

STAFF REPORT
City of Lancaster

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6/25/2024
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Date: June 25, 2024

To: Mayor Parris and City Council Members

From: Larissa De La Cruz, Director - Community Development
Lisa Anderson, Housing Analyst – Real Estate & Economic Development

Subject: Application for U.S. Department of Housing & Urban Development (HUD),
Community Planning & Development Department (CPD), Preservation &
Reinvestment Initiative for Community Enhancement (PRICE) Funds

Recommendations:

1. Adopt **Resolution No. 24-XX**, authorizing the submittal of an application to HUD’s Community Planning & Development Department for funding under the PRICE program; the execution of a standard agreement if selected for such funding and any amendments thereto; and any related documents necessary to participate in the PRICE program.
2. Authorize the City Manager or his designee to enter into a contract with Habitat for Humanity, if funded, to administer and implement the PRICE program, in a form approved by the City Attorney.
3. If funded, accept the PRICE grant award funds and appropriate said funds into a PRICE Fund account number, to be created by Finance, for expenditure in accordance with the PRICE program requirements.

G.C. Section 84308: No

Fiscal Impact:

None at this time. Should Lancaster be awarded funds from this competitive grant program, the City will receive up to \$5,000,000 to fund the proposed owner-occupied housing rehabilitation program.

Background:

The request to apply to U.S. Department of Housing & Urban Development for funding under the PRICE Program in the amount of \$5,000,000 is for the implementation of a new owner-occupied housing rehabilitation program. The application is in response to the 2024 PRICE Program Notice of Funding Opportunity (NOFO) issued on March 6, 2024.

The PRICE Program is one of HUD's neighborhood stabilization tools providing competitive grant awards to local jurisdictions to help rehabilitate statewide aging homes of qualified low-income households (with gross annual income not to exceed \$95,300 per standard four-person household[CA1]). These grants would remedy residential health and safety concerns, provide for neighborhood stabilization, and reduce the decline of property values of neighboring homes.

The owner-occupied rehabilitation program would offer income-eligible persons financing in the form of a deferred payment loan for the repair or replacement of an owner-occupied manufactured home located in a mobile home park within the City of Lancaster.

Should the funding request be approved, these funds will be used in conjunction with the \$5,000,000 of CalHOME funds previously secured for the same purpose. The owner-occupied rehabilitation program will be administered by Habitat for Humanity, if funded.

The PRICE application will request \$5,000,000 in funding. If the application is successful, PRICE may elect to award less than the amount requested or more than the amount requested, up to \$5,000,000. If the grant is awarded, all activity delivery costs will be fully funded by the grant.

LA/js

Attachment:

Resolution No. 24-XX