

Table of Contents

I. Executive Summary1

- A. What is the consolidated Plan?1
- B. Major Components of the Consolidated Plan2
- C. What’s New in the Consolidated Plan?2
- D. How the Executive Summary is Organized3
- E. Community Vision.....4
- F. Community Profile.....4
- G. Consolidated Plan Development.....6
- H. Housing Market Analysis and Needs Assessment.....6
- I. Public and Assisted Housing7
- J. Homeless and Special Needs Assessment7
- K. Non-Housing community Development Needs10
- L. Barriers to Affordable Housing11
- M. Impediments to Fair Housing.....12
- N. Lead-based Paint Hazards.....12
- O. Housing and Community Development Delivery System.....12
- P. Analysis of Poverty.....13
- Q. Strategic Plan14
- R. Monitoring15
- S. Leveraging15

II. Community Profile.....1

- A. City in the Past.....1
- B. City Today: Demographics.....2
- C. Business Climate.....2

III. Consolidated Plan Development.....1

- A. Introduction.....1
- B. Purpose of the Consolidated Plan1
- C. Citizen Participation & Consultation Plan for 2005-20093

D.	Community Involvement in the 2005-2009 Consolidated Plan.....	16
E.	Anti-Displacement and Relocation Plan.....	19
IV.	Housing Market Analysis and Needs Assessment.....	1
A.	Overview.....	1
B.	Housing Supply.....	2
V.	Public Housing Needs	1
A.	Introduction.....	1
B.	Public and Assisted Housing Providers	1
C.	Units at Risk of Conversion.....	4
D.	Public Housing Strategy	6
VI.	Homeless Needs Assessment.....	1
A.	Profile of the Homeless.....	1
B.	Homeless Definitions.....	1
C.	Factors Contributing to Homelessness.....	2
D.	Local Homeless Population	3
E.	Homeless Needs.....	3
F.	Available Programs for Lancaster	8
VII.	Non-Housing Community Development Needs Assessment	1
A.	Introduction.....	1
B.	Methodology	1
C.	Funding Priority Levels	1
D.	The CDBG Program	2
E.	Community Development Priority Needs.....	4
F.	Community Infrastructure Improvements.....	5
G.	Community Facilities.....	5
H.	Community Services.....	8
I.	Accessibility Needs.....	12
J.	Economic Development.....	12

VIII. Barriers to Affordable Housing	1
A. What is a Barrier to Affordable Housing?	1
B. Analysis of Barriers	1
C. Strategy and Objectives	5
IX. Impediments to Fair Housing	1
A. Introduction.....	1
B. Overview of Fair Housing	1
C. Fair Housing in Context.....	2
D. Discrimination.....	3
E. Summary of Issues and Key Findings	4
F. Fair Housing in Lancaster.....	8
G. Fair Housing Strategy	9
X. Lead-based Paint Hazards	1
A. Introduction.....	1
B. Lead Hazards	1
C. Sources of Lead Hazards	1
D. What is a Lead-based Paint Hazard?	2
E. Effects of Lead Hazard	2
F. Number of Children with Elevated Blood Levels of Lead	4
G. Strategies and Objectives.....	4
H. City Compliance and Activities	5
I. Activities of Other County Agencies.....	7
XI. Housing and Community Development Delivery System	1
A. The Housing and Community Development Delivery System.....	1
B. Gaps in the Institutional Structure	5
C. Housing and Community Development Delivery System Strategy	7
D. Priority Strategy for the Housing and Community Development Delivery System.....	7

XII. Anti-Poverty Strategy	1
A. Poverty in Context	1
B. Analysis of Poverty in City.....	1
C. The State’s Welfare-to-Work Program.....	2
D. Existing Programs.....	2
E. Anti-Poverty Strategy	3
XIII. Strategic Plan	1
A. Strategies.....	1
B. General Priorities for Investment,.....	3
C. Geographic Priorities for Investment.....	3
D. Goals, Strategies, and Objectives Matrix.....	4
E. Affordable Housing Strategies.....	8
F. Homeless Strategies	12
G. Other Special Needs Strategies.....	14
H. Priority Non-Housing Needs Strategies.....	15
I. Strategies for Removing Barriers to Affordable Housing	18
J. Lead-Based Paint Hazard Strategies.....	19
K. Anti-Poverty Strategy	20
XIV. Monitoring Standards and Procedures	1
A. Project Monitoring.....	1
B. Consolidated Plan Monitoring	4
XV. Leveraging	1
A. Federal Resources	1
B. State Public Resources.....	9
C. Local Public Resources.....	18
D. Private Resources.....	20

Appendices

A: Community Development Needs Survey and Results

B: Public Notices

C: List of Acronyms

D: Glossary of Terms

E: Maps

F: 2005-2006 One Year Action Plan

G: Certifications

I. EXECUTIVE SUMMARY

A. What is the Consolidated Plan?

The Consolidated Plan identifies each community's priority needs, short- and long-term goals and objectives, and strategies and timetables for achieving its goals. It asks each community to state how it plans to achieve local objectives in accordance with the statutory goals of all community development programs, to provide decent housing in a suitable living environment, and to expand economic opportunity for low- and moderate-income families.

The Consolidated Plan seeks to alter the relationship between HUD, State and local governments, and citizens. Developed with the input of citizens and community groups, the Consolidated Plan serves four functions. One, it is a planning document for each community, built upon public participation and input. Two, it is the application for funds under HUD's formula grant programs: the Community Development Block Grant (CDBG) Program and the HOME Program. Three, it articulates local priorities. And four, it is a five-year strategy the jurisdiction will follow in implementing HUD programs.

A completed Consolidated Plan describes the lead agency responsible for overseeing the development and implementation of the plan and the agencies, groups, and organizations that participate in the process. It also includes a summary of the citizen participation process, public comments, and efforts made to broaden public participation in preparing the plan. In addition, all Consolidated Plans include seven major components.

1. The Purpose of the Consolidated Plan

The City of Lancaster 2005-2009 Consolidated Plan is the primary method the City of Lancaster, as advised by the CDBG Advisory Committee, uses to carry out this mission. The Consolidated Plan identifies the City's needs in housing, homelessness, community development, and economic development. It also presents the City's strategies to address those needs. The City's Redevelopment Agency Department develops and carries out the Consolidated Plan.

The U.S. Department of Housing and Urban Development requires Lancaster to complete a Consolidated Plan to receive funds under the Community Development Block Grant (CDBG) program. Consolidated Plans are required to be prepared every five years and include five Annual Action Plans (described below) to be produced for each year.

CDBG can fund a variety of activities to help low-income people and neighborhoods, such as planning activities, housing assistance, public services, infrastructure, economic development, and other community development

projects. The HOME program can fund housing-related activities for lower-income people such as construction, rehabilitation, and rental assistance.

B. Major Components of the Consolidated Plan

The Consolidated Plan contains several major components:

- An analysis of housing, homelessness, public housing, community development, economic development, and other related needs.
- A housing market analysis.
- A description of the priority needs selected by the City.
- Long-term strategies to address those priority needs.
- An explanation of how the City will work with organizations in the public, private, and nonprofit sectors to help carry out those strategies.
- A description of annual projects and activities the City will undertake to carry out those strategies.
- Certification to Affirmatively Further Fair Housing and other certifications

The Consolidated Plan builds on a comprehensive consultation and citizen participation process. The City of Lancaster is the lead agency for the Consolidated Plan. The Redevelopment Agency Department is tasked with developing and carrying out the plan.

The City must produce five Annual Action Plans under the Lancaster Consolidated Plan for 2005-2009. The 2005 Annual Action Plan is the first one. Each Annual Action Plan must describe how the City intends to invest its CDBG funds for the upcoming program year. Each year's Annual Action Plan contains its own Executive Summary.

C. What's New in the Consolidated Plan

The City of Lancaster 2005-2009 Consolidated Plan contains several new items and methodologies compared to the previous Consolidated Plan:

- New research using the latest data from the U.S. Census Bureau, the Bureau of Labor Statistics, Housing Agencies, and the results of the Redevelopment Agency Department's Community Needs Assessment survey.
- An improved citizen participation and consultation process to advise the City on needs and strategies.
- More than 200 citizens completed a needs assessment survey where they responded to questions about needs in the areas of housing, homelessness, community development, and economic development.

- More than 50 citizens and representatives from local organizations attended community meetings that examined affordable and fair housing issues, the delivery of services, and how to better serve persons with special needs.
- A Community Profile that describes some of the characteristics of the City, including its residents and economy.
- A performance matrix in the Strategic Plan that lays the groundwork for measurable accomplishments in each year's Action Plan.
- A resources section that can help other organizations apply for funding to help carry out the Consolidated Plan's goals and strategies.

D. How the Executive Summary is Organized

This Executive Summary contains 14 subsections that mirror the 14 sections of the City of Lancaster 2005-2009 Consolidated Plan:

- Community Vision—describes how Lancaster’s General Plan sets the vision for growth and how the Redevelopment Agency Department, its advisory committee, and the Consolidated Plan help carry out that vision.
- Community Profile—describes some of Lancaster's characteristics, including its residents and economy.
- Consolidated Plan Development—contains three items: (1) Lancaster’s Citizen Participation Plan for 2005–2009; (2) the Department’s outreach to allow citizens and community partners to comment on needs, proposed strategies, and projects; and (3) Lancaster's Anti-displacement and Relocation Plan for 2005–2009 (which describes the City’s plans to minimize the displacement of anyone due to the use of CDBG funds).
- Housing Market Analysis and Housing Needs—presents an overview of Lancaster's projected housing supply and demand, and assesses housing needs.
- Public Housing Needs—describes the agencies that provide public and assisted housing needs in Lancaster.
- Homeless and Special Needs Populations—examines the needs of Lancaster’s homeless and persons with special needs.
- Non-housing Community Development Needs Assessment—examines “non-housing” community development needs in Lancaster such as planning, economic development, public services, and public facilities.
- Barriers to Affordable Housing - examines barriers to affordable housing and the City's strategy for addressing those barriers.
- Fair Housing—describes the impediments to fair housing choices in Lancaster.

- Lead-based Paint Needs—summarizes the lead-based paint hazards in housing.
- Housing and Community Development Institutional Structure—summarizes the gaps in the City’s housing and community development delivery system.
- Anti-poverty Strategy—describes how CDBG projects are part of the City’s efforts to move low-income families to self-sufficiency.
- Strategic Plan—presents the City’s strategies to meet the housing and community development needs found in the previous sections.
- Monitoring —describes how the Redevelopment Agency Department monitors CDBG projects as well as its progress in carrying out Consolidated Plan strategies and objectives.

E. Community Vision

Lancaster has changed profoundly in the last 20 years. Its economy has blossomed as job and population growth has continued. Its population is deep rooted in the community. The quality of life issues continue to be at the forefront.

The challenge now facing the community is meeting future demands for housing, commercial development, public open space, and public facilities. With state and federal governments constantly threatening cities with a reduction of funds, the future development of Lancaster will increasingly depend on the efficient development of infrastructure, remaining vacant land, and underdeveloped land.

The City's General Plan is a blueprint to guide development in the City of Lancaster in future years. It provides a framework for decisions regarding land use and transportation, as well as public facilities, economic development, housing, and other public issues that are vital to a healthy and livable community. The Community Development Department is the primary entity that carries out the vision of the General Plan.

As advised by the CDBG Advisory Committee, the Redevelopment Agency Department provides funding for community based organizations to carry out public service programs designed to help neighborhoods achieve a high quality of life for all of the city’s residents.

F. Community Profile

Some historians state that the name "Lancaster" was bestowed upon the town by Mr. M.L. Wicks, a real estate developer who purchased six sections of land from the Southern Pacific Railroad in 1884 at a price of about \$2.50 an acre. Prior to that date, in 1882, Mr. Wicks had started a Scottish settlement of about 150 persons in the Valley; presumably the town was a more permanent home for those people. The story goes on to say that he named the new city for his former home, Lancaster, Pennsylvania.

Another version of the way Lancaster received its name attributes the deed to Mr. Purnell, a member of the Southern Pacific Railroad staff whose duties included the naming of all stations. His reasons, unfortunately, must remain obscure because all records were destroyed by fire in 1906.

Regardless of the origin of the name, the area would not have been developed as it has without the influence of the Southern Pacific Railroad, which was completed between San Francisco and Los Angeles in 1876. Following the completion of the railroad, a water stop was established because of the accessibility and purity of the water. The Western Hotel, then known as the Gilwyn, was built, and by 1890 Lancaster was quite prosperous.

Until it was incorporated in 1977, the area was under the political influence of Los Angeles County. Citizens in the area felt a need for better interaction with their policy making body and local control; and, with the work of the Citizens for Incorporation, cityhood became a reality. The vote for incorporation signified a new community pride as well as a commitment to exercise the traditional rights of self governance.

At the time of the 2000 Census, about 57.2 percent of Lancaster's residents were born in California and about 28.7 percent were born elsewhere. During the 2000 Census, the City of Lancaster had a population of 118,718.

The population of Lancaster is a multi-culturally diverse community. Racial and ethnic minorities are the fastest growing segment of the population. About 37.2 percent of the population is non-white, a higher proportion than the national average for metropolitan areas. Black or African Americans are the largest non-white racial group, comprising 16 percent of the population. A total of 24.1 percent of the population, regardless of their declared race, identify themselves as Hispanic or Latino origin. Today's population is a relatively even mix of males (51 percent) and females (49 percent).

Lancaster has grown to over 38,224 households. Although 72 percent of these households are families, non-family households have increased to 27.6 percent. The average household size is 2.92 persons per household, whose median income is approximately \$41,127 (in 1999). The average family size is 3.41 persons per family, whose median income is approximately \$44,681 in 1999.

