

**2023-2024
Consolidated
Annual Performance
and Evaluation Report**

Community Development Block Grant
HOME Investment Partnerships
Programs

DRAFT

For City Council consideration
September 10, 2024



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LANCASTER CITY COUNCIL

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CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its Strategic Plan and its Action Plan. 91.520(a)

This 2023-2024 Consolidated Annual Performance and Evaluation Report (CAPER) is the City of Lancaster's (City's) report to the U.S. Department of Housing and Urban Development (HUD) describing the use of federal Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funds. This CAPER provides the City's progress report for the fourth Program Year of the 2020-2024 Consolidated Plan period, covering the period from July 1, 2023, to June 30, 2024.

The City receives CDBG and HOME funds from HUD on a formula basis each year, and in turn, implements projects and awards grants and loans to individual households and nonprofits, for-profits or public organizations for projects in furtherance of the adopted Consolidated Plan. In addition to the formula grants, this CAPER also includes data related to special allocations awarded through the Coronavirus Aid, Relief and Economic Security (CARES) Act for the CDBG program (CDBG-CV) and HOME American Rescue Plan (HOME-ARP).

The CDBG Program statute provides a wide range of eligible activities that provide decent housing, suitable living environments, and expanded economic opportunities for low- and moderate-income persons. The HOME Program expands the supply of affordable housing for low- and moderate-income households through a wide range of affordable housing activities, including building, buying, and/or rehabilitating rental and ownership housing or providing direct rental assistance to low- and moderate-income households.

The five-year Consolidated Plan establishes priorities and goals used to guide decisions about the specific projects and programs that receive CDBG and HOME funding every year in the Annual Action Plan. The City implements some projects and programs directly and awards grants or loans to nonprofit or public organizations that implement projects in furtherance of the Consolidated Plan goals. For the 2023-2024 Program Year, the City received \$1,463,022 of CDBG funds and \$724,611 of HOME funds. In addition, the City reallocated \$1,675,000 of prior and current year CDBG funds via a Substantial Amendment on December 12, 2023.

The investment of CDBG and HOME funds was a catalyst for positive change in the community. Together with other federal, state and local investments, HUD resources allowed the City and its partners to:

- Provided fair housing services to 197 unduplicated residents.
- Provided forensic services to 232 unduplicated victims of domestic violence.
- Provided vocational skills training in classic car restoration to 40 unduplicated residents.
- Provided vocational skills training and job placements as coffee baristas

to 24 unduplicated homeless individuals.

- Commenced the construction of the Mariposa Park Improvement Project which is anticipated to be completed during the first quarter of the 2024-2025 program year.
- Launched the City's Housing Rehabilitation Program. Reviewed and processed 29 applications with four projects starting construction and one project completed. Forty-three additional applicants were received and placed on the wait list.
- Acquired 108 parcels which will be assembled into larger parcels for the development of transitional facility(ies) to that will assist underserved populations.
- Provided first time homebuyer assistance to eight (8) low- and moderate-income households.

Table 1 provides a summary of the five-year goals, one-year goals, and one-year accomplishments for the period ending June 30, 2024, listed by each of the Strategic Plan Goals included in the 2020-2024 Strategic Plan of the Consolidated Plan.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the Consolidated Plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

**Table 1 - Accomplishments – Strategic Plan and Program
Year to Date**

| Goal | Category | 2023-2024 Amount | Indicator | Unit of Measure | 5-Year Strategic Plan | | | 2023-2024 Program Year 4 | | |
|--|-------------------------------------|------------------|---|-------------------------|-----------------------|--------|------------------|--------------------------|--------|------------------|
| | | | | | Expected | Actual | Percent Complete | Expected | Actual | Percent Complete |
| Increase the Supply of Affordable Housing | Affordable Housing | HOME: \$108,692 | Rental Units Constructed | Household Housing Units | 5 | 0 | 0% | 0 | 0 | 0% |
| Improve and Expand Facilities and Infrastructure | Non-Housing Community Development | CDBG: \$385,891 | Public Facilities or Infrastructure Activities other than Low/Moderate Income Housing Benefit | Persons | 500,000 | 97,150 | 20% | 18,950 | 0 | 0% |
| | | | Other (Section 108 Loan Repayment) | Other | 10 | 8 | 60% | 2 | 2 | 100% |
| Provide Supportive Human Services | Homeless Non-Homeless Special Needs | CDBG: \$219,453 | Public Service activities other than Low/Moderate Income Housing Benefit | Persons | 2,500 | 1,310 | 52% | 135 | 296 | 219 % |
| | | | Homeless Person Overnight Shelter | Persons | 300 | 18 | 6% | 0 | 0 | 0% |
| | | | Homeless Prevention | Persons | 50 | 0 | 0% | 0 | 0 | 0% |

| Goal | Category | 2023-2024 Amount | Indicator | Unit of Measure | 5-Year Strategic Plan | | | 2023-2024 Program Year 3 | | |
|-------------------------------------|---|-----------------------------------|--|-------------------------|-----------------------|--------|------------------|--------------------------|--------|------------------|
| | | | | | Expected | Actual | Percent Complete | Expected | Actual | Percent Complete |
| Planning and Administration | Planning and Administration | CDBG: \$252,604 HOME: \$72,461 | Other | Other | 10 | 7 | 70% | 2 | 1 | 50% |
| Fair Housing | Non-Housing Community Development Homeless Non-Homeless Special Needs | CDBG: \$40,000 | Public service activities other than Low/Moderate Income Housing Benefit | Persons | 1,500 | 654 | 44% | 300 | 197 | 66% |
| Affordable Housing Preservation | Affordable Housing | CDBG: \$565,074 | Homeowner Housing Rehabilitated | Household Housing Units | 80 | 1 | 1% | 12 | 1 | 8% |
| Promote Homeownership Opportunities | Affordable Housing | HOME: \$543,458 | Direct Financial Assistance to Homebuyer | Households | 25 | 8 | 40% | 4 | 8 | 200% |
| Prevent and Eliminate Homelessness | Prevent and Eliminate Homelessness | CDBG: \$1,493,706.92 | Construction of Public Facilities | Public Facilities | 25 | 0 | 0% | 1 | 0 | 0% |

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the Action Plan, giving special attention to the highest priority activities identified.

Each of the housing, public service, and capital improvement activities awarded CDBG and HOME funds in the City's Action Plan were planned to address specific high priority needs identified in the 2020-2024 Consolidated Plan. Table 1 on the previous page provides a summary of the City's accomplishments and the one- and five-year goals of the 2023-2024 Action Plan and the 2020-2024 Consolidated Plan, respectively, as of June 30, 2024.

During the 2023-2024 program year, the City amended its 2023-2024 Action Plan to allocate funds to fund the Acquisition / Rehabilitation for Underserved Populations. During the 2023-2024 program year, the City focused a good amount of their time implementing the First Time Homebuyer Program and launching the Housing Rehabilitation Program. In addition, the City undertook the procurement process for the Mariposa Park Project and was able to commence construction during the third quarter of the 2023-2024 program year.

Ensuring equal access to housing opportunities by affirmatively furthering fair housing choice through the provision of fair housing education, counseling, anti-discrimination, and landlord-tenant mediation services is a high priority goal for the city. During the 2023-2024 program year, the Fair Housing Foundation served 197 residents of Lancaster.

Providing supportive human services was also a high priority goal addressed by the City during the 2023-2024 program year through the City's collaboration with three (3) public service agencies. The Lost Angels Children's Project was able to assist 40 unduplicated residents with vocational skills training in classic car restoration. The Antelope Valley Medical Center Foundation assisted 232 unduplicated residents by providing them forensic medical services. In addition, Lancaster Homeless Group dba Street Company provided permanent job placements to 24 unduplicated residents.

Each of the activities that were underway during the 2023-2024 Program Year are listed in Figure 1 on the following page, including the amount of CDBG or HOME funds allocated to the activity and the amount spent as of June 30, 2024. Figure 2 provides the numeric accomplishment goal for each activity and the level of accomplishment as of June 30, 2024.

