

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

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12/10/2024
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Date: December 10, 2024

To: Mayor Parris and City Council Members

From: George N. Harris II, Senior Director/Treasurer – Admin Services  
Christopher Aune, Housing Manager

Subject: Application to the California Department of Housing and Community Development; and a Resolution Authorizing Application for, and Receipt of Prohousing Incentive Program Funds.

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**Recommendation:**

1. Adopt **Resolution No. 24-XX**, authorizing the submittal of an application to the California Department of Housing and Community Development (HCD) for funding under the Prohousing Incentive Program (PIP) and authorizing the City Manager or his designee to execute all documents deemed necessary or appropriate to participate in the PIP.
2. If funded, accept the PIP grant award funds and appropriate them into a PIP Fund account number to be created by Finance.
3. Authorize the City Manager or his designee to expend any awarded funds (up to \$1,250,000), in accordance with the PIP guidelines.

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

**Fiscal Impact:**

None currently. Should Lancaster be awarded funds from this competitive grant program, the City will receive up to \$1,250,000 to fund the proposed PIP program. Direct staff time is an eligible grant-funded cost.

**Background:**

On February 27, 2024, the City Council approved a resolution authorizing staff to apply for the state's Prohousing Designation Program. Staff submitted the City's initial application on March 6, 2024, and have worked cooperatively with HCD staff to provide sufficient information to qualify for the Prohousing Designation.

The State has determined that increasing the availability of housing is critical to bettering the quality of life of all Californians. The 2019-2020 Budget Act provided a spectrum of support, incentives, and accountability measures to meet California's housing goals, and provided for the establishment of the Prohousing Designation Program. The intent of this State program is to encourage jurisdictions to enact regulations, adopt policies, and establish local programs that go beyond current state laws and conventional standards and will accelerate the production of housing, both market rate and affordable at all density levels.

PIP Round 3 has a total of approximately \$8,000,000 available in funding for eligible jurisdictions with a Prohousing Designation. Based on the funding allocation calculations, the City can seek up to \$1,250,000 in funding for Round 3. The PIP applications are due December 31, 2024, and require City Council authorization. If granted by Council authorization, City staff will submit an application for PIP Round 3 funding for \$1,250,000. PIP funding may be used for the development, acquisition, rehabilitation, and preservation of affordable housing.

**Attachment:**

Resolution No. 24-XX