The 2000 U.S. Census counted 41,745 total housing units. Of these, 3,521 were vacant. 43,178 residents were employed. The unemployment rate at that time was 6.50 percent, although 41.8 percent of all adults were not in the work force. The median household income was \$41,127, per capita income was \$16,935 and 13.8 percent of residents were living below the poverty level.

G. Consolidated Plan Development

The Redevelopment Agency Department administers the City of Lancaster's 2005-2009 Consolidated Plan. The Redevelopment Agency Department, which develops and implements the plan, urges citizens to voice their concerns and share their ideas concerning Federal programming. The Redevelopment Agency Department welcomes comments and suggestions.

Part One of the Consolidated Plan Development section presents the City's Citizen Participation Plan. It summarizes the citizen participation opportunities that the City must follow whenever it makes certain changes to the Consolidated Plan. It also summarizes how citizens can access records and make complaints.

Part Two explains how residents and local organizations could comment on needs and strategies in the five-year plan. The Department offered numerous opportunities for public input, comment, and review through:

- A needs survey that was distributed at all of the City facilities for residents to communicate their comments on housing, homelessness, community development, and economic development needs.
- A Community Meeting that examined issues related to affordable housing, public housing, homelessness, and non-housing community development.
- A review of the needs, strategies, actions, and projects in the draft Consolidated Plan by the CDBG Advisory Committee and other groups.
- Public hearings to garner citizen comments on the needs, strategies, actions, and projects in the Consolidated Plan.
- Distribution of the draft Consolidated Plan combined with a minimum 30-day public comment period.

Part Three describes how the City will help persons who must be temporarily relocated or permanently displaced due to CDBG activities.

H. Housing Market Analysis and Needs Assessment

Consolidated Plan regulations require the Redevelopment Agency Department to conduct a housing market analysis to serve as one of the foundations for setting priority housing needs and strategies. The Department conducted an extensive market analysis that focused on the following five topics:

- Existing housing supply and demand.
- Economic and development trends that will determine future supply and demand.
- Niche markets such as public housing, homeless facilities, and housing for persons with special needs.

- HUD-specific market characteristics such as low- and moderate-income concentrations, as well as ethnic and minority concentrations.
- Priority housing needs and strategies set by the City through the Consolidated Plan development process.

The housing market analysis reveals a number of important findings:

- As the cost of housing in Lancaster continues to increase at a faster rate than the median income, the demand for more low-cost rental housing will increase dramatically.
- The lowest income renters are in the most need of more affordable housing. A growing demand for one and two bedroom units is driving up rents while many of these renters are already paying more than half their wages for housing.
- With some assistance, homeownership is still within reach of some moderate-income families. Housing assistance programs and housing counseling would help the dream of homeownership become a reality for these families.
- As the amount of developable land becomes smaller, the feasibility of rehabilitation will increase.
- Lancaster contains a number of owner-occupied units that need some degree of rehabilitation.

I. Public and Assisted Housing

The City of Lancaster, as part of its mission of collaboration and leveraging, is committed to working with public and assisted housing providers to address housing needs. Several agencies provide public or assisted housing in the City of Lancaster city limits. There is one public housing agency that provides assisted housing in the City, the Housing Authority of the County of Los Angeles. The Housing Authority offers one type of housing assistance program, the Section 8 Assisted Housing Program. This federally-funded program provides rental assistance in the form of a voucher to very low-income families, senior citizens, disabled, handicapped, and other individuals for the purpose of securing decent, affordable housing

J. Homeless and Special Needs Assessment

Despite greater attention to the problem, there are 70,650 homeless living in the Los Angeles County region (not including the Cities of Long Beach, Pasadena, and Glendale) at any point in time. The diversity of the homeless population continues to increase and the percentage of homeless persons suffering from mental illness and substance abuse also continues to increase.

Many homeless have come from rural areas to the City to be near family or seek employment. Many addicted persons have recycled in and out of homelessness with many reporting prior episodes.

The causes of homelessness in the City include a variety of factors, including:

- Substance abuse.
- De-institutionalization of persons with mental illness.
- Lack of resources to address the needs of homeless or "near-homeless" persons with substance abuse or mental illness, including persons with dual diagnoses.
- Unemployment/underemployment.
- Lack of job skills among persons at high risk for homelessness.
- Domestic violence.
- A large gap between the number of affordable housing units and the number of households which need them.

Poverty and Lack of Personal Resources.

Although more people are homeless, the organizations and programs designed to serve them are making some progress in addressing these often multi-diagnosed homeless needs. Studies indicate that more of the easier-to-reach "situational homeless" in the City are being helped now compared to several years ago. Crises such as domestic violence, unemployment, or death put these people at risk.

Helping the chronically homeless, who often have lived on the streets for years, is harder. These people tend to be substance abusers, persons with mental illness, or dually-diagnosed. The response by City agencies has moved toward a more effective treatment and rehabilitation focus, instead of merely providing food and shelter.

According to the Los Angeles Continuum of Care (LACoC) survey, the number of potentially homeless and at-risk persons in transitional, group, and nonpermanent living arrangements is increasing. Persons with special needs may have a variety of mental and physical disabilities; therefore, they need a variety of housing options. Their housing needs vary depending on the type of disability and may vary throughout an individual's life depending on the degree of disability and individual circumstances.

Special Needs Populations

Several common themes and issues emerged from the Consolidated Plan needs assessment, discussions with community-based organizations, and the analysis that provides a good starting point in understanding how to serve persons with special needs in the City more effectively:

1. Transportation

A common theme among those participating in the Consolidated Plan process was that the lack of access to transportation and employment centers was not helping many hardships, and was obstructive to self-sufficiency.

2. Adaptable Housing

Agencies expressed that the need to incorporate accessible design in new affordable housing was a high need, as was the need for adaptable “retrofits” to existing housing for households that need them. With such housing, residents with special needs will not need to abandon their homes. This issue is especially important for the elderly who are often homeowners who do not want to leave their homes. Also discussed was the issue that many persons with special needs lack the financial resources to pay for retrofits and other necessary improvements.

3. Lack of Income

Organizations that assist special needs groups indicated that persons with special needs find it extremely difficult to maintain employment. Therefore, they often cannot afford many of the housing and supportive services they need and must rely upon public assistance.

4. Discrimination

While there are differences in the intensity of opposition to housing for the different special needs populations, individuals reported that landlords often did not want to rent to persons with special needs. NIMBY, the “Not In My Back Yard” syndrome, was also discussed as a common issue.

5. Lack of Funding

Agencies indicated the need for additional funding for affordable housing for persons with special needs. They further discussed the lack of funding for the supportive services necessary for persons with special needs.

6. Education

Another common theme was the need for educating the public regarding a variety of issues, including resources, services, and programs available for lower-income families and persons with special needs. Also cited was the need for prevention education.

7. Accessible Facilities

Participants cited the need for more accessible facilities that support services to persons with special needs, such as community centers, activities, education, and computer training. This need includes retrofitting existing facilities as well as the need for new facilities.

8. Support for Organizations Serving Persons with Special Needs

Another common theme participants expressed was the need for resources (especially for administrative support) for these organizations.

K. Non-Housing Community Development Needs

The CDBG regulations categorize the types of programs and projects that are eligible for the CDBG funds. This section provides an assessment that examines the following need categories: Community Improvements; Community Facilities; Community Services; Accessibility Needs; and Economic Development. Each need category is defined below.

1. Economic Development

Activities or improvements designed to support, increase, or stabilize business development, as well as to create or retain jobs, or expand the provision of goods and services (e.g., small business incubators, commercial and industrial development, loans to for-profit businesses, infrastructure improvements specific to expanding or creating business development).

2. Community Improvements

Public improvements that support existing or future community development that benefits an entire area or site (e.g., roads, curbs, gutters, sewer systems, street lighting, bridges).

3. Community Facilities

Construction or rehabilitation of structures or facilities that house a public use, except for the general conduct of government.

4. Community Services

Activities that provide services to individuals and/or households (e.g., job training, child care, graffiti removal).

5. Accessibility Needs

Non-housing activities or improvements that provide accessibility improvements for persons who are physically disabled. All improvements completed must meet the Americans with Disabilities Act (ADA) requirements.

L. Barriers to Affordable Housing

The City of Lancaster is committed to helping reduce barriers to affordable housing. Despite Lancaster's strong economy and growing housing demands, the local market is not responding to the needs of lower-income households to the degree needed. The inventory of affordable housing continues to deteriorate, while the production rate of new affordable housing units cannot keep up with demand.

As the lead agency for housing and community development in Lancaster, the Redevelopment Agency Department is making a significant effort to identify housing problems and reshape its policies and programs for the coming years. The Redevelopment Agency Department sponsored community meetings, distributed needs surveys, and conducted individual interviews as part of Consolidated Plan development (described in the Consolidated Plan Development section). These efforts identified several issues that are barriers to affordable housing.

Comments from these sources reveal a variety of barriers to affordable housing in Lancaster. The two primary barriers to accessing affordable housing are:

- Lack of affordable housing.
- Approval process and fees.

Other barriers may include:

- Building codes and standards.
- Zoning.
- Land use controls.
- Citizen opposition (the "Not In My Back Yard," or NIMBY syndrome).
- Lack of political constituency.
- Lack of knowledge of available programs and resources.
- Resource fragmentation and scarcity.
- Housing acquisition finance requirements.
- Lack of financial resources by housing providers.

M. Impediments to Fair Housing

HUD requires each CDBG recipient to complete an Analysis of Impediments to Fair Housing Choice, also known as an *AI*. The analysis includes examining barriers to fair housing choice. Many communities develop this analysis and planned actions as part of a broader fair housing strategy or fair housing plan.

Housing choice is impeded when actions, omissions, or decisions are taken that restrict a person's choice of housing because of his/her characteristics as listed above. It is also impeded when certain residential dwellings are not made available to a person because of his/her characteristics as listed above.

The Redevelopment Agency Department, as the lead agency for the Consolidated Plan, is committed to working with its public, private, and nonprofit partners to ensure fair housing choices for all residents. Lancaster last conducted an Analysis of Impediments (AI) to Fair Housing Choice in 2002.

The AI revealed a number of findings and provided seven (7) actions to be undertaken by the City to address the impediments to fair housing. These actions are being incorporated into the strategies to be undertaken as part of the Consolidated Plan.

N. Lead-based Paint Hazards

Lead poisoning is one of the most common and preventable health hazards to American children. Research indicates that even a low-level of lead in a child's bloodstream can have harmful affects on their physical and developmental health.

Any housing built before 1978 is at risk of containing some amount of lead-based paint. Older housing is more likely to have lead-based paint and the amount of lead pigment in the paint tends to increase with the age of the housing. Slightly over 17,000 housing units in Lancaster were built before 1979. Since low-income people often live in older housing throughout the city, they are at much higher risk.

Young children who could ingest lead-based paint are at even higher risk. Consequently, children of very low- and low-income families are disproportionately at risk for lead poisoning, as they tend to reside in older homes. In accordance with the 2000 Census, the number of children in Lancaster under the age of five years of age is equivalent to 8.0 percent of the population of the City, or 9,544 children. This group could be at higher risk of lead-based paint poisoning.

O. Housing and Community Development Delivery System

As recipients of CDBG funds, the City of Lancaster is tasked with the responsibility for developing and carrying out the Consolidated Plan. The Redevelopment Department uses these and other funds to provide decent housing, create a suitable living environment, and expand economic opportunities throughout the city.

Effective program delivery would not be possible, however, without the efforts of many other Federal, State and local partners. Leadership begins with the City's elected officials, the Mayor and City Council members. These officials approve all Consolidated Plan strategies, activities, substantial amendments, and contracts. Since they represent the residents of the City, these officials also provide insight into the needs of City residents.

The Redevelopment Agency Department is building strong working relationships with other organizations and programs that support these goals. This working relationship and its results are the City's *housing and community development delivery system*.

The Consolidated Plan requirements include examining how organizations in the city “deliver” housing and community development (called the institutional structure). This examination includes identifying the gaps in the institutional structure and developing strategies to address the gaps. Lancaster can only achieve its Comprehensive Plan goals and Consolidated Plan strategies if its institutional structure is complete.

Interviews, community meetings, and needs surveys included questions or comments concerning the current gaps in the local delivery system for housing and community development. They also discussed preliminary components of strategies for filling the most troublesome gaps. Several primary themes and issues emerged that provide a foundation for developing workable, collaborative strategies to fill the gaps:

- Lack of knowledge among the public and lower income clients arose as a common issue. The most common gap cited was limited knowledge of the available resources, services, and programs for lower income people and persons with special needs.
- An urgent need for affordable housing spread out across the city, especially supportive housing for lower-income people and persons with special needs.
- Lack of children-centered services.
- Need for more services for the homeless and persons with special needs.
- Need for enhanced communication/coordination among organizations in the housing and community development delivery system.

P. Analysis of Poverty

By undertaking activities funded by the CDBG programs, the Redevelopment Agency Department supports the City's overall anti-poverty strategy of moving low-income people to self-sufficiency. Census data from the year 2000 indicates that 18,239 Lancaster residents were living in poverty in 1999, which is 16.4 percent of the population. This number translates to 3,847 families, or 13.8 percent of the

families in Lancaster. Just slightly over 25.1 percent of these families had a child under the age of 5 years old

The City of Lancaster's anti-poverty strategy and activities support the overall effort in the State to move low-income families to economic self-sufficiency. The City's goal is to help families that are self-sufficient yet still at-risk to increase their financial stability. The focus of the anti-poverty strategy is three-fold: (1) to help these families accumulate assets, (2) to help these families address issues, such as substance abuse and domestic violence, that may threaten the family's stability, and (3) to provide these families with employment-related supportive services such as child-care. This focus will be incorporated into the programs and policies undertaken by the City as part of this Consolidated Plan.