Figure 1 – Use of CDBG and HOME Funds

| Strategic Plan Goal / Activity | Source | 2023-24 Allocation | Prior Yr. Funds | Exp. through 6/30/24 | Percent Exp. |
|--|-----------------|-----------------------|-----------------------|-----------------------|---------------|
| 1. Increase the Supply of Affordable Housing | | | | | |
| CHDO Set-Aside | HOME | \$108,692.00 | \$311,915.25 | \$0.00 | 0.0% |
| | Subtotal | \$108,692.00 | \$311,915.25 | \$0.00 | 0.0% |
| 2. Improve and Expand Facilities and Infrastructure | | | | | |
| Mariposa Park Improvement Project | CDBG | \$0.00 | \$2,440,889.27 | \$1,189,644.40 | 48.7% |
| Section 108 Loan - MHA | CDBG | \$103,428.00 | \$0.00 | \$103,428.00 | 100.0% |
| Section 108 Loan - Children's Center | CDBG | \$107,463.00 | \$0.00 | \$107,463.00 | 100.0% |
| | Subtotal | \$210,891.00 | \$2,440,889.27 | \$1,400,535.40 | 52.8% |
| 3. Provide Supportive Human Services | | | | | |
| Lost Angels Children's Project: Work Program | CDBG | \$83,500.00 | \$0.00 | \$77,047.68 | 92.3% |
| Antelope Valley Medical Center Found.: Forensic Serv. | CDBG | \$80,000.00 | \$0.00 | \$80,000.00 | 100.0% |
| Care Net Women's Resource Center: Ultrasound Exp.Proj. | CDBG | \$20,000.00 | \$0.00 | \$0.00 | 0.0% |
| Street Co.: Coffee Mfg. Homeless Emp. Prog. | CDBG | \$35,953.00 | \$0.00 | \$35,953.00 | 100.0% |
| | Subtotal | \$219,453.00 | \$0.00 | \$193,000.68 | 87.9% |
| 4. Planning and Administration | | | | | |
| CDBG Administration | CDBG | \$252,604.00 | \$0.00 | \$252,604.00 | 100.0% |
| HOME Administration | HOME | \$72,461.00 | \$207,943.50 | \$0.00 | 0.0% |
| | Subtotal | \$325,065.00 | \$207,943.50 | \$252,604.00 | 47.4% |
| 5. Fair Housing | | | | | |
| Fair Housing Foundation: Fair Housing Services | CDBG | \$40,000.00 | \$0.00 | \$40,000.00 | 100.0% |
| | Subtotal | \$40,000.00 | \$0.00 | \$40,000.00 | 100.0% |
| 6. Affordable Housing Preservation | | | | | |
| Housing Rehabilitation Program | CDBG | \$565,074.00 | \$0.00 | \$77,693.46 | 13.7% |
| | Subtotal | \$565,074.00 | \$0.00 | \$77,693.46 | 13.7% |
| 7. Promote Homeownership Opportunities | | | | | |
| Homebuyer Assistance Program 20-21 | HOME | \$0.00 | \$489,082.50 | \$489,082.50 | 100.0% |
| Homebuyer Assistance Program 21-22 | HOME | \$0.00 | \$507,099.00 | \$507,099.00 | 100.0% |
| Homebuyer Assistance Program 22-23 | HOME | \$0.00 | \$563,394.75 | \$153,818.50 | 27.3% |
| Homebuyer Assistance Program 23-24 | HOME | \$543,458.00 | \$0.00 | \$0.00 | 0.0% |
| | Subtotal | \$543,458.00 | \$1,559,576.25 | \$1,150,000.00 | 54.7% |
| 8. Prevent and Eliminate Homelessness | | | | | |
| Acquisition/Rehab Eliminate Homelessness | CDBG | \$175,000.00 | \$1,318,706.92 | \$1,194,382.40 | 80.0% |
| | Subtotal | \$175,000.00 | \$1,318,706.92 | \$1,194,382.40 | 80.0% |
| Total CDBG Activities Underway in 2023-2024: | | \$1,463,022.00 | \$3,759,596.19 | \$3,158,215.94 | 60.5% |
| Total HOME Activities Underway in 2023-2024: | | \$724,611.00 | \$2,079,435.00 | \$1,150,000.00 | 41.0% |

**Figure 2 – Program Year Accomplishments
by Strategic Plan Goal**

| Strategic Plan Goal / Activity | Unit of Measure | Expected | Actual |
|--|-------------------------|-----------|--------|
| 1. Increase the Supply of Affordable Housing | | | |
| CHDO Set-Aside | Other | 0 | 0 |
| 2. Improve and Expand Facilities and Infrastructure | | | |
| Mariposa Park Improvement Project | Persons | 18,950 | 0 |
| Section 108 Loan - MHA | Other | 1 | 1 |
| Section 108 Loan - Children's Center | Other | 1 | 1 |
| 3. Provide Supportive Human Services | | | |
| Lost Angels Children's Project: Work Program | Persons | 40 | 40 |
| Antelope Valley Medical Center Found.: Forensic Serv. | Persons | 75 | 232 |
| Care Net Women's Resource Center: Ultrasound Exp.Proj. | Persons | 20 | 24 |
| Care Net Women's Resource Center: Ultrasound Exp.Proj. | Persons | Cancelled | |
| 4. Planning and Administration | | | |
| CDBG Administration | Other | 1 | 1 |
| HOME Administration | Other | 1 | 0 |
| 5. Fair Housing | | | |
| Fair Housing Foundation: Fair Housing Services | Persons | 300 | 197 |
| 6. Affordable Housing Preservation | | | |
| Housing Rehabilitation Program | Household Housing Units | 12 | 1 |
| 7. Promote Homeownership Opportunities | | | |
| Homebuyer Assistance Program | Households | 4 | 8 |
| 8. Prevent and Eliminate Homelessness | | | |
| Acquisition/Rehab Eliminate Homelessness | Public Facilities | 1 | 0 |

COVID-19 Allocations

In response to the COVID-19 pandemic, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act and it was signed into law on March 27, 2020, authorizing \$2.2 trillion for a variety of measures to prevent, prepare for, and respond to the COVID-19 pandemic. Under the CARES Act, HUD provided special allocations of CDBG funds to the City. In total, the City received \$1,744,394 of CDBG-CV funds to prevent, prepare for, and respond to the COVID-19 Pandemic as follows:

| | |
|----------|-------------|
| CDBG-CV | \$ 874,303 |
| CDBG-CV3 | \$ 870,091 |
| Total: | \$1,744,394 |

CDBG-CV funds were allocated by the City and its nonprofit partners to address health, housing, and safety needs of Lancaster residents. The housing component of these activities included short-term rental assistance, home delivered meals, and childcare services. The health, safety, and emergency components included City and nonprofit costs for food, as well as City costs to prevent, prepare for, and respond to COVID- 19 that were not reimbursed from other sources.

Pursuant to the CARES Act, HUD awarded formula grant allocations of CDBG-CV funds to CDBG entitlement jurisdictions in two funding rounds for each source of funds. Several months elapsed between funding announcements. Accordingly, it was necessary for the City to amend its 2019-2020 Action Plan two times over a one-year period to receive CARES Act funds as follows:

- On May 26, 2020, the City Council Approved Amendment No. 1 to the 2019-2020 Action Plan to authorize the use of the first allocation of CDBG-CV funds in the amount of \$874,303 for programs to address prevent homelessness, address food insecurity, and provide childcare for low-income families.
- On April 27, 2021, the City Council approved Amendment No. 2 to the 2019-2020 Action Plan to authorize the use of the second allocation of CDBG-CV funds in the amount of \$870,091 for programs to prevent homelessness, address food insecurity, and provide childcare for low-income families.

The City will be amending the Action Plan in the second quarter of 2024 to reprogram the remaining balance of funds totaling \$1,519,396 to a new eligible activity. The CDBG-CV funds must be fully spent by June 24, 2026. Each of the previous CDBG-CV activities approved by the City Council are summarized in Figures 3 and 4 on the following pages.

