

**STAFF REPORT**  
**City of Lancaster**

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5/27/2025
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Date: May 27, 2025

To: Mayor Parris and City Council Members

From: Patti Garibay, Director - Community Development

Subject: Resolution of the City Council of the City of Lancaster authorizing a joint application to and participation in the Homekey+ program for a permanent supportive housing development located at 43530 17th St. West

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**Recommendation:**

1. Adopt **Resolution 25-XX**, authorizing the City Manager or designee to prepare and submit a joint application with Greenland Symmetry (Greenland) to the State of California Housing and Community Development (HCD) Department's Homekey+ program for the Lancaster Inn Permanent Supportive Housing development in an amount not to exceed \$33,000,000.
2. Authorize the City Manager or designee to take all necessary actions for the City's participation in HCD's Homekey+ program, including entering into HCD's Standard Agreement and any amendments, subject to the concurrence of the City Attorney.
3. Authorize the City Manager or designee to negotiate and execute a three-way agreement among the City of Lancaster, the owner of the subject property, and Greenland to pursue Homekey+ grant funding ("Tri-Party Agreement"), subject to the concurrence of the City Attorney.

**G.C. Section 84308:** No

**Fiscal Impact:**

There are no direct costs associated with adopting the attached resolution and MOU. As a result, adoption of the attached resolution and negotiation and execution of a Tri-Party Agreement MOU

will not impact the City of Lancaster General Fund. If the Application is approved, the grant will be for a total amount not to exceed \$33,000,000 at which time revenue and expenditure accounts will need to be formed.

**Background:**

Homekey+ is a new program funded by Proposition 1 to build permanent supportive housing for populations struggling with mental health and/or substance use disorders. There is \$1.033 billion available for veterans and \$1.11 billion for all other eligible populations. It has a similar model to the original Homekey program which encouraged rehabilitation and conversion of existing buildings into permanent affordable housing. HCD released the Homekey+ NOFA on November 23, 2024 and the applications opened at the end of January 2025. HCD will start to announce Homekey+ awards in the summer of 2025 on a rolling basis. The applications are due on May 30, 2025. Developers with a Homekey+ eligible project must apply in partnership with a public agency. HCD requires applicants to use their Homekey+ resolution template, which must be adopted as written.

Greenland reached out to the City of Lancaster to potentially partner on a Homekey+ application. Greenland is an experienced developer who has successfully built Project Homekey funded facilities in Los Angeles County. Greenland and the owner of the Lancaster Inn agreed to a purchase and sale agreement with the intent of utilizing the site for a Homekey+ development project in partnership with the City. The project will focus on mothers and children and will include over 100 permanent supportive housing units and one manager's unit. The project will include 17 designated mobility units (15%) and 11 hearing/vision impaired units (10%), in full compliance with Homekey+ accessibility requirements. The City of Lancaster will serve as the Lead Applicant on the Homekey+ application and Greenland will serve as the Managing General Partner/Co-Applicant. Greenland has selected Tarzana Treatment Centers (Tarzana) to serve as the facility Operator to deliver voluntary, trauma-informed services that support tenant stability and long-term housing success once the site is built. On-site supportive services will include case management, behavioral health coordination, housing navigation, peer support, and benefits enrollment. The rehabilitation scope will include dedicated space for a community room, case management offices, and private meeting areas for supportive services.

This project directly supports the goals of the Homekey+ initiative and Proposition 1 by expanding deeply affordable, service-enriched housing for vulnerable residents of the Antelope Valley. Should the project receive approval and funding, it will move through the City's entitlement processes, including comprehensive design reviews, community outreach efforts to engage and inform residents, and adherence to all relevant construction and permitting requirements.

The parties and responsibilities for this project are outlined below:

- **City of Lancaster** will be the main applicant for Homekey+ funding. Greenland will be the City's co applicant.
- **Greenland** will be responsible for securing site control, leading the initial build-out of the property, and coordinating with necessary partners to support project implementation.
- **Tarzana** has been selected by Greenland to serve as the lead operator and provide services as required by Homekey+.

**Attachment:**

Resolution 25-XX