Q. Strategic Plan

Based on the community survey, focus groups, consultation with other organizations, individual interviews, housing market and needs study, and other factors, the City of Lancaster has developed the following five-year strategies to address the priority needs found in the Consolidated Plan:

1. Rehabilitate owner and/or renter-occupied residences for extremely low- to moderate-income households, elderly, and the physically disabled
2. Construct affordable housing meeting the special needs of the elderly population.
3. Construct congregate housing to meet the special needs of veterans.
4. Provide shelter and services to meet the needs of the homeless and "at risk" populations.
5. Provide financial assistance to first-time home buyers who do not exceed the moderate-income level to help them purchase affordable housing.
6. Construct affordable housing meeting the needs of the low- to moderate-income population.
7. Promote and stimulate job creation/retention activities for low/moderate-income residents through economic development activities.
8. Enhance the City's public facility needs through the expansion and development of new parks, recreational, and neighborhood facilities.
9. Provide for a safe and healthy environment through the construction and rehabilitation of City infrastructure.

10. Provide for the public safety needs of Lancaster residents through enhanced crime awareness services.
11. Provide for public service needs for Lancaster residents through enhanced transportation services.
12. Provide for neighborhood revitalization within blighted areas.
13. Promote and support enhanced skills' assessment, employment training, and job placement for very low- and low-income residents.
14. Continue To Implement Fair Housing Laws By Providing Funding To Further Fair Housing.
15. Reduce The Number Of Housing Units With Lead Paint Hazards Though Education, Inspection And Rehabilitation.

R. Monitoring

As the lead agency for the City of Lancaster 2005-2009 Consolidated Plan, the Redevelopment Agency Department is continually honing its standards and procedures to monitor the performance and effectiveness of housing and community development activities. Monitoring of the Redevelopment Agency Department's contractors and sub-recipient partners is not just a regulatory process or a fact-finding mission. Rather, it involves effective communication and cooperative, problem-solving relationships between Redevelopment Agency Department and its contractors/sub-recipients.

The Redevelopment Agency Department undertakes two types of monitoring: project monitoring and Consolidated Plan monitoring. Both types of monitoring ensure the success of Consolidated Plan projects and activities.

As the lead agency, the Redevelopment Agency Department is refining monitoring procedures to ensure that projects have measurable outcomes. This refinement will allow assessment of progress toward the specified goals and objectives of the projects, as well as ensuring the long-term compliance with all applicable program regulations and statutes. Redevelopment Agency Department will publish any proposed significant changes to monitoring standards and procedures in a future Annual Action Plan so that citizens and grant recipients may comment on those changes.

S. Leveraging Resources

As part of its goal of collaboration and leveraging, the Redevelopment Agency Department has put together a list of resources that public agencies, neighborhoods, and nonprofit organizations can use to further the strategies in the Consolidated Plan. The Redevelopment Agency Department anticipates that the Federal, State, local,

and private resources listed in this section of the Consolidated Plan will remain available over the five-year period of the Consolidated Plan. Some of the items listed above are potential financial resources for both the City and local nonprofits to leverage with current funds.

II. COMMUNITY PROFILE

A. City in the Past

Some historians state that the name "Lancaster" was bestowed upon the town by Mr. M.L. Wicks, a real estate developer who purchased six sections of land from the Southern Pacific Railroad in 1884 at a price of about \$2.50 an acre. Prior to that date, in 1882, Mr. Wicks has started a Scottish settlement of about 150 persons in the Valley; presumably the town was a more permanent home for those people. The story goes on to say that he named the new city for his former home, Lancaster, Pennsylvania.

Another version of the way Lancaster received its name attributes the deed to Mr. Purnell, a member of the Southern Pacific Railroad staff whose duties included the naming of all stations. His reasons, unfortunately, must remain obscure because all records were destroyed by fire in 1906.

Regardless of the origin of the name, the area would not have been developed as it has without the influence of the Southern Pacific Railroad, which was completed between San Francisco and Los Angeles in 1876. Following the completion of the railroad and the establishment of a water stop, the Western Hotel (formerly the Gilwyn) was built, and by 1890, Lancaster was quite prosperous.

Gold and Military Spur Community and Economic Growth

In 1898, gold was discovered in the hills north of Lancaster and attracted scores of prospectors who staked claims that are still visible and being prospected. The old-time miners would rig "V" shaped wagons with sails and "tack" across Muroc Dry Lake going to and from work. Also, in 1898, borax was found in the mountains surrounding the Antelope Valley, sparking the world's largest open-pit borax mine.

Since the 1930s, when the first airplane was brought to the area and the Air Force started conducting flight tests at Muroc Air Base, Lancaster has grown relatively steadily. Edwards Air Force Base, famous for its space shuttle landings and home to the famous aviatrix Poncho Barnes and the Happy Bottom riding Club, has had a major impact on the local economy and continues to with the Air Force Flight Test Center's programs which include testing of the B-1b, the B-2 stealth bomber, the F117A stealth fighter, the SR71 "Blackbird," and the U-2. It is quite common to look into the forever blue sky and see one, two, or even three of these beautiful "birds" flying at the same time.

Incorporation and More Growth

Until it was incorporated in 1977, the area was under the political influence of Los Angeles County. Citizens in the area felt a need for better interaction with their policy making body and local control; and, with the work of the Citizens for Incorporation, cityhood became a reality. The vote for incorporation signified a new community pride as well as a commitment to exercise the traditional rights of self governance.

B. City Today: Demographics

At the time of the 2000 Census, about 57.2 percent of Lancaster's residents were born in California and about 28.7 percent were born elsewhere. During the 2000 Census, the population for the City of Lancaster had a population of 118,718.

The population of Lancaster is a multi-culturally diverse community. Racial and ethnic minorities are the fastest growing segment of the population. About 37.2 percent of the population is non-white, a higher proportion than the national average for metropolitan areas. Black or African Americans are the largest non-white racial group, comprising 16 percent of the population. A total of 24.1 percent of the population, regardless of their declared race, identify themselves as Hispanic or Latino origin. Today's population is a relatively even mix of males (51 percent) and females (49 percent).

Age and School Enrollment

The median age for Lancaster residents is 31.1 years old. About 8 percent are young children under the age of 5. The City's school-age children (5 to 19 years old) account for 27.3 percent of the population. Of these, 48 percent are enrolled in elementary school (grades 1 through 8) and 23 percent are in high school (grades 9 through 12).

The majority (41 percent) of persons in Lancaster are between the ages of 25 and 44 years old. Persons of age 55 and over account for 15.2 percent of the population of Lancaster. Between 1990 and 2000, the population of those aged 55 and over increased by 28 percent. Over 11.5 percent of the population is age 60 and over. A small segment (1 percent) of this group are considered to be "frail" elderly (84 years old and over) residents.

Households

Lancaster has grown to over 38,224 households. Although 72 percent of these households are families, non-family households have increased to 27.6 percent. The average household size is 2.92 persons per household, whose median income is approximately \$41,127 (in 1999). The average family size is 3.41 persons per family, whose median income is approximately \$44,681 in 1999.

Other Information

The 2000 U.S. Census counted 41,745 total housing units. Of these, 3,521 were vacant. 43,178 residents were employed. The unemployment rate at that time was 6.50 percent, although 41.8 percent of all adults were not in the work force. The median household income was \$41,127, per capita income was \$16,935 and 13.8 percent of residents were living below the poverty level.

C. Business Climate

The City of Lancaster is very proud of its record of achievement and progress. Because of its citizens and their dedication, Lancaster continues to be a great place

within which to live, work, and raise families. The population in Lancaster has grown to over 120,000 people, a 12% increase in only 5 years since the 2000 census¹. The expectation is that the population will keep on growing to nearly 300,000 by the year 2020. Lancaster maintains partnerships with government, education, business and civic leaders and the community continues to move forward as one of the most visionary cities in California.

The job base in Lancaster has grown to 48,000, a 23% increase in the last 5 years, and is expected to continue to grow to 102,000 local jobs by the year 2020. Lancaster's positive attitude toward business means lower start-up costs as well. Fast-track approvals and relocation incentives are available to qualifying firms. Lancaster has become a favored destination for businesses on the move. There are more than 400 cities in California and Lancaster is proud to have been selected as one of the 25 Best Cities for Business by California CEO Magazine. The City of Lancaster has made it a priority to provide businesses with the opportunities they need to become established in the community. The City's award-winning, business-friendly programs have set the standard for community recruitment programs nationwide.

Lancaster is continuing a progressive stance and bringing a number of projects on line that will benefit the City's residents this year and for years to come. The Fox Field Industrial Corridor alone has extensive changes currently underway or on the horizon. The new Antelope Valley Fairgrounds construction is well underway. Michaels Stores, four years after the completion of its first distribution center building, has expanded by constructing a 300,000 square foot addition creating 250 new jobs. Rite Aid, located on 84 acres, encompasses approximately 30 total acres under their roof. The City is also making plans with the Army National Guard to site an armory here in Lancaster. Another project on the horizon is a West Coast Public Safety Training Center within the next five years. The City received a \$1.25 million grant from the Governor's Office of Criminal Justice Planning to help pay for the planning of the project. This facility will service approximately 50,000 sworn law-enforcement officers in Southern California as well as local, state and federal law-enforcement agencies across the nation.

The City of Lancaster has developed over time with the understanding that as it grows and changes, so do the needs of the community. The vision of Lancaster is formed on the goal of providing the best possible services for residents in the most effective manner. This goal is reached by building excellence into programs and facilities in Lancaster. The City of Lancaster is hopeful for the future, paving the way for growth and future progress.

Economic Encouragement

Lancaster's positive attitude toward business means start-up costs as well. Fast-track approvals and relocation incentives are available to qualifying firms. For two consecutive years, California Business Magazine ranked Lancaster as the number one place among mid-sized cities in California in which to do business. The

¹ Apple Valley Chambers of Commerce 2003 Business Directory, on-line

Lancaster Redevelopment Agency assists businesses with a wide variety of programs. One example of these is the Small Business Incubator which is available to start-up companies and offers them low-cost, flexible facilities as well as a centralized business location.

Lancaster has become a favored destination for businesses on the move. Lancaster has made it a priority to provide businesses with the opportunities they need to become established in the community. The City's award-winning, business-friendly programs have set the standard for community recruitment programs nationwide. These programs have been balanced by a city philosophy of providing the best possible services for residents in the most effective manner.

Enterprise Zone

New and expanded businesses in the region find it easier to create jobs thanks to the creation of the Antelope Valley Enterprise Zone. The Zone includes nearly all industrial and most commercial property in Lancaster, Palmdale, and surrounding unincorporated areas. More than 60 square miles are included in the designation.

Awarded by the California State Trade and Commerce Agency, the zone allows businesses moving into or already located in the designated area to take advantage of a variety of state tax incentives to reduce the cost of doing business through a reduction in their state business income taxes. As an example, qualifying businesses can get thousands of dollars in hiring credits for wages paid to qualifying new employees over five years.

Air Quality

California's 35th Air Quality District works with local businesses and residents to protect air quality, address local concerns, and promote development in Lancaster and the Antelope Valley. By nurturing a more user-friendly regulatory climate, Lancaster can attract more environmentally-sound businesses into the area, thus creating jobs and boosting the local economy.

In its role as the regulatory air agency for the Valley, the Antelope Valley Air Pollution Control District (AVAPCD) includes representatives from local City government and develops air quality attainment plans; formulates rules to limit air pollution; conducts inspections concerns regarding air quality; helps businesses and individuals in complying with air pollution control laws; and educates the public on air quality issues and pollution prevention. As a result, residents and businesses alike now enjoy access to a responsive local air agency that understands the unique air quality needs of the Antelope Valley. With the creation of its own air quality strategies, the user friendly regulations will foster strong economic growth while maintaining a healthful environment.

Film Office

In 1996, the Lancaster City Council created and funded the Antelope Valley Film Office to actively work to attract, retain, facilitate and promote filming in the Antelope Valley. This office is a natural outgrowth of the region's rich history in film, television, and print production. Filming has been conducted in the Antelope Valley since the late 1800s, with the earliest known film being "Whither Thou Goest" (1915). The Antelope Valley has been the location for such recent films as "Rocky & Bullwinkle," "Snow Falling on Cedars," "Nurse Betty," "Rat Race," and "Shoot Or Be Shot." Home to such entertainment legends as John Wayne, Judy Garland, Harold Lloyd, Hal Roach, Noah Berry Sr., Johnny Weismuller, Frank Zappa, and Eddie Fisher, it is natural that the Antelope Valley would welcome the filming business.

Throughout the years, successful promotion of film, television and commercial production has resulted in attracting over a thousand production companies generating millions of dollars to the local community. While here, production companies hire local crews and talent, rent equipment and automobiles, work out of local offices, buy gasoline, stay in hotels, eat at restaurants, and buy a myriad of other goods and services required for on-location shooting.

III. CONSOLIDATED PLAN DEVELOPMENT

A. Introduction

The U.S. Department of Housing and Urban Development (HUD) requires The City of Lancaster to complete a Consolidated Plan to receive funds for the Community Development Block Grant (CDBG) programs. CDBG can fund a variety of activities to help low-income people and neighborhoods, such as housing rehabilitation, community services, infrastructure, economic development, and business assistance.

B. Purpose of the Consolidated Plan

The Consolidated Plan serves as:

- A planning document which builds on a comprehensive consultation and citizen's participation process.
- An application for HUD funds.
- A strategy for housing, homelessness, community development, and economic development.
- An annual business plan that presents an investment strategy for CDBG.

It contains six major components:

- A housing market analysis.
- An assessment of housing, homelessness, community development, economic development, and related needs.
- A description of priority needs.
- Long-term strategies to address those priority needs.
- An explanation of how the City will work with its partners in the public, private, and nonprofit sectors to carry out these strategies.
- A description of annual projects and activities the Redevelopment Agency Department will take to carry out those strategies—also called an Annual Action Plan.