Figure 3 – Use of CDBG-CV COVID-19 Funds from HUD

| Strategic Plan Goal / Activity | Source | Allocation | Spent through 6/30/24 | Percent Spent |
|---|-----------------|-----------------------|-----------------------|---------------|
| CDBG CV1 Emergency Assistance | | | | |
| CDBG CV Planning and Administration | CDBG-CV 1/3 | \$348,878.00 | \$0.00 | 0.0% |
| Rental Assistance Program | CDBG-CV 1 | \$364,610.00 | \$0.00 | 0.0% |
| Feed the Need CDBG-CV | CDBG-CV 1/3 | \$225,000.00 | \$224,998.00 | 100.0% |
| City Emergency Response | CDBG-CV 1/3 | \$418,655.00 | 0.00 | 0.0% |
| Community Rental Assistance and Child Care | CDBG-CV 3 | \$387,251.00 | 0.00 | 0.0% |
| | Subtotal | \$1,744,394.00 | \$224,998.00 | 12.9% |
| Total for all activities underway in 2023-2024: | | \$1,744,394.00 | \$224,998.00 | 12.9% |
| Notes: | | | | |
| All activities are from the 2019-2020 CDBG CV Action Plan Amendments unless otherwise noted. | | | | |
| New activities funded will be implemented in 2024-2025 and will be reported in the next CAPER | | | | |

Figure 4 – Program Year Accomplishments for COVID-19 Funds from HUD

| Strategic Plan Goal / Activity | Unit of Measure | Expected | Actual |
|---|-----------------|----------|--------|
| CDBG CV1 Emergency Assistance | | | |
| CDBG CV Planning and Administration | N/A | N/A | N/A |
| Rental Assistance Program | Persons | 100 | 0 |
| Feed the Need CDBG-CV (900 + 720 = 1,620) | Persons | 1,620 | 0 |
| City Emergency Response (400 + 400 = 800) | Persons | 800 | 0 |
| Community Rental Assistance and Child Care | Persons | 70 | 0 |
| Notes: | | | |
| All activities are from the 2019-2020 CDBG CV Action Plan Amendments unless otherwise noted. | | | |
| New activities funded will be implemented in 2024-2025 and will be reported in the next CAPER | | | |

HOME ARP

The City received \$2,450,524 of HOME American Rescue Plan (HOME-ARP) funds from HUD under the 2021 Action Plan. The City's substantial amendment to the 2021 Action Plan adding HOME-ARP Allocation Plan was approved on January 10, 2023. The Plan includes \$367,579 for Administration and \$2,082,945 for Affordable Rental

Housing. During the program year, program guidelines and policies and procedures were developed. The City is working on acquiring a property to implement the HOME-ARP goals.

CR-10 - Racial and ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)

**Table 2 – Table of assistance to racial and ethnic populations
by source of funds***

| Race / Ethnicity | CDBG | HOME |
|---|------------|----------|
| White | 175 | 2 |
| Black or African American | 150 | 0 |
| Asian | 2 | 1 |
| American Indian or American Native | 0 | 0 |
| Native Hawaiian or Other Pacific Islander | 165 | 0 |
| Other Multi-Racial | 2 | 5 |
| Total | 494 | 8 |
| Hispanic | 298 | 6 |
| Not Hispanic | 306 | 0 |

* Note: The data in this table is supplied by HUD's database (PR23). The figures in this table represent the sum of the reported number of people, families, households or housing units reported during the Program Year, without regard to the number of people in each family, household or housing unit. Amounts include those served by fair housing services activities. The data also includes the beneficiary data for individuals assisted under the Fair Housing Program which does not report demographic information in IDIS since it is under Administration.

Narrative

Table 2 provides an aggregate of race and ethnicity data for the combined number of people, families, households or housing units reported as completed during the Program Year based on accomplishment data from all CDBG and HOME activities reported in HUD's Integrated Disbursement and Information System (IDIS). Based on this information, an array of persons, families, households or housing unit occupants benefitted from CDBG or HOME funded activities during the program year.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Table 3 - Resources Made Available

| Source of Funds | Resources Made Available in 2023-2024 Action Plan | Amount Expended During Program Year |
|-----------------|---|-------------------------------------|
| CDBG | \$5,222,618.19 | \$3,481,126.27 |
| HOME | \$2,536,046.00 | \$1,150,000.00 |

*Note: This table generated by HUD's database provides the resources made available in the 2023-2024 Action Plan and the total CDBG, HOME, and CDBG-CV expenditures during the 2023-2024 Program Year. The amount expended reflects funds expended during the 2023-2024 PY and may be reflected in subsequent year as a flagged draw.

Narrative

The federal, state, local and private resources available for the implementation of projects during the 2023-2024 program year are identified in Table 3. The total resources allocated in the 2023-2024 Action Plan included \$1,463,022 of CDBG funds and \$724,611 of HOME funds. In addition, the City had \$3,759,596.19 and \$1,811,435.00 in HOME prior year funds. A grand total of \$5,222,618.19 of CDBG and \$2,536,0436 HOME funds were allocated to projects. Together with other federal, state and local investments, these resources allowed the City and its partners to prepare to address the high priority needs identified in the 2020-2024 Consolidated Plan.

Under the CARES Act, HUD provided special allocations of CDBG funds to the City. In total, the City has received \$1,744,394 of CDBG-CV funds to prevent, prepare for, and respond to the COVID-19 Pandemic as follows (amount expended as of June 30, 2023, is \$224,998):

| | |
|----------|-------------|
| CDBG-CV | \$ 874,303 |
| CDBG-CV3 | \$ 870,091 |
| Total: | \$1,744,394 |

Identify the geographic distribution and location of investments

Table 4 – Identify the geographic distribution and location of investments

| Target Area | Planned Percentage of Allocation | Actual Percentage of Allocation | Narrative Description |
|--------------------------------|----------------------------------|---------------------------------|---|
| Citywide Area | 100% | 100% | The City allocated all of its 2023-24 CDBG and HOME funds to activities that were a low-mod persons requiring participants to be income eligible. |
| Low- and Moderate-Income Areas | 0% | 0% | The City did not allocate any of its 2023-24 CDBG and HOME funds to low- and moderate- income areas. |

Narrative

For the 2023-2024 Program Year, the City allocated 100 percent of its CDBG and HOME funds to projects and activities that benefit low- and moderate-income persons throughout the City.

Leveraging

Explain how federal funds leveraged additional resources (private, state, and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the Action Plan.

To address housing and community development needs in Lancaster, CDBG and HOME entitlement grants are used to leverage a variety of funding resources to maximize the effectiveness of available funds. The CDBG Public Service activities leveraged private, state, and other federal funds to deliver services for low- and moderate-income people.

Cities receiving HOME Program funds are generally required to provide a HOME match of 25 percent of their annual allocation. The HOME statute allows for a reduction of the match contribution requirement under three conditions: 1) Fiscal distress; 2) Severe fiscal distress; and 3) Presidentially declared major disasters covered under the Stafford Act. During the 2023-2024 program year, the City was identified by HUD as a fiscally distressed jurisdiction and was granted a 100-percent match reduction. Therefore, the City is not required to provide any match as part of the HOME Program.

The City has a number of publicly owned properties that it anticipates using under its Housing & Neighborhood Revitalization (HNR) initiative to address the needs in the City. Of the available properties under HNR, HNR 1 is the property that is further in its development. The property is located at the Southwest corner

of Avenue I and Sierra Highway. The development anticipates constructing 114 units of which 113 units will be income restricted. Grading for the development is scheduled to commence in 2025, with units being occupied by the end of 2026. Notwithstanding the aforementioned, the City is a recent awardee of HOME ARP funds from HUD. Although the City has not yet allocated these funds to an eligible activity, the City will look at potentially programming these funds for the potential acquisition of land(s) or property(ies) with the intent to construct, rehabilitate and/or convert into affordable housing or transitional/emergency shelter to qualified populations and low-income residences.

Table 5 – Fiscal Year Summary - HOME Match Report

| Fiscal Year Summary – HOME Match* | |
|--|--------|
| 1. Excess match from prior Federal Fiscal Year | \$0.00 |
| 2. Match contributed during current Federal Fiscal Year | \$0.00 |
| 3. Total match available for current Federal Fiscal Year (Line 1 plus Line 2) | \$0.00 |
| 4. Match liability for current Federal Fiscal Year | \$0.00 |
| 5. Excess match carried over to next Federal Fiscal Year (Line 3 minus Line 4) | \$0.00 |

*Note: The City of Lancaster became a HUD HOME Entitlement Participating Jurisdiction in PY 2020. As a result of the pandemic and subsequent Substantial Amendment, it had not been able to implement any HOME funded activities. HOME activities were able to take place in the 2023-2024 program year through the City's First Time Homebuyer Program.

