

STAFF REPORT
Lancaster Redevelopment Agency

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12/11/07
MVB

Date: December 11, 2007

To: Chairman Hearn and Agency Directors

From: Elizabeth Brubaker, Housing & Neighborhood Revitalization Director

Subject: **Appropriate funds for the approved Citywide Homeless Needs Assessment, Neighborhood Foreclosure Preservation Home Ownership Program, the Lancaster Community Homeless Shelter Expansion, and the Strong Neighborhood Initiative**

Recommendation:

Approve the appropriation of funds for the following items that were previously approved by City Council action: Citywide Homeless Needs Assessment, Neighborhood Foreclosure Preservation Home Ownership Program, the Lancaster Community Homeless Shelter Expansion, and the Strong Neighborhood Initiative.

1. Approve the appropriation of \$200,000 from the Lancaster Redevelopment Agency's Low and Moderate-Income Housing Fund Balance to a Citywide Homeless Needs Assessment programmatic expenditure account no. 910-8102-942 to conduct a thorough and complete assessment of the homeless situation in the city of Lancaster, to include a set of recommendations that can begin to address the homeless issues.
2. Approve the transfer of \$1,500,000 for Resolution No. 09-07, Neighborhood Foreclosure Preservation Home Ownership Program, to Foreclosure Program account no. 940-7002-942 from the Mental Health Section 108 re-payment account no. 960-9502-942. The goal of the Neighborhood Foreclosure Preservation Home Ownership Program is to reclaim vacant, abandoned properties for affordable housing, strengthen blocks and neighborhoods by eliminating the blighting effects of vacant properties, and enforce the city codes and city building code requirements.
3. Increase estimated revenues in the amount of \$1,000,000 to revenue account no. 261-3305-100 and re-appropriate \$1,000,000 to expenditure account no. 261-4302-100 for the Emergency Shelter Grant Agreement between the Lancaster Redevelopment Agency and the Community Development Commission of the County of Los Angeles to expand the Lancaster Community Homeless Shelter.

4. Approve the appropriation of \$100,000 for the use of funds from the Strong Neighborhood Initiative reserve account no. 109-2615-000 to the Housing and Neighborhood Revitalization Code Enforcement account no. 101-4542-219 for planning and promotions related to events, such as the event held on November 1, 2007 at Sierra Elementary School.

Financial Impact:

Funding of the Homeless Needs Assessment will come from the Lancaster Redevelopment Agency's low and moderate-income housing fund balance. Sufficient funds are available in fund balance.

Funding of the Neighborhood Foreclosure Preservation Home Ownership Program will come from the Mental Health Section 108 re-payment account. Funds were budgeted in the housing fund to pay-off the Mental Health Section 108 loan. However, the prepayment penalties associated with paying the loan early were not feasible, so the annual debt service payment will be made from the CDBG fund as budgeted.

The Agency received a grant in an amount not to exceed one million dollars (\$1,000,000) from the Community Development Commission of the County of Los Angeles for the construction of thirteen (13) family transitional units at the Lancaster Community Homeless Shelter. This is a reimbursable grant.

Funding of the Strong Neighborhood Initiative will come from the Strong Neighborhood Initiative reserve account funds that were approved in the fiscal year 2007-08 budget for the program, which is an evolving, dynamic and enduring process designed to address the transformation of neighborhoods over time throughout the city of Lancaster.

Background:

On May 22, 2007, the Lancaster Redevelopment Agency board members approved the Professional Services Agreement between the Lancaster Redevelopment Agency and RBF Consulting for a complete Citywide Homeless Needs Assessment. This study will provide a deeper understanding of homelessness in our community, such as whom the homeless are, where they are coming from, where they are concentrated, and how to address the problems through a multi-faceted, comprehensive approach.

On August 14, 2007, the Lancaster Redevelopment Agency board members approved the implementation of Resolution No. 09-07, the Neighborhood Foreclosure Preservation Home Ownership Program regarding funding outside of the redevelopment project area to benefit the redevelopment project areas. The program permits the agency and the city to make decisions on how to utilize agency and city resources to supply, preserve and maintain affordable decent, safe and sanitary housing in the areas outside the redevelopment project areas.

On February 13, 2007, the Lancaster Redevelopment Agency board members approved the Grant Agreement between the Lancaster Redevelopment Agency and the Los Angeles County Community Development Commission for the expansion of the shelter.

The 2007-08 budget was approved for the Strong Neighborhood Initiative to carry out a comprehensive and coordinated strategy to address the current and potential decline of Lancaster neighborhoods by preventing crime, removing and deterring blight, and providing necessary services to create sustainable neighborhoods within the city.