Each component serves a specific purpose. The housing market analysis and needs assessment allow the City to determine existing needs. Identifying needs helps the City set priorities for its CDBG programs. Finally, assessing needs and identifying priorities allows the City, with the advice of citizens and partner organizations, to set five-year strategies to address the priority needs. The City staff then proposes how to invest CDBG funds for projects in the coming program year to carry out those five-year strategies.

The Annual Action Plan and CAPER:

To receive CDBG funds, the City must produce an Annual Action Plan each year. The Annual Action Plan describes the City's planned investments for the coming program year, including proposed actions for proposed CDBG projects.

The Annual Action Plan is similar to a yearly operating plan for a business. It outlines the City's proposed activities in several areas and relates these activities back to the five-year strategies to address priority needs described in the Consolidated Plan.

The City must also submit a Consolidated Annual Performance and Evaluation Report (CAPER) each year. The CAPER reports the City's progress in meeting its proposed actions and projects, as well as its progress in carrying out the Consolidated Plan's five-year strategies. The CAPER is similar to an annual report to stockholders except, with this example, the stockholders are citizens and taxpayers.

1. Consolidated Plan Goals

Lancaster must use its CDBG funds to provide decent housing, a suitable living environment, and expanded economic opportunity for its residents, particularly those earning low- to moderate-incomes. The statutes¹ for the Federal grant programs covered by the Consolidated Plan set forth three basic goals against which HUD will evaluate the City's performance:

Provide decent housing, which includes activities to:

- Help homeless people obtain appropriate housing.
- Assist people threatened with homelessness.
- Retain the affordable housing stock.
- Make available permanent housing that is accessible to job opportunities and is affordable to low-income people and families without discrimination.
- Increase the supply of supportive housing for persons with special needs.

Provide a suitable living environment, which includes activities to:

- Improve safety and livability of neighborhoods.
- Increase access to quality facilities and services.
- Reduce isolation of income groups within an area through decentralization of housing opportunities and revitalization of deteriorating neighborhoods.

¹ The Housing and Community Development Act and the National Affordable Housing Act (as amended).

- Restore and preserve properties of special value for historic, architectural, or aesthetic reasons.
- Conserve energy resources.

Expand economic opportunity, which includes activities to:

- Create and retain jobs, especially for low-income people.
- Expand small businesses.
- Provide public services concerned with employment.
- Increase access to capital and credit for development activities that promote the long-term socioeconomic viability of the city.
- Empower low-income persons to achieve self-sufficiency to reduce generations of poverty in federally-assisted public housing.

2. Institutional Structure

The City's Redevelopment Agency Department prepared this Consolidated Plan to promote these statutory goals through a collaborative process that encourages citizen participation and collaboration among organizations. It views these goals as an opportunity to extend and strengthen partnerships among organizations in the public, private, and nonprofit sectors.

3. Lead Agency

As described in the Community Vision section, the Redevelopment Agency Department is one of the primary entities that carries out the vision of the Consolidated Plan. As advised by the CDBG Advisory Committee, the Redevelopment Agency Department carries out policies and programs designed to help neighborhoods, whether they are places or groups of citizens sharing a common goal, achieve a high quality of life for all of the city's residents.

The *City of Lancaster 2005-2009 Consolidated Plan* is the primary way the Redevelopment Agency Department, as advised by the CDBG Advisory Committee, carries out this mission. The Redevelopment Agency Department, along with its housing and community development partners in the Lancaster, carries out the five-year strategies in the Consolidated Plan.

C. Citizen Participation & Consultation Plan for 2005-2009

The Redevelopment Agency Department must develop and follow a Citizen Participation Plan to receive Federal funds for the Community Development Block Grant (CDBG) programs. The Citizen Participation Plan covers the five-year Consolidated Plan, each subsequent Annual Action Plan, each year's Consolidated

Annual Performance and Evaluation Report, and any Amendments to the Consolidated Plan or its five Annual Action Plans.

1. Purpose

The City of Lancaster is an entitlement jurisdiction receiving Community Development Block Grant (CDBG) funds directly from the U.S. Department of Housing and Urban Development (HUD). Pursuant to the program regulations, the City is required to prepare a five-year Consolidated Plan and annual updates to guide and report on the use of CDBG funds. Annual reviews of program performance are also required.

This Citizen Participation Plan sets forth the City of Lancaster's policies and procedures for citizen participation in the development of the Consolidated Plan Documents and any subsequent amendments. The Citizen Participation Plan provides an opportunity for nonprofit service agencies and the community to work in partnership with the City to identify needs and allocate CDBG funds. While this plan encourages the participation of all citizens, special assurances will be made to ensure the participation of the following: extremely low-, low-, and moderate-income persons; persons living in areas where federal funds are proposed to be used; residents of assisted housing; low income residents of target revitalization areas; minorities; non-English speaking persons; and persons with physical disabilities.

2. Definitions

For purposes of the CDBG programs, the following definitions will apply:

Consolidated Plan Documents (CPD) - For the CDBG programs for the City of Lancaster, the Consolidated Plan Documents will include the following:

- Five-Year Consolidated Plan
- Five-Year Analysis of Impediments to Fair Housing Choice
- Citizen Participation Plan
- One Year Action Plan
- Consolidated Annual Performance Evaluation and Report (CAPER)

Low- and Moderate- Income Households - Pursuant to HUD regulations, the primary beneficiaries of the CDBG program should be low- and moderate-income households, defined by HUD as follows:

Extremely Low-Income Household - 0-30% County Median Family Income (MFI).

Low-Income - 31-50% County MFI.

Moderate-Income - 51-80% County MFI.

Low- and Moderate-Income Area - Generally defined as a census tract(s) or block group(s) in which a minimum of 51 percent of the residents have an income not exceeding 80 percent of the County median income.

Slum or Blighted Area - An area meeting the definition of a slum, blighted, deteriorated or deteriorating area under State or local law, typically identified as a Redevelopment Project Area, or where there are a substantial number of deteriorating or dilapidated buildings and/or improvements throughout the area.

3. Citizen Participation Strategy

The City of Lancaster recognizes that CDBG funds are federal tax money returned to the City to be used primarily to benefit extremely low-, low-, and moderate-income persons. City staff and officials are stewards of this public money and will openly discuss all records, except those confidential records protecting a household's privacy.

4. Decision Making Bodies

The City of Lancaster has established a CDBG Advisory Committee to assist the City Council in making funding decisions relating to the CDBG programs. The functions and makeup of this group are described below.

CDBG Advisory Committee:

The CDBG Advisory Committee is comprised of a representative each from the Redevelopment Agency, Community Development Department, and the Finance Department. The CDBG Advisory Committee will perform in an advisory manner to the City Manager and City Council concerning planning, implementing, and assessing the CDBG programs/activities related to public service, capital expenditures, and administration expenditures. In addition, the CDBG Advisory Committee will review all public service grant applications for funding and will recommend funding priorities to the City Council.

This will be accomplished through the following tasks:

- Information dissemination during the CDBG application process, and other HUD application processes as applicable;
- Preparation of project recommendations for City Council review and final approval; and
- Review of project/program progress.

City Council:

After reviewing the recommendations on capital outlay projects, administration, and public service projects made by the CDBG Advisory Committee and considering public testimony and comments, the City Council shall make the final funding determinations for the CDBG funds.

5. Program Planning Process

The City of Lancaster will adhere to the following citizen participation process when conducting program planning and reporting for the CDBG programs.

a. Citizen Participation Plan

i. Plan Development

a) Plan Considerations

As a part of the Citizen Participation Plan (CITIZEN PARTICIPATION PLAN) process, and prior to the adoption of the Consolidated Plan, the City will make available the information required to perform relevant informed decisions. This information will be made available to citizens, public agencies, and other interested parties.

The information to be supplied will include: the amount of funding that the City expects to receive, the range of activities that may be undertaken, and the amount of funds that will benefit persons of low- and moderate-income.

The City shall also: provide an assessment of community development and housing needs, identify short-term and long-term community development objectives directed toward the provision of decent housing and the expansion of economic opportunities primarily for persons of low- and moderate-income.

Additionally, the City must attest to its compliance with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24, as effectuated by the City's adopted Residential Anti-Displacement and Relocation Assistance Plan, as required under Section 104(d) of the Housing and Community Development Act of 1974, as amended.

b) Plan Review and Comment

The Draft Citizen Participation Plan shall be made available for public review for a 30-day period. Written comments will be accepted during the 30-day public review. A summary of the comments, views, and City responses shall be attached to the public hearing draft of the Citizen Participation Plan.

c) Public Hearing

The City Council shall conduct a public hearing to accept public comments on the draft Citizen Participation Plan. After public comments are heard and considered by the City Council, it shall approve the Citizen Participation Plan.

ii. Plan Amendment

The City can make amendments to the Citizen Participation Plan through the following amendment process:

a) Public Review and Comment

Substantial amendments to the Citizen Participation Plan may be made available for public review for a 30-day period. Written comments will be accepted during the 30-day public review. A summary of the comments, views, and City responses will be attached to the public hearing draft of the Citizen Participation Plan.

b) Public Hearing

The City Council shall conduct a public hearing to accept public comments on the draft amended Citizen Participation Plan. After public comments are heard and considered by the City Council, it shall approve the amended Citizen Participation Plan.

b. Five-Year Consolidated Plan

i. Plan Development

During the development of the Five-Year Consolidated Plan, the City will consult the following services/agencies to solicit their input on housing and community development needs:

- Health Services Providers
- Social Services for: Children, Elderly, Disabled, Homeless, Persons With AIDS
- State and Local Health Agencies

- Adjacent Local Governments
- Economic Development Interests
- Public Housing Agency

A variety of mechanisms may be utilized to solicit input from these persons/service providers/agencies. These include telephone or personal interviews, mail surveys, and consultation workshops.

ii. Public Review and Comment

The Draft Consolidated Plan will be made available for public review for a 30-day period. Written comments will be accepted during the 30-day public review. A summary of the comments and views, and City responses shall be attached to the Consolidated Plan.

iii. Public Hearings

The City will conduct a public hearing/meeting to accept public input on community needs during the development stage of the Draft Consolidated Plan. The City Council will also conduct a public hearing to accept comments on the Draft Consolidated Plan which will be provided for public review for a 30-day period (see above).

iv. Plan Amendment

Substantial Change:

The City will formally amend its approved Five-Year Consolidated Plan whenever a decision is made to propose a substantial change in allocation priorities or method of distribution of funds.

For the purpose of the Five-Year Consolidated Plan, a "substantial change" will constitute a cumulative change equal to or in excess of 20% of the City's CDBG entitlement for a program year.

For example, if the Five-Year Consolidated Plan's Priority Needs Summary Table indicates a "Low Priority Need" for multi-family housing rehabilitation, and during the five-year time frame, the City changes the priority level to "High" in order to implement a multi-family rehabilitation program using 20% or more of the City's annual CDBG allocation; this change would constitute a substantial change to the Five-Year Consolidated Plan and a formal amendment to the Plan is required.

Changes in the allocation priorities not amounting to 20% of the entitlement will not be considered as a substantial change to the Five-

Year Consolidated Plan; therefore, no formal amendment to the Plan requiring public review and comment will be warranted. City Council approval of the priority changes is still required.

However, if a program or type of programs is indicated in the Five-Year Consolidated Plan as "No Such Need," the City will need to amend the Consolidated Plan in order to implement the program(s) regardless of the level of funding. A change from "No Such Need" to a Low, Medium, or High level priority is considered by HUD as a substantial amendment to the Consolidated Plan.

v. Public Review and Comment

Substantial amendments to the Consolidated Plan will be made available for a 30-day public review. Written comments will be accepted during the 30-day public review. A summary of the comments and views, and City responses must be attached to the amendment.

vi. Public Hearings

The City Council will conduct a public hearing/meeting to accept public input on any amendment to the Consolidated Plan.

c. One Year Action Plan

i. Plan Development

In addition to Lancaster residents, the City will ensure that public (including City staff) and private agencies that provide the following services will be consulted in the development of the Action Plan:

- Health Services Providers
- Social Services for: Children, Elderly, Disabled, Homeless, Persons With AIDS
- State and Local Health Agencies
- Adjacent Local Governments
- Economic Development Interests
- Public Housing Agency

These persons/service providers/agencies will be contacted and brought into the process in the following manner:

- Each year, the City may send a written Notice of Funding Availability (NOFA) to cooperating departments and nonprofit

agencies advising them that the planning cycle has begun for CDBG funds, and that the City is accepting project proposals.

- City staff will conduct outreach to special interest groups in Lancaster, such as senior citizens and the disabled, and make presentations on the Action Plan to these groups where necessary.
- The City will conduct an eligibility analysis on all project proposals submitted and review the eligible proposals for service provider grants. The review for funding consideration will be conducted by the CDBG Advisory Committee.

ii. Public Review and Comment

The Draft Action Plan incorporating the City's proposed uses of CDBG funds will be made available for public review for a 30-day period. Written comments will be accepted during the 30-day public review. A summary of the comments and views, and City responses will be attached to the Action Plan.

iii. Public Hearings

The CDBG Advisory Committee may hold a public meeting to discuss the eligible project proposals and funding recommendations for both public service grant and capital outlay projects and make funding decisions. The Council will conduct a public hearing to accept comments on the Draft Action Plan which will be provided for public review for a 30-day period (see above).

iv. Action Plan Amendment

Substantial Change:

The City will formally amend its approved Action Plan whenever a decision is made to propose a substantial change to the Plan, either by:

- carrying out an activity not previously described in the Action Plan;
- canceling an activity previously described in the Action Plan;
- Increasing or decreasing the amount to be expended on a particular activity from the amount stated in the Action Plan by more than 25 percent. In cases where the City Manager determines that there is urgency for the increase, such an increase can be made by no more than 50 percent. An example of such urgency is in the case where street improvements are underway and a modification requiring an increase of more than 25% to the original allocation is necessary to

complete the project. The time necessary to process an amendment would promote a safety issue to the residents of the City; or

- substantially changing the purpose, scope, location, or beneficiaries of an activity.