Table 6 – Match Contribution for the Federal Fiscal Year

| Match Contribution for the Federal Fiscal Year | | | | | | | | |
|--|------------------|----------------------------|-------------------------------|------------------------------|-------------------------|---|----------------|-------------|
| Project No. or Other ID | Date of Contrib. | Cash (non-Federal sources) | Foregone Taxes, Fees, Charges | Appraised Land/Real Property | Required Infrastructure | Site Prep., Const. Materials, Donated labor | Bond Financing | Total Match |
| None | N/A | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Table 7 – HOME Program Income

| HOME Program Income – Enter the program amounts for the reporting period | | | | |
|--|---|---|--------------------------|--|
| Balance on hand at beginning of reporting period | Amount received during reporting period | Total amount expended during reporting period | Amount expended for TBRA | Balance on hand at end of reporting period |
| \$0 | \$0 | \$0 | \$0 | \$0 |

HOME MBE/WBE report

Minority Business Enterprises and Women Business Enterprises –

Indicate the number and dollar value of contracts for HOME projects completed during the reporting period

The City has a policy that requires formal outreach to minority and women-owned businesses as part of the City's HUD CPD Programs. In addition, it is an integral part of the City's contracting practices. All developers funded by the City make a good faith effort to outreach to minority- and women-owned businesses, when soliciting goods and services to support CDBG and HOME funded projects or activities. All HOME Funds were used to assist first time homebuyers with loans to reduce the monthly payment on their mortgage. As a result, no HOME funds were expended during the program program year for MBE/WBEs.

Table 8 – Minority Business and Women Business Enterprises

| | Total | Minority Business Enterprises | | | | White Non-Hispanic |
|---------------|-------|-----------------------------------|---------------------------|--------------------|----------|--------------------|
| | | Alaskan Native or American Indian | Asian or Pacific Islander | Black Non-Hispanic | Hispanic | |
| Contracts | | | | | | |
| Number | 0 | 0 | 0 | 0 | 0 | 0 |
| Dollar Amount | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Sub-Contracts | | | | | | |
| Number | 0 | 0 | 0 | 0 | 0 | 0 |
| Dollar Amount | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Total | Women Business Enterprises | | Male | | |
| Contracts | | | | | | |
| Number | 0 | 0 | | 0 | | |
| Dollar Amount | \$0 | \$0 | | \$0 | | |
| Sub-Contracts | | | | | | |
| Number | 0 | 0 | | 0 | | |
| Dollar Amount | \$0 | \$0 | | \$0 | | |

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted

Table 9 – Minority Owners of Rental Property

| | Total | Minority Owners | | | | White Non-Hispanic |
|---------------|-------|-----------------------------------|---------------------------|--------------------|----------|--------------------|
| | | Alaskan Native or American Indian | Asian or Pacific Islander | Black Non-Hispanic | Hispanic | |
| Number | 0 | 0 | 0 | 0 | 0 | 0 |
| Dollar Amount | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired and the cost of acquisition

Table 10 – Relocation and Real Property Acquisition

| | | |
|---|---|-----|
| Parcels Acquired | 0 | \$0 |
| Businesses Displaced | 0 | \$0 |
| Nonprofit Organizations Displaced | 0 | \$0 |
| Households Temporarily Relocated, not Displaced | 0 | \$0 |

| Households Displaced | Total | Minority Property Enterprises | | | | White Non-Hispanic |
|----------------------|-------|-----------------------------------|---------------------------|--------------------|----------|--------------------|
| | | Alaskan Native or American Indian | Asian or Pacific Islander | Black Non-Hispanic | Hispanic | |
| Number | 0 | 0 | 0 | 0 | 0 | 0 |
| Cost | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate- income and middle-income persons served.

Table 11 – Number of Households

| | One-Year Goal | Actual |
|--|---------------|--------|
| Number of homeless households to be provided affordable housing units | 0 | 0 |
| Number of non-homeless households to be provided affordable housing units | 4 | 8 |
| Number of special-needs households to be provided affordable housing units | 0 | 0 |
| Total | 4 | 8 |

Table 12 – Number of Households Supported

| | One-Year Goal | Actual |
|--|---------------|--------|
| Number of households supported through rental assistance | 0 | 0 |
| Number of households supported through the production of new units | 0 | 0 |
| Number of households supported through the rehab of existing units | 12 | 1 |
| Number of households supported through the acquisition of existing units | 4 | 8 |
| Total | 16 | 9 |

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

City staff, subrecipients and contractors were all impacted by the pandemic. Workflows and access to clientele, labor and materials were significantly impacted by illness, stay-at-home orders, social distancing, and other disruptions. City staff and partners' efforts continued to focus on assisting the community recovery efforts from the coronavirus.

The City spent most of its time during the 2023-2024 program year facilitating and advertising its First Time Homebuyer Program and preparing the implementation processes for the City's new Housing Rehabilitation Program. Record breaking changes in interest rates further delayed the approval process of applications under the First Time Homebuyer Program.

However, the City successfully closed escrow on eight (8) applicants during the 2023-2024 program year. The City released and advertised its Housing Rehabilitation Program during the 2023-2024 program year. As with any new program, it took time for the City's residents to become familiar with the program in order to submit applications for funding approval. The City completed the review and processed 29 applications with four of the projects starting construction and one being completed by the end of the 2023-2024 program year.

Discuss how these outcomes will impact future annual action plans.

The City plans to make significant progress on accomplishments in the 2024-2025 Program Year as the City will continue to receive and approve additional applications under its First Time Homebuyer Program and Housing Rehabilitation Program as the City has placed a high priority on preserving the supply of affordable housing and providing homeownership opportunities during the 2020-2024 Five-Year Consolidated Plan period. During the 2024-2025 program year, the City will continue to invest HOME funds to provide eligible households with financial assistance in purchasing their home. The City anticipates assisting approximately seven (7) households during the 2024-2025 program year. In addition, the City anticipates assisting approximately 25 households with housing preservation during the 2024-2025 program year.

Include the number of extremely low-income, low-income, and moderate-income families or households served by each activity where information on income by family size is required to determine the eligibility of the activity.

Table 13 – Number of Families or Households Served

| Number Served | CDBG Actual | HOME Actual |
|----------------------|-------------|-------------|
| Extremely Low-Income | 363 | 0 |
| Low-Income | 109 | 3 |
| Moderate-Income | 21 | 5 |
| Above Moderate | 1 | 0 |
| Total | 494 | 8 |

Narrative Information

The City focused a majority of its 2023-2024 HOME funds toward its First Time Homebuyer Program, the Mariposa Park project and the Housing Rehabilitation Program. The 2023-2024 Program Year was the fourth year for the City's HOME Program and due to the 1) record homebuying interest rates, and 2) process

development for the Housing Rehabilitation Program, the City made lot of progress in these programs compared to one year ago. The City anticipates continuing the trend in the 2024-25 Program Year by assisting seven (7) households in purchasing their first home and assisting 25 households with the rehabilitation of their home.

The City attempts to meet the needs of worst-case housing needs (defined as low-income renters who experience severe cost burden, seriously substandard housing, or involuntary displacement), through the City's collaboration with local non-profits and LACDA who provides housing choice vouchers to income eligible residents to reduce their cost burden, landlord incentives to increase the availability of affordable housing units, and housing inspections to address seriously substandard housing. In addition, the City will look at programming HOME-ARP, and reallocating CDBG-CV funds via a Substantial Amendment, to go along with the acquisition of parcels completed during the program year for the development, rehabilitation and/or conversion into affordable housing or transitional/emergency shelter to qualified populations and low-income residences.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City's homeless population is similar to most homeless in the country in that they did not arrive in their current situation as a result of a single characteristic or life event. The majority of homeless have, or have had, risk factors that led to their current situation and which may contribute to chronic homelessness.

The Los Angeles Homeless Services Authority was granted an exception by HUD to not complete Point-in-Time Homeless count in 2021, due to health and safety concerns coupled with those about accuracy. In 2022, LAHSA had to postpone the release of its 2022 Greater Los Angeles Count with the results released in early September of 2022. The 2024 Los Angeles Homeless Partnership's Point-in-Time count captured no change County wide in the number of homeless persons over the previous year. The count estimates that 75,312 people experience homelessness on any given night in Los Angeles County with 30.5percent of those being sheltered adults and youths, 67.4percent being unsheltered adults and 2.1percent being unsheltered youths. Of the 75,312 people, the number of homeless located in Service Planning Area 1 (SPA 1), which serves the City of Lancaster, was 6,672, and an increase of 1,986 from last years reported 4,686. Based on percentage distributions reported above, this would amount to approximately 1,134 people sheltered and 5,538 people unsheltered. This represented a 42 percent increase in homeless persons in SPA 1 over the previous year.

