDBG\_MA\_012-26011063\_Seal Beach\_HR\_FY\_26-27\_Final
- Attachment L - HCD\_CDBG\_MA\_012-26011074\_Stanton\_HR\_FY\_26-27\_Final
- Attachment M - HCD\_CDBG\_MA\_012-26011076\_Brea\_PFI\_FY\_26-27\_Final
- Attachment N- HCD\_CDBG\_MA\_012\_26011077\_Brea\_PFI\_FY\_26-27\_Final (FY 24-25 Funding)
- Attachment O - HCD\_CDBG\_MA\_012-26011064\_Laguna Hills\_PFI\_FY\_26-27\_Final
- Attachment P - HCD\_CDBG\_MA\_012-26011062\_Laguna Woods\_PFI\_FY\_26-27\_Final
- Attachment Q - HCD\_CDBG\_Waitlist\_MA\_012-26011070\_Laguna Woods\_PFI\_FY\_26-27\_Final
- Attachment R - HCD\_CDBG\_MA\_012-260110671\_Los Alamitos\_PFI\_FY\_26-27\_Final
- Attachment S - HCD\_CDBG\_MA\_012-26011073\_Seal Beach\_PFI\_26-27\_Final
- Attachment T- HCD\_CDBG\_MA\_012-26011066\_Stanton\_PFI\_FY\_26-27\_Final
- Attachment U - HCD\_CDBG\_Waitlist\_MA\_012-26011075\_Stanton\_PFI\_FY\_26-27\_Final
- Attachment V - HCD\_CDBG\_MA\_012-26011072\_Placentia\_Metro\_FY\_26-27\_Final
- Attachment W - HCD\_CDBG\_MA\_012-26011069\_Yorba Linda\_Metro\_FY\_26-27\_Final

Attachment X - FY 2026-27 Funding Allocation Policy and Process  
Attachment Y - Notice of Intent to Award