Changes in funding for an existing activity not amounting to more than 25 percent will not be considered as a substantial change to the One Year Action Plan; no formal amendment to the Action Plan requiring public review and comment will be warranted. However, City Council approval of the activity funding changes is still required.

v. Public Review and Comment

Substantial amendments to the Action Plan will be made available for a 30-day public review. Written comments will be accepted during the 30-day Public review. A summary of the comments and views, and City responses must be attached to the Action Plan.

vi. Public Hearings

The City Council will conduct a public hearing/meeting to accept public input on any amendment to the One-Year Action Plan.

d. Consolidated Annual Performance and Evaluation Report (CAPER) Plan Development

i. Public Review and Comment

The Consolidated Annual Performance and Evaluation Report (CAPER) will be made available for a 15-day public review. Written comments will be accepted during the 15-day public review. A summary of the comments and views, and City responses must be attached to the CAPER.

ii. Public Hearing

The City Council will conduct a public hearing to accept public input on the Consolidated Annual Performance and Evaluation Report (CAPER).

e. Five-Year Analysis of Impediments (AI) to Fair Housing Choice

i. Plan Development

During the development of the Five-Year AI, the City will consult the following groups/agencies to solicit their input on fair housing issues in the City:

- Fair Housing Organizations
- Other local governments
- Advocacy groups for special needs households
- Affordable housing providers
- Banks and other financial institutions
- Educational institutions

A variety of mechanisms may be utilized to solicit input from these groups/agencies. These include telephone or personal interviews, mail surveys, and consultation workshops.

ii. Public Review and Comment

The Draft AI will be made available for public review for a 30-day period. Written comments will be accepted during the 30-day public review. A summary of the comments and views, and City responses must be attached to the AI.

iii. Public Hearings

The City will conduct a public hearing/meeting to accept public input on fair housing issues during the development stage of the Draft AI. The City Council will also conduct a public hearing to accept comments on the Draft AI which will be provided for public review for a 30-day period (see above).

6. Public Notification

a. Public Meetings and Hearings

Staff will ensure adequate advance notice of all public meetings and hearings. Adequate noticing will include:

- Printing notices in the Antelope Valley Press and/or other newspapers of general circulation in the City.
- Posting notices at City Hall, the Lancaster Public Library, Redevelopment Agency Department, and the City Clerk's office.

Notices will be posted at least 10 days prior to the meeting date.

b. Documents for Public Review

Notices of availability of all draft Consolidated Plan Documents (CPD) for public review and a summary of the CPD will be published in a display ad in the Antelope Valley Press. Additionally, Notices of Availability will be posted at City Hall, the Lancaster Public Library, Redevelopment Agency Department, and the City Clerk's office.

7. Access to Meetings

All public hearings will be conducted at the following location:

City Council Chambers,
Lancaster City Hall
44933 N. Fern Avenue
Lancaster, CA 93534

Spanish translation is available at all public hearings if requested in advance at least 72 hours prior to the public hearing.

It is the intention of the City to comply with the Americans with Disabilities Act (ADA) in all respects. If an attendee or participant at a public hearing needs special assistance beyond what is normally provided, the City will attempt to accommodate these people in every reasonable manner. The City Clerk must be notified at least 72 hours prior to the public hearing.

8. Availability of Documents for Public Review

The City will place draft copies of the Consolidated Plan Documents and substantial amendments to these documents for public review at the following locations:

- City of Lancaster Redevelopment Agency Dept.
- Lancaster City Hall
- City Clerk's office
- Lancaster Public Library

The City will provide a reasonable number of free copies of the documents to citizens and groups upon request. Notices of Availability of draft documents for public review will be published as specified in the Citizen Participation Plan.

9. Access to Records

The City will ensure timely and reasonable access to information and records related to the development of the Consolidated Plan Documents (CPD), and the use of monies for programs funded by CDBG. Information to be made available will include budget and program performance information, meeting minutes, and comments received by the City during the development of the CPD.

Requests for information and records must be made to the City of Lancaster in writing. Staff will respond to such requests within 15 working days or as soon as possible thereafter.

10. Technical Assistance

Upon request, staff may provide technical assistance to groups representing extremely-low, low-, and moderate-income persons to develop funding requests for CDBG eligible activities. Technical assistance will be provided as follows:

- Establish an annual project proposal submission and review cycle (NOFA) that provides information, instructions, forms and advice to interested extremely low-, low- and moderate-income citizens or representative groups so that they can have reasonable access to the funding consideration process.
- Provide self-explanatory project proposal forms and instructions to all persons who request them whether by telephone or by letter. The City's funding application form is designed to be easily understood and short, while still addressing all key items necessary to assess the proposed project. Statistics concerning specific areas of the City may be furnished by City staff upon request.
- Answer, in writing, all written questions and answer verbally all verbal inquiries received from citizens or representative groups regarding how to write or submit eligible project proposals.
- Meet with groups or individuals as requested, to assist in identifying specific needs and to assist in preparing project proposal applications.
- Obtain information in the form of completed project proposal forms from citizens or non-profit agencies and assemble a list of proposals available for public review.
- Conduct a project eligibility analysis to determine, at an early stage, the eligibility of each project. In cases where only minor adjustments are needed to make proposals eligible or otherwise practical, City staff will advise the applicants on the options available and desired changes to the proposals.

- Provide bilingual translation on as needed basis.

11. Comments and Complaints

a. Comments

Citizens or the City government, as well as agencies providing services to the community, are encouraged to state or submit their comments in the development of the CPD and any amendments to the CPD. Written and verbal comments received at public hearings or during the comment period, will be considered and summarized, and included as an attachment to the City's final CPD. Written comments should be addressed to:

City of Lancaster
Redevelopment Agency Department
Lancaster City Hall
44933 N. Fern Avenue
Lancaster, CA 93534

A written response will be made to all written comments within ten working days, acknowledging the letter and identifying a plan of action, if necessary. Every effort will be made to send a complete response within 15 working days to those who submit written proposals or comments.

Copies of the complete final CPD and amendments to the CPD will be available to residents at the following locations:

- City of Lancaster Redevelopment Agency Dept.
- Lancaster City Hall
- City Clerk's office
- Lancaster Public Library

b. Complaints

Complaints regarding the CPD planning process and CPD amendments must be made within 30 days from the date the document is published for comment. A written response will be made to all written complaints within 15 working days, acknowledging the letter and identifying a plan of action, if necessary.

The City will accept written complaints provided they specify:

- The description of the objection, and supporting facts and data.

- Provide name, address, telephone number, and a date of complaint.

12. Bilingual Opportunities

Wherever a significant number of extremely low- and low-income persons speak and read a primary language other than English, translation services at all public hearings will be provided in such language if translation services are available and are requested in advance at least 72 hours prior to the public meeting.

13. Appeals

Appeals concerning the CPD, statements, or recommendations of the staff should be made to the following persons in the order presented:

- Redevelopment Agency Director
- City Manager
- City Council
- Los Angeles Area Office of HUD (if concerns are not answered)

D. Community Involvement in the 2005-2009 Consolidated Plan

The City of Lancaster views the Consolidated Plan as an opportunity to invest its CDBG resources. It urges citizens to voice their concerns and share their ideas concerning community development, affordable housing, and homelessness. It encourages all residents, especially those living in low- and moderate-income neighborhoods, to participate in the planning process.

The Consolidated Plan process brings government agencies, community organizations, service providers, and city residents together to address the larger picture in which housing and community development programs operate. The City encourages agencies, businesses, and community groups to share their comments on needs, strategies, and proposed projects.

1. Summary of Citizen Participation

The Redevelopment Agency Department developed the *City of Lancaster 2005-2009 Consolidated Plan* using substantial citizen participation and consultation. The process offered numerous opportunities for public input, comment, and review:

Community meetings to garner citizen comments on the needs of the community were held on Thursday, November 18, 2004, at 6:00 p.m. at Lancaster City Park, Game Room, 43011 N. 10th Street West and on Saturday, November 20, 2004, at 10 a.m. at the Skytower Park located at K-4 and 32nd Street East., Lancaster, CA 93534. A Needs Assessment survey was distributed to residents and

Community Based Organizations to communicate their comments on community development needs housing, public housing, non-housing community development, and homeless needs.

The CDBG Advisory Committee reviewed the needs, priorities, and five-year strategies in the City of Lancaster 2005-2009 Consolidated Plan as well as the proposed projects and activities in the City's 2005 Annual Action Plan. Consultation with several groups was conducted regarding the needs, priorities, and five-year strategies in the City of Lancaster 2005-2009 Consolidated Plan as well as the proposed projects and activities in the City's 2005 Annual Action Plan.

A 30-day public comment period was provided to allow residents an opportunity to obtain and review the draft copy of the Consolidated Plan. In addition, the City of Lancaster 2005-2009 Consolidated Plan was distributed at the following places:

- City of Lancaster Redevelopment Agency Dept.
- Lancaster City Hall
- City Clerk's office
- Lancaster Public Library

2. Residents Survey

A needs Assessment survey (see Appendix "A") was distributed at various public facilities located throughout the City and mailed to Community Based Organizations to garner citizen comments on the needs of the community. The survey was broken down into seven sections. The sections were Community Facilities, Community Services, Infrastructure, Neighborhood Services, Special Needs Services, Business and Jobs, and Housing. The survey asked the residents to rate the need level for each of the items listed in the survey. The survey was provided in English and in Spanish in an effort to reach the Spanish speaking residents of the City. The results of the survey are also included in Appendix "A."

3. Community Meetings for Consolidated Plan

To garner the opinion of Lancaster's residents on community needs, the Redevelopment Agency Department held two town meetings in neighborhood facilities throughout the community at times and locations convenient to the public, particularly actual and potential beneficiaries of program activities. The town meetings were held on the following dates and locations:

- Thursday, November 18, 2004, at 6:00 p.m. at Lancaster City Park, Game Room, 43011 N. 10th Street West
- Saturday, November 20, 2004, at 10 a.m. at the Skytower Park located at K-4 and 32nd Street East.

At each meeting, a Redevelopment Agency Department staff member received comments on affordable housing, public housing, homelessness, and non-housing community development needs. There were no attendees at any of the two public meetings.

4. Citizen Participation and Consultation Opportunities

The Redevelopment Agency Department engaged in comprehensive outreach to City residents, organizations, and businesses regarding the needs and strategies in the Consolidated Plan.

a. CDBG Advisory Committee Review

Members of the CDBG Advisory Committee advised the Redevelopment Agency Department on the needs, priorities, and five-year strategies in the Consolidated Plan. The CDBG Advisory Committee also advised staff on proposed projects and actions in the 2005 Annual Action Plan.

As the Department's official advisory group, the CDBG Advisory Committee provides opinions regarding the Department's programs and policies, particularly regarding CDBG. Therefore, the CDBG Advisory Committee discussed needs, strategies, and projects at their scheduled meetings. In addition, the Department made available the draft of the Consolidated Plan to the CDBG Advisory Committee to allow members an opportunity for substantive review and comment.

b. Consultation and Review by Community Organizations

As part of its research on the needs of low-income residents—and the development of strategies to address these needs—the Redevelopment Agency Department consulted with public, private, and nonprofit organizations in the city that provide housing and community development resources, programs, and services.

c. Public Comment Period

The Redevelopment Agency Department held a 30-day public comment period beginning March 25, 2005. During this comment period, it encouraged City residents to provide their verbal or written comments about the Consolidated Plan's proposed five-year funding goals for housing,

homelessness, economic development, and community development needs—and its strategies, activities, and projects.

d. Distribution of Draft Consolidated Plan

To provide an easy way for citizens to comment during the public comment period, the Redevelopment Agency Department put the City of Lancaster 2005-2009 Consolidated Plan on its Website. It also distributed copies of the draft plan to the local library and other public facilities. Finally, it provided copies to anyone who called or wrote. The plan is also available on CD-ROM, by E-mail, and in hard copy from the City Clerk's Department.

e. Public Hearing

During the public comment period, Redevelopment Agency Department also encouraged city residents to attend a public hearing held by the City Council in April 26, 2005 in the Lancaster City Hall, Council Chambers located at 44933 N. Fern Avenue, Lancaster, CA 93534. The Redevelopment Agency Department placed a public notice in The Antelope Valley Press.

Appendix "E" contains the public notice, as well as a summary of public comments and the City's response. These responses include comments made at the public hearing and the City's response to comments not incorporated into the final Consolidated Plan and 2005 Annual Action Plan.

f. Citizen Comments

The Redevelopment Agency Department will summarize oral comments from public hearings and any written comments it receives concerning the Consolidated Plan Annual Action Plan, or CAPER. Each document will contain a summary of any comments received concerning that document in an Appendix. Lancaster residents may obtain copies of the full version of written or public hearing comments by contacting the City Clerk's Department.

E. Anti-Displacement and Relocation Plan

The City's Citizen Participation Plan must include an Anti-displacement and Relocation Plan that describes how it will help persons who must be temporarily relocated or permanently displaced due to the use of CDBG funds. This plan takes effect whenever the City funds projects that involve the following:

- Property acquisition.

- Potential displacement of people from their homes and the need to relocate people (either permanently or temporarily).
- The demolition or conversion of low- and moderate-income dwelling units.

1. Background

Two acts apply whenever any of the above issues are present: the Uniform Relocation Assistance and Real Property Policies Act of 1970 (URA) and Section 104(d) of the Housing and Community Development Act of 1974. Each of these acts places different obligations on the City.

The URA governs the processes and procedures which the City and the Redevelopment Agency Department must follow to minimize the burden placed on low- and moderate-income tenants, property owners, and business owners who must move (either temporarily or permanently) as the result of a project funded in whole or in part by the CDBG and HOME programs.