Preventing and ending homelessness is a HUD priority addressed nationally through coordination of regional strategies carried out locally by government agencies and a wide variety of community-based and faith-based groups. During the 2023-2024 program year, the City supported the efforts of the Los Angeles Homeless Service Authority (LAHSA), County Continuum of Care (CoC), and its member organizations to address homelessness throughout the County and more specifically in SPA 1. To address incidences of homelessness in Lancaster and to prevent extremely low-income Lancaster families from becoming homeless, the City placed a high priority on programs that work to prevent homelessness or rapidly connect homeless individuals with housing and supportive services. To address this need, the City supported a continuum of services in the City utilizing leveraged funds through the Interim Housing Services Program and through the Los Angeles County Continuum of Care (CoC)agency (Los Angeles Homeless Services Authority (LAHSA)) to prevent and eliminate homelessness. Using

leveraged funds, the City invested in Interim Housing services through The People Concern, which served a vast number of persons in the 2023-2024 program year (during the 2023-2024 program year, the City originally funded The People Concern with CDBG funds, but it was later determined that other leveraged dollars were more properly suited to address the homelessness needs of the community).

In addition, the City continued its collaboration with LA Family Housing to break ground on The Emerald, a new affordable and permanent supportive housing building in Lancaster, CA that will consist of 8, two-story apartment buildings for a total of 72 apartment homes providing a mix of 1-, 2-, 3-bedroom units. The project also includes a one-story community clubhouse with services office, laundry facility, BBQ areas, dog run, tot lot and walking paths. The project is anticipated for completion by the fall of 2023. This development will be for families of low-income families, half of whom have experienced homelessness in the past. Apartment complexes like The Emerald follow a model of Permanent Supportive Housing, which combined low-barrier affordable housing, and supportive services for families and individuals with disabilities. The tenants will sign a lease, and pay rents between \$590 and \$1,360, depending on the unit size. Service programming will include but not be limited to: general case management, healthcare coordination, peer support groups, tutoring, mentoring, homework club, art and recreational activities, employment training, educational services, on-site cooking workshops and linkages to mental health services.

Lastly, Los Angeles County Homeless Outreach Portal (LA-HOP, www.la-hop.org), is the first of its kind, online portal for homeless outreach requests. Any person with a mobile phone or computer can use it, plus it works in multiple languages. How it works; if you see someone on the street who needs help, log into the portal, type in a location or use the icon to show where the person is and then describe the situation (the more detail the better). After you submit the request, it is assigned to an outreach team that is dispatched out to the designated area to help move the individual from homelessness to housing.

Addressing the emergency shelter and transitional housing needs of homeless persons

The ultimate solution to ending homelessness is transitional to permanent housing closely aligned with supportive services that ensure housing stability can be maintained. However, because the demand for affordable housing far outpaces the region's supply, the Los Angeles County CoC continues to rely on its emergency and transitional housing system to address the immediate needs of Los Angeles County's homeless population. To address the emergency shelter and transitional housing needs of homeless persons, the City acquired parcels of land to develop housing for underserved populations. In addition, the City continues to support The People Concern – Interim Housing Program that provides transitional housing, counseling and case management to individuals

at risk of homelessness. The campus is a 14-acre therapeutic facility located at Avenue I and 32nd Street West. The campus is designed to house, employ, and rehabilitate the local homeless population, especially those unsheltered. The facility is the largest fully integrated community of its kind in the Antelope Valley. At full occupancy, the facility offers 156 interim housing beds and 150 permanent supportive housing apartments. Kensington's interim housing, permanent supportive housing, and complete wraparound services, include case management, wellness programs, medical and mental health care. The City believes that this campus is a critical resource for its most vulnerable neighbors as they rebuild their lives and find stability.

Additionally, funding has been infused in the community through Project Roomkey to provide families with emergency motel vouchers and provide households with rapid rehousing assistance. However, the final two Project Roomkey sites in Los Angeles County, the Grand in Downtown Los Angeles and the Cadillac Hotel in Venice ramped down as Project Roomkey sites in February 2023. All Project Roomkey participants who lack either a subsidy or a voucher will receive at least one offer to move to an interim housing site. While Project Roomkey is ending, the work it inspired continues. LAHSA is currently overseeing the operation of 1,112 of the Project Homekey units secured by the City and County. Those units are currently providing both shelter and permanent housing to people experiencing homelessness throughout Los Angeles County.

Approximately \$70 million has been awarded for six (6) new Project Homekey projects throughout California, including \$12.9 million for Los Angeles County for the Sierra Highway Hotel project that would convert the Sands and Tropic motels into interim housing. The two motels will be converted into 38 units for people experiencing homelessness and chronic homelessness. The nonprofit Hope of the Valley Rescue Mission will operate the motels and provide supportive service space.

Lastly, the City continued its collaboration with LA Family Housing and in February 2022, construction began on The Emerald Project, a new affordable and permanent supportive housing building in the City which will feature 72 units for families who have experienced chronic homelessness. The project will provide residents access to a range of supportive services to help them regain personal stability, including comprehensive case management, connections to health care services, education and employment resources, life skills training and more. The development will also feature amenities such as an open-air courtyard, community rooms, a computer lab, laundry facilities, and walking paths for exercise. The project is anticipated for completion by the fall of 2023.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health

facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

During the 2023-2024 program year, the City awarded funds to Lost Angels Children's Project Workforce Development Program to provide vocational training in the art of vintage car restoration for low-income persons. The graduates of the program received Forklift and OSHA training and certifications. Efforts provided by Lost Angels Children's Project helped 40 individuals avoid becoming homeless by increasing their employment possibilities to ensure comparable compensation.

Also during the 2023-2024 program year, the City awarded funds to Lancaster Homeless Group DBA Street Company's Coffee Manufacturing Homeless Employment Program for homeless persons. Efforts provided by Street Company provided 24 homeless individuals with job placements which increases their likelihood of breaking out of homelessness.

Homelessness Prevention/Rapid Rehousing

In 2022, low-income households in Los Angeles County were protected from eviction for nonpayment of rent under Phase II of the County's COVID-19 Tenant Protections Resolution, as announced by the Los Angeles County Department of Consumer and Business Affairs (DCBA). Qualifying applicants must have been unable to pay rent due on or after July 1, 2022, and their total household income must not have exceeded 80percent of the Area Median Income (AMI). Tenants must have also notified their landlord that they were unable to pay rent within 7 days of rent being due. The Resolution protected tenants against evictions for most no-fault reasons, nuisance, unauthorized occupants or pets, and protects against harassment and retaliation. Furthermore, the rent-increase freeze remained in effect for rent-stabilized units and mobile-home spaces in unincorporated areas of the County through March 31, 2023. Normal rent payments were resumed for rent due on or after April 1, 2023, to avoid eviction.

The Los Angeles County Homeless Initiative Quarterly Report #29 finds that from July 2023 to December 2023:

- 154 families and 574 individuals in the Los Angeles Homeless Service Authority's Prevention program were prevented from becoming homeless.
- 7,128 individuals were newly engaged by outreach teams.
- 16,588 individuals and family members were active in the interim housing program, and 1,782 were active in the interim housing

program for people exiting institutions.

- 2,997 individuals and family members were permanently housed through the Time-Limited Subsidy program; 1,933 individuals and family members were placed in permanent supportive housing; and 574 households were housed using landlord incentives.

Discharge Planning

Inadequate discharge planning and coordination contributes to homelessness in situations where people are released from public institutions or public systems of care without having an appropriate mainstream or supportive housing option available upon discharge from an institutional setting.

The City continued to coordinate with local hospitals regarding Senate Bill No. 1152 which requires each hospital to have a written discharge planning policy and process that requires that the appropriate arrangements for post hospital care are made prior to discharge for those patients likely to suffer adverse health consequences upon discharge if there is no adequate discharge planning. The bill requires a hospital to document specified information before discharging a homeless patient. The bill requires a hospital to develop a written plan for coordinating services and referrals for homeless patients with the county behavioral health agency, health care and social service agencies in the region, health care providers, and nonprofit social service providers, as available, to assist with ensuring appropriate homeless patient discharge. The bill also requires a hospital to maintain a log of homeless patients discharged and the destinations to which they were released after discharge. The bill specifies how its provisions are to be construed in relation to local ordinances, codes, regulations, or orders related to the homeless patient discharge processes, and would exempt state hospitals under the jurisdiction of the State Department of State Hospitals from its provisions. Because a violation of these requirements would be a crime, this bill would impose a state-mandated local program.

Other public institutions such as jails, treatment facilities, mental health facilities, youth facilities, and foster care homes, may discharge clients without a plan for housing because there are not adequate resources to link the homeless to the services and housing they need to remain stable in the community. Effective discharge planning is critical to preventing homelessness and stopping the cycling of people through expensive public institutions.

In other states, discharge coordination and planning is a matter of state law. In California, discharge coordination and planning is largely unregulated unless county or municipal ordinances provide rules preventing public institutions from discharging people into homelessness. One of the goals included in the Los Angeles County Ten Year Plan to End Homelessness is to support the development of community resources and housing options so that hospitals, jails, and foster care programs can more effectively assist people being discharged by providing appropriate referrals to facilitate smoother transition to supportive or mainstream housing. The goal calls for the Los Angeles County

Continuum of Care (CoC) to explore methods to increase communication and coordination among institutions. The City coordinates with the CoC and other subrecipients to ensure that its programs are targeted, to the greatest extent feasible, to address the discharge of persons from publicly funded institutions or systems of care so that these individuals and families have access to public services and affordable housing opportunities necessary to prevent homelessness. As the City continues to receive new funding resources from HUD, including allocations under the HOME American Rescue Plan (HOME-ARP), the City will explore additional ways to prevent and address homelessness caused by discharge from public institutions.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The Los Angeles County CoC Ten-Year Plan to End Homelessness included a goal to more rapidly identify and assess people experiencing homelessness. The CoC worked with 2- 1-1 to create a Coordinated Entry Systems (CES) for persons at risk or experiencing homelessness within the CoC. The activities include street outreach, a universal assessment, intake, referrals and transportation to resources. The CES includes a database, housed in the Homeless Management Information System (HMIS), using real time data entry to match clients to appropriate service providers. Collectively these strategies minimize duplication of effort and better connect the most vulnerable individuals and families, chronically homeless, and people at risk of becoming homeless to appropriate resources.

During the 2023-2024 program year, the City ran its First Time Homebuyer Program which provides financial assistance to eligible households purchasing their first home. The intent of the program is to increase affordable housing throughout the City, one house at a time.

In addition, the City entered into a Development and Disposition Agreement (DDA) with Bridge Housing Corporation for the City's Housing Neighborhood Revitalization (HNR-1) property located at the Southwest corner of Avenue I and Sierra Highway. The development anticipates constructing 114 units, of which 113 units will be income restricted. Grading for the development is scheduled in 2025, with units being occupied by the end of 2026. The development is the start of many other developments the City will be pursuing to increase the availability of affordable housing throughout the City.

The City continued its collaboration with LA Family Housing and in February 2022, construction began on The Emerald Project, a new affordable and permanent supportive housing building in the City which will feature 72 units for families who have experienced chronic homelessness. The project will provide residents access to a range of supportive services to help them regain personal stability, including comprehensive case management, connections to health care services, education and employment resources, life skills training and more. The development will also feature amenities such as an open-air courtyard, community rooms, a computer lab, laundry facilities, and walking paths for exercise. The project is anticipated for completion by the fall of 2023.

Lastly, the Los Angeles County Development Authority (LACDA) has awarded 579 additional PBVs through NOFA 26-A and 442 additional PBVs through NOFA 27 to projects located in unincorporated Los Angeles, Altadena, Alhambra, Huntington Park, El Monte, Downey, Unincorporated Compton, Claremont, West Hollywood, Santa Fe Springs, Cudahy, Lancaster, and Montebello. 100 percent of these projects are dedicated to housing the homeless, with subpopulations consisting of persons with mental illness, veterans, seniors, and victims of domestic violence.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

The City of Lancaster does not own or operate any public housing within the City boundaries. All public housing programs consist of Housing Choice and Project-Based Housing Choice Vouchers administered by the Los Angeles County Development Authority (LACDA). The City continued to support LACDA in effective administration of its limited affordable housing resources. The City also continued to work with LACDA to include the residents with Section 8 Housing Choice Vouchers in the federally funded programs administered by the City.

The main difference between Section 8 and Public Housing is ownership and management of the properties. For Section 8, private landlords own the properties and accept Section 8 vouchers on behalf of their renters from the government. For Public Housing, the government owns and operates the properties. According to LACDA's Streamlined Annual PHA Plan for Fiscal Year 2024-2025, the Section 8 and Public Housing programs currently have a waiting list of 4,830 applicants and 4,277 applicants, respectively. The amount of time spent on the waiting list for each program varies but can be as long as 15 years for Section 8 and three (3) to five (5) years for Public Housing depending on household member size.

As of 2024, the LACDA administered 2,216 Project-Based Vouchers (PBV) across 58 properties. The LACDA had 2,576 additional PBVs in the pipeline across 53 projects, which are expected to become operational over the next 3 years.

LACDA monitors all units to ensure they are in adequate condition, meeting Section 8 Housing Quality Standards. To address the needs of public housing residents, the LACDA staff are implementing the goals listed below.

- Apply for additional housing assistance funding and programs that may become available.
- Explore the use of Project-Based Housing Choice Vouchers or other housing funds to promote the construction or acquisition activities that will result in additional units or developments that will serve special needs populations.
- Ensure consistent quality of assisted housing services by maintaining high performer status in Section Eight Management Assessment Program (SEMAP) scores.
- Promote Family Self-Sufficiency incentives and homeownership opportunities for Housing Choice Voucher participants in partnership with local programs and related service providers.
- Expand assisted housing choices by conducting outreach efforts to increase the number of property owners and their participation in housing assistance programs.
- Identify and utilize technology to enhance operational effectiveness and

efficiency in delivery of housing assistance services.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

Unfortunately, during the 2023-2024 program year, LACDA's Section 8 or Public Housing programs did not offer homeownership programs. In addition, the City does not own or operate any public housing and therefore has not undertaken efforts to encourage public housing residents to become owners of their public units.

However, during the 2023-2024 program year, the City implemented their First Time Homebuyer Program to cover the gap in financial assistance for eligible households in purchasing their home. The City's First Time Homebuyer Program is a perfect program for Los Angeles County residents looking to purchase in the City to help cover the gap in financial assistance especially with current market conditions and high interest rates.

In addition, LACDA promoted its Family Self-Sufficiency (FSS) Program which encourages families to pursue goals of furthering their education, training and employability to secure funds for a down payment towards the purchase of their new home. During the 2022-2023 program year, LACDA was able to graduate 18 FSS participants, with an average escrow account disbursement of \$16,223.

Actions taken to provide assistance to troubled PHAs

Not applicable. LACDA is designated as a High Performing PHA.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

A barrier to affordable housing is a public policy or nongovernmental condition that constrains the development or rehabilitation of affordable housing. Barriers can include land use controls, property taxes, state prevailing wage requirements, environmental protection, cost of land and monetary resources. Barriers to affordable housing are distinguished from impediments to fair housing choice in the sense that barriers are lawful and impediments to fair housing choice are usually unlawful.

The primary barriers to affordable housing in Lancaster continue to be housing affordability and the lack of monetary resources necessary to develop and sustain affordable housing. The two barriers are related in the sense that demand for affordable housing exceeds the supply and insufficient resources are available to increase the supply of affordable housing to meet demand. Lancaster continues to deal with the ramifications of the State of California's elimination of local Redevelopment Agencies which were a crucial resource for the development and preservation of affordable housing. This was the most significant public policy change impacting affordable housing and residential investment. While there are mechanisms whereby certain affordable housing assets tied to the former Redevelopment Agencies may be utilized today, those resources are finite and scarce. Although the City no longer has access to Redevelopment Housing Set-Aside funds, the City will continue to leverage its CDBG and HOME funds to attract private and other available public resources, including land conveyed to the City for the purpose of affordable housing, to facilitate affordable housing development. This strategy will increase the supply of affordable housing and preserve existing affordable housing in the City.