The URA applies to:

- Displacement that results from acquisition, demolition, or rehabilitation for HUD-assisted projects carried out by public agencies, nonprofit organizations, private developers, or others.
- Real property acquisition for HUD-assisted projects (whether publicly or privately undertaken).
- Creation of a permanent easement or right of way for HUD-assisted projects (whether publicly or privately undertaken).
- Work on private property during the construction of a HUD-assisted project even if the activity is temporary.

2. What is Displacement?

Displacement occurs when a person **moves** as a **direct result** of federally assisted acquisition, demolition, conversion, or rehabilitation activities, because he or she is:

- Required to move, or
- Not offered a decent, safe, sanitary and affordable unit in the project, or
- Treated “unreasonably” as part of a permanent or temporary move.
- A person may also be considered displaced if the necessary notices are not given or provided in a timely manner and the person moves for any reason.

3. **What is a Displaced Person?**

The term *displaced person* means any person that moves from real property or moves his or her personal property from real property permanently as a direct result of one or more of the following activities:

- Acquisition of, or written notice of intent to acquire, or initiation of negotiations to acquire, such real property, in whole or in part, for a project.
- Rehabilitation or demolition of such real property for a project.
- Rehabilitation, demolition, or acquisition (or written notice of intent) of all or a part of other real property on which the person conducts a business or farm operation, for a project.
- Lancaster offers advisory and financial assistance to eligible tenants (or homeowners) who meet the above definition.

4. **Persons Not Eligible for Assistance**

A person is not eligible for relocation assistance under the provisions of the URA if any of the following occurs:

- The person was evicted for serious or repeated violations of the terms and conditions of the lease or occupancy agreement, violation of applicable federal, state, or local law, or other good cause. However, if the person was evicted only to avoid the application of URA, then that person is considered displaced and is eligible for assistance.
- The person has no legal right to occupy the property under state or local law.
- The City determines that the person occupied the property to obtain relocation assistance and the HUD Field Office concurs in that determination.
- The person is a tenant-occupant that moved into the property after a certain date, specified in the applicable program regulation, and, before leasing and occupying the property, Lancaster or its subgrantee provided the tenant-occupant written notice of the application for assistance, the project's impact on the person, and the fact that he or she would not qualify as a “displaced person” because of the project.
- The person is a tenant-occupant of a substandard dwelling that is acquired or a tenant-occupant of a dwelling unit to which emergency repairs are undertaken and the HUD field office concurs that:
 - Such repairs or acquisition will benefit the tenant;

- Bringing the unit up to a safe, decent, and sanitary condition is not feasible;
- The tenant's new rent and average estimated monthly utility costs will not exceed the greater of: the old rent/utility costs or 30 percent of gross household income; and
- The project will not impose any unreasonable change in the character or use of the property.
- The person is an owner-occupant of the property who moves because of an "arm's length" acquisition.
- Lancaster or its subgrantee notifies the person that they will not displace him or her for the project.
- The person retains the right of use and occupancy of the real property for life following the acquisition.
- Lancaster determines that the person is not displaced as a direct result of the acquisition, rehabilitation, or demolition for the project and the HUD field office concurs in the determination.

5. Minimizing Displacement

As a general philosophy, the City of Lancaster will take reasonable steps to minimize displacement occurring as a result of its CDBG activities. This means that the Redevelopment Agency Department will:

- Consider if displacement will occur as part of funding decisions and project feasibility determinations.
- Assure, whenever possible that occupants of buildings to be rehabilitated are offered an opportunity to return.
- Plan substantial rehabilitation projects in "stages" to minimize displacement.
- Meet all HUD notification requirements so that affected persons do not move because they have not been informed about project plans and their rights.

6. Anti-Displacement Policy:

Lancaster's policy is to minimize, to the greatest extent feasible, the displacement, whether permanently or temporarily, of persons (families, individuals, businesses, nonprofit organizations, or farms) from projects funded with CDBG involving single- or multi-family rehabilitation, acquisition,

commercial rehabilitation, demolition, economic development, or capital improvement activities.

Projects that the City of Lancaster deems beneficial, but that may cause displacement, may be recommended and approved for funding only if Lancaster or its subgrantee demonstrates that such displacement is necessary and vital to the project and that they take efforts to reduce the number of persons displaced. Further, they must clearly demonstrate that the goals and anticipated accomplishments of a project outweigh the adverse effects of displacement imposed on persons who must relocate.

7. Displacement Assistance

Consistent with the goals and objectives of the CDBG programs, Lancaster will take all reasonable steps necessary to minimize displacement of persons, even temporarily. If displacement occurs, the City will provide relocation assistance to all persons directly, involuntarily, and permanently displaced according to HUD regulations.

If the City of Lancaster temporarily displaces a low- or moderate-income household, that household becomes eligible for certain relocation payments. The assistance applies to those persons residing in the residence at the time the application is processed and is based on the following procedures:

- If the structure and its occupants are determined eligible for temporary relocation assistance, the owner-occupants and tenants are eligible for the actual reasonable cost (based on fair market rent) of temporary lodging facilities until the structure is determined habitable by Lancaster’s housing inspector.
- Lancaster must approve housing and the Lessor and Lessee must sign a rent agreement before move-in. Housing must be comparable functionally to the displacement dwelling and be decent, safe, and sanitary. This does not mean that the housing must be in comparable size. The term “functionally equivalent” means that it performs the same function, has the same principal features present, and can contribute to a comparable style of living. Approved lodging accommodations include apartments and houses. Lancaster does not reimburse “rental expenses” for living with a friend or family member.
- Either Lancaster will provide the owner-occupants and tenants a direct payment for moving expenses (to and from temporary housing) and storage costs, or Lancaster will arrange moving and storage of furniture with a moving company. If Lancaster makes a direct payment, complete documentation and receipts are necessary to process claims when storage costs exceed the amount assumed by the direct payment.

- Damage deposits, utility hookups, telephone hookups and insurance costs are not eligible for reimbursement.
- The City may pay the cost of relocation assistance from Federal funds or funds available from other sources.

8. One-For-One Replacement Dwelling Units

Lancaster will generally avoid awarding funds for activities resulting in displacement. However, should Lancaster fund an activity, specific documentation is required to show the replacement of all occupied and vacant dwelling units demolished or converted to another use. Lancaster will assure that relocation assistance is provided as described in 24 CFR 570.606(b)(2).

Before obligating or expending funds that will directly result in such demolition or conversion, Lancaster will make public and submit to the HUD field office the following information in writing:

- A description of the proposed assisted activity.
- The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as low- and moderate-income units.
- A time schedule for the commencement and completion of the demolition or conversion.
- The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement units.
- The source of funding and a time schedule for the provision of replacement dwelling units.
- The basis for concluding that each replacement dwelling unit will remain a low- and moderate-income unit for at least ten years from the date of initial occupancy.

Consistent with the goals and objectives of the CDBG program, Lancaster will take all reasonable steps necessary to minimize displacement of persons from their homes. The City will avoid funding projects that cause displacement of persons or businesses and will avoid funding any project that involves the conversion of low- and moderate-income housing to non-residential purposes.

9. Decent, Safe and Sanitary Dwelling

The basic definition is found at 49 CFR 24.2(1). The term decent, safe, and sanitary dwelling means a dwelling that meets the following standards and any other housing and occupancy codes that are applicable. It will:

- Be structurally sound, weather tight, and in good repair.
- Contain a safe electrical wiring system adequate for lighting and other devices.
- Contain a safe heating system capable of sustaining a healthful temperature for the displaced person.
- Be adequate to accommodate the displaced person. There will be a separate, well lit, ventilated bathroom that provides privacy to the user and contains a toilet, sink, and a bathtub or shower, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system. There should be a kitchen area that contains a fully usable sink, properly connected to hot and cold water and to a sewage drainage system, and adequate space and utility service connections for a stove and refrigerator.
- Contain unobstructed egress to safe, open space at ground level.
- For a mobility-impaired person, be free of any barriers that would preclude reasonable ingress, egress, or use of the dwelling by such person. This requirement will be satisfied if the displaced person elects to relocate to a dwelling that he or she selects and the displaced person determines that he or she has reasonable ingress, egress, and the use of the dwelling.
- Comply with lead-based paint requirements of 24 CFR Part 35.

10. Real Property Policies

The City and its CDBG recipients must follow specific guidelines regarding the acquisition and use of real property funded in whole or in part with CDBG funds.

11. Use of Real Property

The following standards apply to real property within the recipient's control and acquired or improved, in whole or in part, using CDBG funds. These standards will apply from the date funds are first spent for the property until five years after the project is audited and closed.

A recipient may not change the use of any such property (including the beneficiaries of such use) from that for which the acquisition or improvement was made unless the recipient gives affected citizens reasonable notice of, and opportunity to comment on, any such proposed change, and either:

- The use of such property qualifies as meeting a national objective and is not a building for the general conduct of government.
- The requirements in the paragraph below are met.

- If the recipient determines, after consultation with affected citizens, that it is appropriate to change the use of property to a use that does not qualify under the above paragraph, it may retain or dispose of the property. The Lancaster CDBG program must be reimbursed in the amount of the current fair market value of the property less any portion attributable to expenditures of non-federal funds for the acquisition of and improvements to the property.
- If the change of use occurs within five years of the project being audited and closed, income from the disposition of the real property will be returned to the Lancaster CDBG program.
- Following the reimbursement of the federal program pursuant to the above paragraph of this section, the property is no longer subject to any federal requirements.

12. Real Property Acquisition

All real property acquisition activities described in this section and funded in whole or in part with CDBG funds and all real property that must be acquired for an activity assisted with Federal funds, regardless of the actual funding source for the acquisition, are subject to the URA (as amended).

a. What is Real Property Acquisition?

Real property acquisition is any acquisition by purchase, lease, donation, or otherwise, including the acquisition of such interests as rights-of-way and permanent easements.

HUD Handbook 1378 and 49 CFR Part 24 currently contains such regulations. These regulations detail a standard procedure for acquiring property and methods of determining a purchase price and outline other documents that must be provided to the City of Lancaster before disbursement of funds. These regulations further require the applicant to provide relocation payments and assistance to any business or residential occupant of the property whom the acquisition will displace.

13. Eligible Activities

The City of Lancaster or its sub-grantee may acquire real property for a project using CDBG funds where the proposed use of the acquired property will be an activity that the City can demonstrate as beneficial to low- and moderate-income persons.

14. Environmental Review Process (24 CFR Part 58)

HUD requires that all real property acquisition projects be reviewed before the commitment of Federal funds to assess the impact of a project on the environment. Lancaster will undertake this review process. The applicant should be aware, however, that this review process may delay the date by which CDBG funds may be available and, in case of serious adverse environmental impacts, may effectively stop a project.

IV. HOUSING MARKET ANALYSIS

A. Overview

The purpose of this study is to determine the availability of affordable housing in the City of Lancaster. It is in the City's interest to ensure its housing stock contains decent and suitable affordable units, as affordable housing is the basis and foundation of self-sufficiency. For the purposes of this plan, the City will define affordable housing based on Section 215 of the National Affordable Housing Act:

- Rental Housing is considered affordable if it is (A) occupied by a household earning less than 80 percent of the area median income and (B) pays a rent no more than the existing fair market rent established by HUD.
- Owner-occupied Housing is considered affordable if it is (A) the principal residence of the owner, whose income is less than 80 percent of the area median income, and (B) the purchase price is not more than 95% of the median purchase price for the area.

In order to gauge the availability of affordable housing within the City, this study will examine the following aspects of the current housing market:

- Supply: Current Housing Stock by Size of Units, Units In Structure, and Age of Unit; Recent Permit Activity; Available Vacant Land
- Demand: Number of Households by Size and Type, Vacancy Rates; Population Growth; Economic Outlook and Job Growth
- Supply vs. Demand: Sales Data; Rent Increases; Overcrowded Housing; Cost Burdened Households

Based on the above data, the City formulated different levels of need for three income levels: moderate-income households, low-income households, and extremely-low income households. These need levels will form the basis for the City's Five-Year Strategic Plan.

- Moderate-income households earn between 50 and 80 percent of the area median income.
- Low-income households earn between 30 and 50 percent of the area median income.
- Extremely-low income households earn less than 30 percent of the area median income.

In addition to the private housing market, the City examined the inventory of public and assisted housing to determine the level of need for the following types of housing and services:

- Homeless Facilities and Services: includes Homeless Prevention, Emergency Housing, Transitional Housing, Permanent Supportive Housing, and Supportive Services
- Supportive Housing: including Elderly, Persons with Disabilities, Persons suffering from Substance Abuse, Persons living with HIV/AIDS
- Public Housing and Subsidized Housing: including Low Income Housing Tax Credit Units, Public Housing developments and Section 8, HUD multi-family developments, and locally-funded housing.

The Redevelopment Agency Department is in the process of developing a Housing Needs Assessment that will provide the City with a detailed overview of the existing housing conditions and existing housing deficiencies. The results of the Housing Needs Assessment will allow the City to invest its future CDBG, HOME, Redevelopment Agency where it will make the greatest impact. The finding will be incorporated into future Consolidated Plan documents, including an amendment to the Consolidated Plan if necessary.

B. Housing Supply

The Redevelopment Agency Department reviewed several variables of the community's housing stock in order to gain a complete understanding of the available supply of homes. This section will address the supply, tenancy, condition, and other characteristics of existing housing stock, as well as touch on future housing development.

1. Overall Supply

The overall number of housing units in Lancaster grew at a moderate rate throughout the 1990's. This is due to the fact that the City has considerable open space for both commercial and residential development. The 2000 U.S. Census indicates that Lancaster's current housing stock contains 36,217 units, an increase of 15.1 percent, or 5,465 units, from 1990.

2. Tenure

The rate of homeownership has remained relatively constant in Lancaster. The 48.2percent homeownership rate is below the national rate of 66.2 percent. It should be noted that while a rise in the homeownership rate increased

throughout the United States, homeownership in Lancaster then number of owner occupied housing units remained relatively constant at around 20,000 units. However, the number of renter occupied and vacant housing units increased by 2,580 and 3,511 units respectively. The recent increases in the cost of housing may result in homeownership being even less attainable to families of modest income.

Low interest rates on mortgages during the prior four years have given potential homeowners more buying power and have brought homeownership within reach of some families who were previously excluded when rates were higher.

**Table 4-1
Change in Household Tenure: 1990 to 2000**

Tenure	Housing Units & % of Total Units				Change in Units
	1990		2000		
Renter	12,193	33.7%	14,773	35.4%	2,580
Owner	20,708	57.2%	20,082	48.2%	-626
Vacant	3,316	9.2%	6,827	16.4%	3,511
Total	36,217		41,682		5,465

Source: 1990 and 2000 US Census

3. Housing Size

The table below provides a breakdown of the size of the housing in the City by tenure. The table shows that sixty percent of Lancaster’s housing units contain between two to three bedrooms. Twelve percent of the units are one-bedroom units. Combine these figures and 72 percent of Lancaster’s housing units contain from one to three bedrooms. Only 3 percent, or 1,146 units, are considered to be efficiencies. Two percent of the units have more than 5 bedrooms. Combined, the four and five bedroom units make up twenty-four percent of the housing units in the City.

**Table 4-2
Housing Supply: Size of Housing Units by Tenure**

Size of Housing Units by Tenure	Owner		Renter		Total	
	#	% of total	#	% of total	#	% of total
No bedroom	391	1%	755	2%	1,146	3%
1 bedroom	1,129	3%	3,627	9%	4,756	12%
2 bedrooms	3,117	8%	5,848	15%	8,965	23%
3 bedrooms	10,808	28%	3,267	9%	14,075	37%
4 bedrooms	7,081	19%	1,264	3%	8,345	22%
5 + bedrooms	868	2%	54	0%	922	2%
TOTAL	23,394	61%	14,815	39%	38,209	

* Note: Numbers do not reflect vacant units.

4. Housing Type

Single family detached units currently account for a majority of the housing stock in Lancaster. Just less than seventy percent of all units are detached single-family units while attached single-family units, such as townhouses and condominiums, account for 2.8 percent. The amount of available land does not lend toward single family housing with zero lot lines or P.U.D.'s. Should this type of higher density development become more desirable, this will be formalized with the adoption of Lancaster's Comprehensive Plan.

Existing multifamily housing is often packaged in small complexes with less than ten units. These units account for 11.8 percent of all housing stock, while structures with ten or more units account for 11.4 percent. Many of these larger structures were built between 1940 and 1980.

Mobile homes have traditionally filled a unique and useful niche for the lower income housing market in Lancaster. These units are recognized as a viable solution to the shortage of affordable housing. However, the number of mobile homes has experienced a drastic decline in recent years and currently account for 7.1 percent of housing in Lancaster, or 2,708 units. Compared to 3,787 units in 1990, this is a loss of 1,079 units, or over 28 percent.

Land in Lancaster has become too valuable to use as mobile home parks. Owners of existing parks have started to sell their land for development, leaving current residents no choice but to relocate. Renting, rather than owning, a mobile home in Lancaster is another option available to mobile home residents who are being displaced.

**Table 4-3
Housing Supply: Units in Structure by Tenure**

UNITS IN STRUCTURE BY TENURE								
Number of Units in Structure	Total Units		Owner			Renter		
	#	%	#	Share of Category	Share of Total	#	Share of Category	Share of Total
1, detached	25,476	66.7%	20,222	79%	52.9%	5,254	21%	13.8%
1, attached	1,058	2.8%	512	48%	1.3%	546	52%	1.4%
2	542	1.4%	44	8%	0.1%	498	92%	1.3%
3 or 4	1,954	5.1%	107	5%	0.3%	1,847	95%	4.8%
5 to 9	2,010	5.3%	97	5%	0.3%	1,913	95%	5.0%
10 to 19	1,152	3.0%	57	5%	0.1%	1,095	95%	2.9%
20 to 49	701	1.8%	36	5%	0.1%	665	95%	1.7%
50 or more	2,532	6.6%	43	2%	0.1%	2,489	98%	6.5%
Mobile home	2,708	7.1%	2,209	82%	5.8%	499	18%	1.3%
Boat, RV, van, etc.	76	0.2%	67	88%	0.2%	9	12%	0.0%
TOTAL:	38,209		23,394		61%	14,815		39%

Source: 2000 U.S. Census

Key Stats

- 38% of all housing units are rentals with 2 bedrooms or less.
- 69.5% of all housing units are single-family. 66.7 percent of all housing units are single-family detached. This is strength of the City.
- Twenty-one percent of single family housing units (detached) are renter occupied. This rate is comparable to that of Los Angeles County (21%) and San Gabriel Valley (20%)
- Fifty-nine percent of all housing units are renter occupied. This rate is high compared to the County (52%) and San Gabriel Valley (39%)

5. Age of Housing Stock

According to the latest Census figures, the majority of housing stock in Lancaster was built between 1970 and 1994. This coincides with one of Lancaster's booming economic growth periods. During that period, 25,094 units were built, accounting for 66 percent of the city's current housing stock. Unfortunately, many of the units were built using low quality materials that did not follow any quality or design standards. Age has taken its toll on these units, which are candidates for rehabilitation and in some cases demolition and reconstruction.

Concerning mobile homes, the condition of these homes has become more of an issue as these units age and decrease in value while the residentially zoned land where they are located becomes more valuable. When parks close, the older and

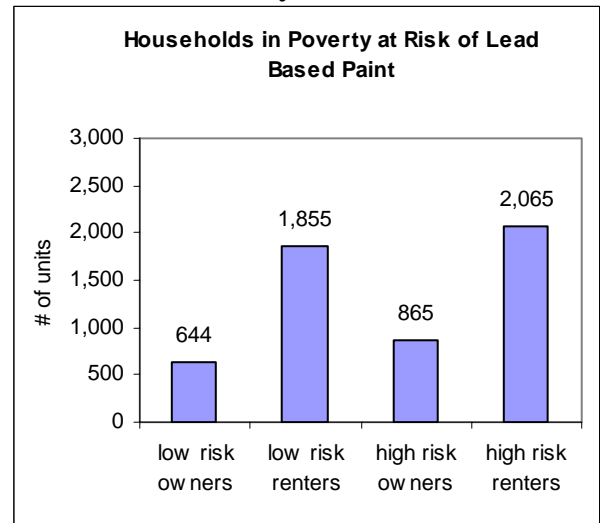
more deteriorated homes cannot be transported without renovations that are unaffordable to the owner.

Table 4-4
Age of Housing Stock: Year Unit Built by Tenure

Year Structure Built	Total Units		Owner			Renter		
	#	%	#	Share of Category	Share of Owner	#	Share of Category	Share of Rental
Built 1999 to March 2000	456	1%	372	82%	1.6%	84	18%	0.6%
Built 1995 to 1998	2,031	5%	1,595	79%	6.8%	436	21%	2.9%
Built 1990 to 1994	6,032	16%	4,190	69%	17.9%	1,842	31%	12.4%
Built 1980 to 1989	13,487	35%	7,499	56%	32.1%	5,988	44%	40.4%
Built 1970 to 1979	5,575	15%	3,292	59%	14.1%	2,283	41%	15.4%
Built 1960 to 1969	3,057	8%	1,768	58%	7.6%	1,289	42%	8.7%
Built 1950 to 1959	6,226	16%	4,183	67%	17.9%	2,043	33%	13.8%
Built 1940 to 1949	772	2%	304	39%	1.3%	468	61%	3.2%
Built 1939 or earlier	573	1%	191	33%	0.8%	382	67%	2.6%
Total:	38,209		23,394	61%		14,815	39%	

Table 4-5
Age of Housing Stock: Households in Poverty

Year Built	Owner Units	Renter Units
1999 to 2000	0	23
1995 to 1998	106	108
1990 to 1994	111	462
1980 to 1989	427	1,262
Subtotal: After 1980	644	1,855
1970 to 1979	351	690
1960 to 1969	160	429
1950 to 1959	299	632
1940 to 1949	35	210
1939 or earlier	20	104
Subtotal: Before 1980	865	2,065
Total	1,509	3,920



Key Stats

- 42% of all housing units (25,094) are more than 25 years old. Units older than 25 years typically need significant repair and rehabilitation to the roof, heating and air conditioning, and other key components.
- Housing units built before 1980 may have lead based paint hazards, especially if those units are occupied by households under the poverty line. 2,930 housing units built before 1980 are occupied by households in poverty. 70.4 percent of these units are rentals.

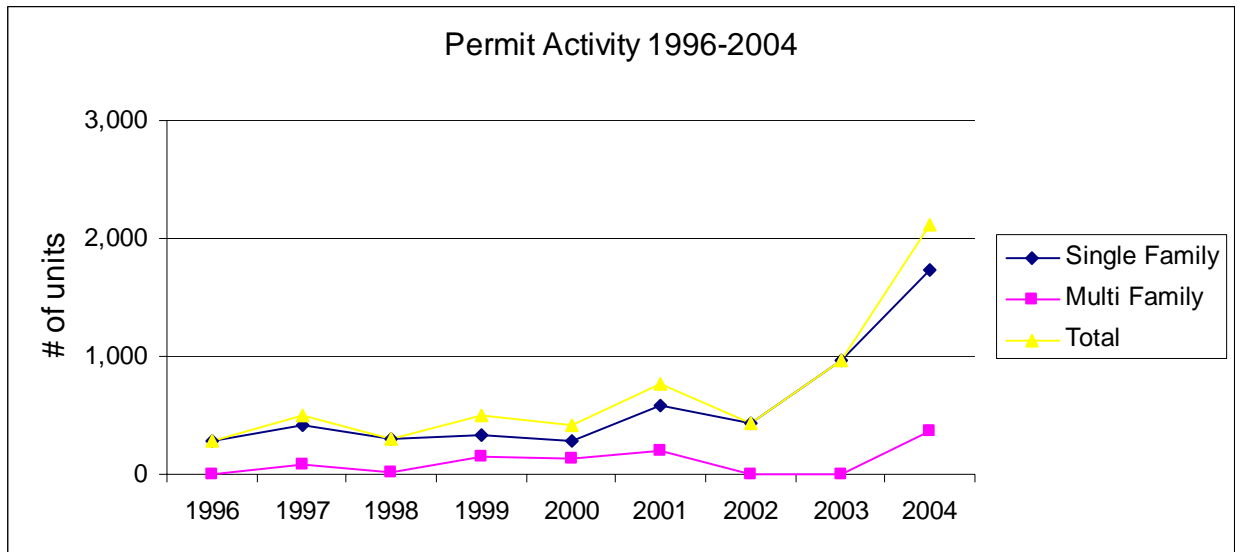
According to the latest Census figures, 41 percent of the housing stock in Irvine that was built between 1970 and 1989 is occupied by seniors. Once again this coincides with one of Irvine's booming economic growth periods. During that period 19,062 units were constructed accounting for 50 percent of the city's current housing stock. Monitoring of these senior occupied units must be maintained, which are candidates for rehabilitation and in some cases demolition and reconstruction.

Senior Occupied Housing	owner		renter		total	
	#	%	#	%	#	%
Built 1999 to March 2000	24	0%	47	1%	71	1%
Built 1995 to 1998	135	2%	39	1%	174	3%
Built 1990 to 1994	409	6%	209	3%	618	9%
Built 1980 to 1989	987	15%	443	7%	1,430	21%
Built 1970 to 1979	988	15%	331	5%	1,319	20%
Built 1960 to 1969	609	9%	173	3%	782	12%
Built 1950 to 1959	1,646	25%	285	4%	1,931	29%
Built 1940 to 1949	121	2%	62	1%	183	3%
Built 1939 or earlier	68	1%	82	1%	150	2%
Totals	4,987	75%	1,671	25%	6,658	100%

6. Housing Permits

The City tracks the housing activity as it relates to the number of housing permits issued during a given year. The graph and table provided below shows the recent permit activity for both single-family and multi-family housing. The graph indicates that the number of building permits for single-family residential has increased almost 600 percent since 1996 with the highest level of permit activity taking place in 2004. In addition, the multi-family permits went from a non-existent level in 1996 to approximately 400 in 2004.

**Graph 4-1
Housing Permits: Recent Permit Activity**



**Table 4-6
Housing Permits: Permits by Housing Type**

Units	1996	1997	1998	1999	2000	2001	2002	2003	2004	Total
Single Family	282	422	296	341	279	577	437	972	1,740	5,346
Multi Family	0	77	12	157	132	194	0	0	369	941
Total	282	499	308	498	411	771	437	972	2,109	6,287

Key Stats

- 85 percent of residential permits issued in the last nine years have been for single family housing.
- Permits for multifamily housing units have increased more significantly in 2004 than in the last eight years. These permits are almost exclusively for developments with five or more units per structure.
- The average construction cost for a single family unit in 2004 was \$133,362. The average construction cost for a multifamily unit in 2004 was \$173,828.

7. Available Land

Underutilized Land and Infill Development

Within the City of Lancaster there are a variety of vacant underdeveloped, deteriorated, and/or dilapidated properties which present the potential for infill development. For cities, developing these infill sites makes sense. Their development reduces the cost of providing services by ensuring the logical expansion of community facilities. The advantage of infill development for a

developer is the presence of infrastructure, one of the most expensive parts of development. However, even with the existence of infrastructure, it is often economically unfeasible for developers to build on these small parcels. It often takes extensive city involvement, through redevelopment efforts or other methods to develop infill projects.