The following actions will work to remove barriers to affordable housing:

- The City continued to follow the Housing Element of the General Plan.
- The City provided timely review of discretionary and non-discretionary residential development requests, with fees sufficient only to cover the actual costs (direct and overhead) incurred by the City.
- The City periodically evaluated land development processing procedures to ensure that project review is accomplished in the minimum time necessary to implement the General Plan and ensure protection of public health, safety, and welfare.
- The City made residential developers aware of City zoning ordinance provisions that provided up to a 35 percent density bonus, or equivalent

financial incentive, to residential developers who agreed to make a corresponding percentage of the units within the project affordable to households, per State density bonus law.

- The City leveraged direct funding resources of the City and Lancaster Housing Authority with State and Federal funding sources to address the City's objectives contained in Table H-1 "Quantified Objectives" of the Housing Element to facilitate the provision of single and multiple family dwelling units available to very low, low, and moderate-income households.
- The City encouraged private sector development of affordable housing by subsidizing development impact fees in exchange for long term affordable restrictions.
- The City identified and acquired distressed residential projects (e.g., foreclosures, bankruptcies) and prepared them for sale or rent at affordable housing costs.
- The City periodically reviewed the General Plan and zoning map to ensure that locations for affordable housing are encouraged in areas throughout the City, including locations within reasonable proximity to public facilities, transportation, schools, parks, and other daily services.
- The City worked towards implementing the following strategies to provide housing opportunities specifically for extremely low-income households:
 - Assist developers in seeking specialized funding sources for extremely low-income housing units;
 - Identify and recruit developers (for-profit and non-profit) for the development of extremely low-income housing units;
 - Re-evaluate the city's development review process for higher density, mixed use, second dwelling unit, and other supportive housing to ensure development feasibility; and,
 - Encourage other alternative housing options, including SRO (single room occupancy) housing units to meet the needs of varying living situations.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

The primary obstacles to meeting the underserved needs of low- and moderate-income people include lack of funding from federal, state and other local sources, the high cost of housing that is not affordable to low-income people and the lack of availability of home improvement financing in the private lending industry. To address these obstacles, the City invested CDBG funds in Program Year 2023-2024 in projects that provide public and neighborhood services to low- and moderate- income people and those with special needs, and projects that prevent homelessness. To address underserved needs, the City allocated 100 percent of its non-administrative CDBG and 100 percent of its

HOME investments in Program Year 2023-2024 to projects and activities that benefit low- and moderate-income people.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

The Residential Lead-Based Paint Hazard Reduction Act of 1992 (Title X) emphasizes prevention of childhood lead poisoning through housing-based approaches. The First Time Homebuyer Program and Housing Rehabilitation Program during the 2023-2024 program year reduced lead-based paint hazards by having completed lead-based paint testing and risk assessment processes on housing units built prior to January 1, 1978. The City ensured that developers and contractors incorporated safe-work practices and depending on the level of assistance, abated the lead-based paint as part of the scope of work to effectively reduce lead-based paint hazards to children in accordance with 24 CFR Part 35.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

In addition, the City's 2023-2024 Action Plan also focused on reducing, to the extent possible, the number of poverty level families and individuals. The Action Plan took into consideration the many factors over which the City has no control (i.e., funding resources, economic conditions, business staffing reductions, state budget, etc.).

The City, in cooperation with other public and private agencies, was able to assist the employment needs of its unemployed population, including the homeless and under-employed residents, through the continued support of the Work Source Antelope Valley One-Stop Career Center. This center provides one-stop access to assessment, training, and employment services for all individuals seeking employment as well as providing services such as recruitment support and applicant testing for area businesses. In addition, the City awarded funds to Lost Angels Children's Project Work Program which provided vocational training in vintage car restoration to 40 unduplicated residents. Each graduate of the program received Forklift and OSHA training and certifications. Additionally, the City awarded funds to Lancaster Homeless Group dba Street Company to facilitate their Coffee Manufacturing Homeless Employment Program which provided job readiness training to 24 unduplicated residents. Graduates of the program received permanent job placements at Street Company and Caster Coffee Roasting social enterprise.

The cumulative effects of the City's efforts resulted in the direct preservation and provision of affordable housing for low-income families and individuals along with the coordinated housing and service programs undertaken with other agencies, service providers, and private industry. These efforts will continue to incrementally assist in the reduction of the number of poverty level families within the City and the Antelope Valley. In addition, through the provisions of housing

and supportive services along with the concentrated efforts of the City to encourage economic and development growth, the opportunity for gainful employment will continue to increase for targeted income groups.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The institutional delivery system in Lancaster is high-functioning and collaborative— particularly the relationship between local government and the nonprofit sector comprised of a network of capable nonprofit organizations that are delivering a full range of services to residents. Strong City departments anchor the administration of HUD grant programs and the housing, community and economic development activities that are implemented by the City.

During the 2023-2024 program year, the City worked in conjunction with local nonprofit agencies, advocacy groups and other County, State, and Federal organizations to foster a more effective institutional structure and enhance coordination among agencies serving low- and moderate-income residents. City staff helped coordinate and implement efforts taken by organizations to address the needs of residents, particularly those most at risk. In addition to supporting the logistics, the City infused millions in General Fund revenue to help bolster and expedite the efforts taken by these organizations. By establishing a central point of contact at our Emergency Operations Center, the City was able to make connections between organizations and ensure that relief efforts were equitable and evenly spread.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

To enhance coordination between public and private housing and social service agencies, the City encouraged participation from a wide variety of agencies and organizations that deliver housing and supportive services that add value to the lives of low- and moderate- income residents in Lancaster.

The City recognizes the importance of coordinating its planning efforts with other public and private service agencies to accomplish the programs necessary to meet the community's needs of providing decent housing, providing a suitable living environment, and expanding economic opportunities particularly for low/moderate-income persons.

The City attempted to coordinate housing, public services, and economic development efforts with other public agencies, nonprofit agencies, private developers, and community organizations for the construction of low-income housing, enhanced social services for the “at risk” population, and increased employment opportunities. During program year 2023-2024 the City continued to enhance coordination efforts in the following ways:

- Implemented an Economic Development Strategic Plan

- Met with outside nonprofit agencies and local community organizations for input
- Worked with private developers
- Worked with training and employment organizations
- Monitored recipients of City programs and organizations receiving funding
- Reviewed applications, including interviews with applicants, participating in City programs
- Held neighborhood meetings
- Received citizen input on citywide issues
- Recommended funding allocations to City Council
- Worked with the LAHSA, Lancaster Homeless Initiative, and AVHC to provide homeless shelter and services.
- Coordinated with LACDA to provide information about Section 8 Housing Choice Vouchers.
- Coordinated with the County of Los Angeles Health Department, Childhood Lead Poisoning Prevention Program (CLPPP) to provide information about lead based paint hazards.
- Funded two (2) contracts for fair housing services to provide fair housing and landlord/tenant complaint intake and mediation services to the residents of the City.
- Followed the City's adopted General Plan developed in collaboration with Los Angeles County.
- Worked with the Greater Antelope Valley Economic Alliance to address shared priorities such as transportation and air quality issues, large scale planning goals, and advocacy at regional, state, and federal levels.
- Consulted with and invited the participation of a wide variety of agencies and organizations involved in the delivery of housing and supportive services to low- and moderate-income residents in the City— particularly the low-and moderate- income areas.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

During Program Year 2023-2024, the City's Community Development Department – Housing Division and Fair Housing Foundation affirmatively furthered fair housing choice. In the 2019-2020 Program Year, the City analyzed its fair housing needs as part of updating its Analysis of Impediments to Fair Housing in preparing its 2020-2024 Consolidated Plan. The City is following the recommendations previously laid out in the prior Analysis of Impediments to Fair Housing. No new impediments were identified in the 2023-2024 Program Year. The Analysis recommended that the City continue to address the previous impediments even though progress has been made.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

To ensure that CDBG and HOME funds are used efficiently and in compliance with applicable regulations, the City provided technical assistance to all subrecipients at the beginning of the Program Year and monitored all subrecipients throughout the Program Year.

Technical Assistance

To enhance compliance with federal program regulations, the City provided a workshop to review the Consolidated Plan goals, program requirements and available resources with potential applicants. Additionally, individualized technical assistance was provided on an as-needed basis during the Program Year.

Activity Monitoring

All activities were monitored (desk monitoring), beginning with a detailed review upon receipt of an application to determine eligibility, conformance with a National Objective and conformance with an Action Plan goal. This review also examined the proposed use of funds, eligibility of the service area, the intended beneficiaries, and likelihood of compliance with other federal requirements such as the National Environmental Policy Act, the System for Award Management (SAM) debarment list, prevailing wage, Minority and Women Business Enterprise, Section 3 and federal acquisition and relocation regulations, as applicable.

Subrecipients were required to submit an audit and other documentation to establish their capacity, and any findings noted in the audit were reviewed with the applicant. Eligible applications were then considered for funding. The Community Development Department staff reviewed quarterly performance reports and invoices throughout the year as part of desk monitoring. For two of the CDBG public service activities, remote monitoring was conducted during the last quarter of 2023-2024 Program Year, to ensure compliance. The reviews included both a fiscal and programmatic review of the subrecipient's activities. The reviews determined if each subrecipient complied with the program regulations and City contract. Areas of review included overall administration, financial systems, appropriateness of program expenditures, program delivery, client eligibility determination and documentation, reporting systems, and achievement toward achieving contractual goals. Following the monitoring visit, a written report is being provided delineating the results of the review and any findings of non-compliance and the required corrective action. Subrecipients have been given

30 days to provide the City with corrective actions taken to address any noted findings. Final close out of the monitoring will take place in the first quarter of 2024-25 Program Year. For CDBG capital projects, monitoring also includes compliance with Regulatory Agreement requirements.

The City first received HOME funds for the first time during the 2020-2021 program year. During the 2023-2024 program year the City implemented the First Time Home Buyer program which provides grants and deferred and forgivable loans to income eligible first-time home buyers using HOME funds. In the future, the City will conduct an annual monitoring for projects funded by HOME funds to ensure that household income, and allowances complied with applicable limits pursuant to the affordability covenant. In addition, for ownership units, annual monitoring of occupancy will be conducted throughout the affordability period.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

In accordance with the City's adopted Citizen Participation Plan, a public notice was published in the Antelope Valley Press on August 26, 2024, notifying the public of the availability of the Consolidated Annual Performance and Evaluation Report for a 15-day public review and comment period. A copy of the public notice is included in Appendix A.

The draft CAPER was available from August 27, 2024, to September 10, 2024, on the City's website. Physical copies were also available at City Hall in the Community Development Department – Housing Division and City Clerk's Office. Residents were encouraged to review the CAPER and provide any written comments by mail to Lisa Anderson, Housing Analyst, or via email to landerson@cityoflancasterca.gov. A summary of any written comments received during the public review and comment period are included in the CAPER submission to HUD as Appendix B.

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

The 2023-2024 Program Year was the fourth year of the 2020-2024 Consolidated Plan. The City made great progress toward its five-year and one-year goals for this reporting period. The City reallocated funds to activities that were able to spend down funds in a timely manner. The City did not change its program objectives and anticipates making additional progress during the 2024-2025 program year.

CDBG funded activities contributed to the City's progress toward meeting the high priority needs identified in the Consolidated Plan. As shown in Table 1 on

page 2 of this document, CDBG funds were allocated to seven (8) Strategic Plan goals including Increasing the Supply of Affordable Housing, Improving and Expanding Facilities and Infrastructure, Providing Supportive Human Services, Planning and Administration, Fair Housing, Affordable Housing Preservation, Promoting Homeownership Opportunities, and Preventing and Eliminating Homelessness.

CR-50 - HOME 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Maintaining HOME-assisted affordable housing is a high priority. However, the 2023-2024 program year was just the fourth year that the City became a HOME entitlement Participating Jurisdiction (PJ). During the 2023-2024 program year, the City implemented the First Time Homebuyer Program. The City closed escrow on eight (8) homes during the 2023-2024 program year.

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)

The City certified that it made an effort to affirmatively further fair housing as a participating jurisdiction that received HOME Program funds. The City used CDBG funds to promote fair housing by contracting with Fair Housing Foundation to provide a variety of fair housing services.

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

According to the PR-09 report for the HOME program, \$0 of HOME program income was receipted during Program Year 2023-2024. As a result, \$0 in program income will be committed for the next City HOME project in Program Year 2024-2025.

Describe other actions taken to foster and maintain affordable housing. 91.220(k)

The City funds Fair Housing Foundation to provide fair housing services for residents through consultations and preparation of legal documents for the residents. Some of these services are provided to prevent undue evictions that could lead to homelessness.

The LACDA provides Section 8 rental assistance to extremely low- and very low-income households located within the City limits. The Section 8 program gives priority to households that are at risk of becoming homeless or currently residing in inadequate housing.

The City is a recent awardee of HOME ARP funds from HUD. Through the City's HOME ARP, the City has allocated all non-administration and planning funds totaling \$2,082,945, for construction of affordable housing towards one (1) of the Housing Authority owned sites. Should the City decide to change course slightly, the City may look at reallocating HOME ARP funds for the potential acquisition of land(s) or property(ies) with the intent to construct, rehabilitate and/or convert

into affordable rental housing or transitional/emergency shelter to qualified populations and low-income residences.

In addition, as of the date of this document, the City has entered into a Development and Disposition Agreement (DDA) with Bridge Housing Corporation for the City's Housing Neighborhood Revitalization (HNR-1) property located at the Southwest corner of Avenue I and Sierra Highway. The development anticipates constructing 114 units, of which 113 units will be income restricted. Grading for the development is scheduled in 2025, with units being occupied by the end of 2026. The development is the start of many other developments the City will be pursuing to increase the availability of affordable housing throughout the City. Other properties include but are not limited to:

- HNR 3: Located at the northeast corner of Division Street and Avenue I. Developing a vibrant, integrated, walkable, sustainable, mixed-use development that incorporates architectural and high-quality design elements that complements the surrounding area and will become a community hub and visual landmark on the Eastside of Lancaster. Housing will feature prominently in the redevelopment effort with apartments flanking a new 5-acre retail development that will support the residential uses. 302 total units.
- HNR 4: Located at the west side of Sierra Highway between Avenue H and H-13. A three-phase development featuring compact, for-rent single-family homes with accessory dwelling units. The first and third phases will provide housing for low-income families, while the second phase will provide housing for low-income seniors. 499 total units.
- HNR 5: Located on the west side of 10th Street West between H-8 and H-11. Habitat for Humanity will construct 27 for-ownership, rowhouses for working families.
- HNR 6: Located at the northeast corner of Avenue J-2 and Beech Avenue. The project consisted of a 32-unit apartment complex.
- HNR 7: Located at the southeast corner of Newgrove Street and Beech Avenue. The project consists of an 11,076 sq. ft. 12-unit apartment complex.
- HNR 8: Located along Avenue H-13 between 3rd and 4th Street East. The project consists of eight (8) single-family homes and is envisioned for development along with the adjacent HNR 3 for economies of scale.
- HNR 9: Located along the east side of Beech Avenue between Avenue J-6 and J-7. The project consists of a 36-unit apartment complex.

CR-60 - ESG 91.520(g) Supplement to the CAPER in e-snaps

Not Applicable – The City does not receive direct Emergency Solutions Grant (ESG) funds.

CR-65 - Persons Assisted

Not Applicable – The City does not receive direct Emergency Solutions Grant (ESG) funds.

CR-70 – ESG 91.520(g) - Assistance Provided and Outcomes

Not Applicable – The City does not receive direct Emergency Solutions Grant (ESG) funds.

CR-75 – Expenditures

Not Applicable – The City does not receive direct Emergency Solutions Grant (ESG) funds.



APPENDIX A

Public Notice

2023-2024
CONSOLIDATED ANNUAL PERFORMANCE AND
EVALUATION REPORT
JULY 1, 2023 THROUGH JUNE 30, 2024



APPENDIX B

Summary of Citizen Participation Comments

2023-2024
CONSOLIDATED ANNUAL PERFORMANCE AND
EVALUATION REPORT
JULY 1, 2023 THROUGH JUNE 30, 2024



APPENDIX C IDIS FINANCIAL REPORTS

2023-2024
CONSOLIDATED ANNUAL PERFORMANCE AND
EVALUATION REPORT
JULY 1, 2023 THROUGH JUNE 30, 2024