Underutilized land is defined as an area where a significant number of parcels are developed, but because of lot size/shape, housing type, or other factors, the number of dwelling units is significantly less than what is allowed by existing zoning. Four such areas have been identified within the City, as shown in Figure HE-G-8 of the City’s Housing Element. A summary is contained in the follow Housing Element Table HE-G-5.

Area ¹	Zoning	Existing Units	Potential Units Lost ²	Allowable Density	Potential Additional Units ³
A	CBD, C, CPD R-7000, MDR, HDR, O, P, LI	1,927	200	3,900	2,173
B	C, R-7000, R-15000	228	8	360	140
C	C, CPD, R-7000 C, CPD, OOP, O,	138	13	280	155
D	MDR, HDR, R-7000	109	0	368	259
Total		2,402	221	4,908	2,727

Source: City of Lancaster Department of Community Development

1 Refer to text and Figure HE-G-8 for locations and descriptions.

2 Units currently located on commercial or industrial zoned land. These units are included in the total existing units shown in Column 2.

3 In each of the noted areas, all or a portion of the underutilized density could be obtained through development of vacant commercial or residential land, or through application of the provision for second units in the single family zones or by other provisions of the zoning ordinance.

Area A (Downtown Area) – The downtown area, generally defined by Avenue I on the north, Division Street to the east, Avenue J to the south and 10th Street West to the west, is underutilized, primarily because existing housing types and lot sizes prevent the land from being developed at the densities for which it is zoned. The present residential zoning would allow at maximum density, a total of 3,900 units, while 1,927 units are actually in existence of which approximately 78 percent are multiple family. Out of this total, approximately 200 units are located in the commercial and industrial zones, and some may be lost to other uses. However, apartments are allowed in the CBD zone, subject to approval of a CUP. This provision has stimulated additional residential development in the downtown area as in the case of the 80 unit senior citizen

apartment project located on the southwest corner of Kettering and Beech Avenue which was completed in 1993. Moreover, the zoning ordinance provides for second units on land zoned for single family use subject to approval of a CUP and this may, with time, provide for additional units. Although these provisions will continue to aid in the provision of housing in the downtown area, it is not likely that the ultimate buildout of this area under existing zoning would be achieved during the planning period.

Area B (Bounded by Avenue K, 5th Street East, 7th Street East, and Avenue K-12) – This area is characterized by large lots developed with a single family residence. The present R-7000 and R-15,000 zoning allows only one dwelling unit per lot as a permitted use without discretionary review. Only those parcels currently vacant or that can be divided can accommodate additional units. Additionally, the zoning ordinance allows for a second unit subject to approval of a conditional use permit. Land division opportunities in the area however, are limited because of lot configuration, location of existing dwellings, and lack of access. There are presently 228 units in the area and ultimate buildout under existing zoning could yield approximately 360 units (not including any second units that could be approved by CUP. However, out of a total 228 existing housing units eight units are in commercial zone. With the potential loss of eight units to future residential use as the property develops for other uses, there is a net gain of 140 potential residential units. One factor which should be considered when analyzing alternatives for this site is the fact that it is located adjacent to the 100-year flood zone, which is identified in both the General Plan and flood insurance maps. Any actions to increase the number of dwelling units must be weighted against the potential safety risks to residential property.

Area C (Bounded by Avenue K, 17th Street West, Avenue K-8, and 20th Street West) – The area is characterized by deep lots with narrow frontages (approximately 67' x 300') developed with a single family residence. The present zoning allows only one unit per lot as a permitted use without approval of a second unit under the CUP process and would normally allow 280 units at total buildout. However, because of the deep and narrow configuration of the lots, it is currently possible to achieve only 138 units at total buildout. Since 13 units of the total 138 units are located in a commercial zone, it is likely that there would be only 155 potential residential units. A review of the area disclosed that the rear portions of many lots are not utilized and could potentially accommodate an additional unit. Therefore, application of the second unit ordinance could increase the utilization of this area.

Area D (Bounded by Lancaster Boulevard, 15th Street West, Avenue J, 20th Street West) – This area is a combination of underutilized and vacant land. At the present time, the area contains a total of 109 dwelling units, whereas the current zoning would allow an ultimate buildout of 524 dwelling units. However, with 12 acres of multiple family zoned land developed with a church and convalescent home, there is only be the potential for 368 total residential

units (without application of the second unit ordinance). The majority of these units would be developed on what is now vacant land.

Most of the underutilized lots were developed over the course of many decades and land uses in these areas were established prior to City incorporation. Most often, they are not conducive to higher density development because of lot configuration and existing development patterns. Despite City incentives to better utilize these areas, like the application of second-unit and density bonus provisions, the transition of these areas to full utilization is anticipated to require long periods of time. There are no practical incentives available that could ensure the full utilization of these areas within the current planning period, particularly in light of the large amount of vacant land available within the urban core for residential development. However, the City's General Plan does include several action programs that are intended to address this problem. These programs are included in the Lancaster General Plan Policy Document as Specific Action 16.5.1(a), 16.5.1(e), Policy 18.2.1 and Specific Action 18.2.1(a).

Adequate Sites for Residential Land Uses

Adequate Residential Land Inventory – Unlike many cities within the Los Angeles t have little or no vacant residential land, Lancaster has large inventories of land designated for future residential development. Table HE-G-7 lists the existing inventories and permitted densities of the various residential zones while Figure HE-G-10 shows the location of these inventories. The table indicates that as of 19, there were approximately 30,324 vacant acres of various types of residential land within the City of Lancaster. It is estimated that this vacant land, if developed at the various densities show, would produce approximately 63,000 additional residential units of all types. These inventories, when combined with existing residential units, would more than accommodate the projected General Plan population growth to the year 2020.

Although much of the vacant residential land shown in ‘Table HE-G-7 does not have the necessary infrastructure in place to currently permit development, more than enough developable land is available within the adjacent to the urban core to accommodate the needs of the Housing Element Planning period and beyond. Currently there are over 4,200 vacant residential acres that have the potential to accommodate growth in the immediate future, (i.e. already have entitlement approvals and necessary infrastructure in place, or are located within service area where infrastructure can easily be extended). This vacant land could produce over 21,000 additional residential units based on the various densities listed in the table which far exceeds Lancaster’s new construction need for the current planning period. The SCAG Regional Housing Needs Assessment (1999) estimated a need for an additional 9.285 dwelling units of all types in order to accommodate the projected household growth between 1998 and 2005. Furthermore, the State Department of Housing and Community Development has determined that individual jurisdictions may reduce the new construction need allocation by the number of residential permits issued from the base date of

January 1, 1998 to December 31, 2000 (see letter in Appendix A). The City of Lancaster issued 569 residential permits for new housing units that were constructed during this period. Subtracting this amount from the above total leaves a net construction need of 8,716 units.

The current inventory of approved residential projects by itself represents 91 percent of the new construction need for the planning period. Each residential subdivision or development project is required to ensure that necessary infrastructure is in place or can be extended to serve the project prior to approval and development. The approved projects are currently within or can easily be annexed to the necessary water and sewer districts, and are within the service area of other necessary infrastructure and services. These approved projects, as well as the inventory of adjacent uncommitted vacant residential land as shown in Table HE-G-7 more than satisfy the requirement for the provision of adequate sites as identified in the Regional Housing Needs Assessment for the current Housing Element planning cycle.

Table HE-G-7 Residential Land Development Capacity Within Corporate Limits				
Land Use Designation	Zoning	Density	Total Acres Available	Maximum Number of Units
NU (Non-Urban Res)	RR-2.5	1 du/2.5 acres	15,291	6,116
	RR-1	1 du/1 acre	1,254	1,254
	SSR	1 du/.5 acre	1,749	3,498
Subtotal			18,294	10,868
UR (Urban Residential)	R-15,000	2.5 du/acre	425	1,063
	R-10,000	3 du/acre	2,171	6,513
	R-8,500	3.5 du/acre	302	1,057
	R-7,000	4.5 du/acre	8,518	38,331
Subtotal			11,416	46,964
Multi-Family Residential		Base Density		
MR-1	MHP	6.6 du/acre	171	1,129
	MDR	7.1 du/acre	330	2,343
MR-2	HDR	15.1 du/acre	113	1,706
Subtotal			614	5,178
Total			30,324	63,010

Source: City of Lancaster Department of Community Development Survey, September 1999

8. Housing Demand

This analysis examines several variables on the demand side of the Lancaster housing market, including the housing demand by household size and tenure, and in household type.

**Table 4-7
Housing Demand: Households by Size and Tenure**

Households By Size and Tenure	Total		Owner		Renter	
	#	%	#	% of total	#	% of total
1-person	8,409	22%	4,243	11%	4,166	11%
2-person	10,477	27%	7,126	19%	3,351	9%
3-person	6,580	17%	3,908	10%	2,672	7%
4-person	6,248	16%	4,029	11%	2,219	6%
5-person	3,555	9%	2,348	6%	1,207	3%
6-person	1,767	5%	1,094	3%	673	2%
7 + person	1,173	3%	646	2%	527	1%
Total:	38,209		23,394	61%	14,815	39%

**Table 4-8
Housing Demand: Household Type**

Households by Type and Tenure	Total Households		Owner			Renter				
	#	%	#	Share of HH Type	Share of Owner	Share of Total	#	Share of HH Type	Share of Renter	Share of Total
Family households:										
Married-couple family:	18,859	49%	14,530	77%	62%	38%	4,329	23%	29%	11%
Single Parent Male	2,318	6%	1,092	47%	5%	3%	1,226	53%	8%	3%
Single Parent Female	6,691	18%	2,608	39%	11%	7%	4,083	61%	28%	11%
Family SUBTOTAL	27,868	73%	18,230	65%	78%	48%	9,638	35%	65%	25%
Non-family households:										
Male Living alone:	3,783	10%	1,849	49%	8%	5%	1,934	51%	13%	5%
Male Not living alone:	1,101	3%	559	51%	2%	1%	542	49%	4%	1%
Female Living alone:	4,626	12%	2,394	52%	10%	6%	2,232	48%	15%	6%
Female Not living alone:	831	2%	362	44%	2%	1%	469	56%	3%	1%
Non-Family SUBTOTAL	10,341	27%	5,164	50%	22%	14%	5,177	50%	35%	14%
TOTAL	38,209		23,394	61%			14,815	39%		

Key Stats	
▪	Approximately 6 percent of all households (2,407) are renters that have five or more persons in the household. There are 4,585 rental units with three or more bedrooms.
▪	23 percent of all married couple families are renters.
▪	Nearly 1 in 7 of all households is single parent families that rent their housing.

9. Population Growth

After leveling off throughout the late 1980s, the population of Lancaster rebounded in the late 1980's and has continued to grow. According to Census 2000 data, the population stood at 118,783. This is an increase of 22 percent, or 21,492 residents, over the 1990 total.

The growth in the number of households did somewhat parallel that of population. An increase of 16 percent (5,308 additional households) from 1990 brings the count to 38,209 households in the year 2000.

**Table 4-9
Population Growth: By Race and Ethnicity**

Race	1990 Population		2000 Population		Change		2004 Avg Household Size
	#	%	#	%	#	%	
White	77,225	79%	74,291	63%	-2,934	-4%	2.7
Black	7,207	7%	18846	16%	11,639	161%	3.2
Native American	913	1%	1,356	1%	443	49%	3.2
Asian	3,618	4%	4,596	4%	1,208	33%	3.2
Pacific Islander			230	0%			3.3
Some other race	8,328	9%	13,062	11%	11,136	134%	4.1
Multiracial			6,402	5%			3.2
Total:	97,291		118,783		21,492	22.1%	
Ethnicity	1990 Population		2000 Population		Change		
	#	%	#	%	#	%	
Hispanic or Latino	14,816	15%	28,846	24%	14,030	95%	3.8
Not Hispanic or Latino:	82,475	85%	89,937	76%	7,462	9%	

Source: US Census

Key Stats

- Overall, the population grew by twenty-two percent. This represents an increase of 21,492 residents.
- The Hispanic segment accounted for 24 percent of the population in 2000, an increase from 15 % in 1990.
- The Black segment accounted for a 161% increase (+11,639), along with the Other/Multiracial also segment increase 134% (+11,136)
- The fastest growing racial segments of the population also have the highest average household size.

10. Cost of Rental Housing

For the purposes of this analysis, affordable rental housing is defined as units that a low income family can afford without incurring a housing cost burden and without being “overcrowded.” A unit is considered overcrowded when there is more than one person per room. Rooms that are considered in this calculation include bedrooms, living rooms, kitchens, dens, home offices and other finished rooms. This calculation excludes bathrooms and laundry rooms.

Different sized units will have different thresholds of affordability. The adjustments in the thresholds will mirror those made for family size in HUD’s annual release of Section 8 Income Limits.

The following table lists the cost of rental housing in Lancaster, broken down by bedrooms size.

Table 4-10
Cost of Rental Housing: Rental Units by Price and Bedroom Size

# of Bedrooms		Less than \$200	\$200 to \$299	\$300 to \$499	\$500 to \$749	\$750 to \$999	\$1,000 or more	No cash rent	Total:
Efficiency	# of units	29	35	260	270	93	48	20	755
	% of size	4%	5%	34%	36%	12%	6%	3%	
	% of total	0%	0%	2%	2%	1%	0%	0%	
1 Bedroom	# of units	231	217	848	1,868	294	94	67	3,619
	% of size	6%	6%	23%	52%	8%	3%	2%	
	% of total	2%	1%	6%	13%	2%	1%	0%	
2 Bedroom	# of units	134	168	606	3,951	779	88	99	5,825
	% of size	2%	3%	10%	68%	13%	2%	2%	
	% of total	1%	1%	4%	27%	5%	1%	1%	
3 + Bedroom	# of units	66	81	169	1,142	2,062	893	161	4,574
	% of size	1%	2%	4%	25%	45%	20%	4%	
	% of total	0%	1%	1%	8%	14%	6%	1%	
Subtotal		460	501	1,883	7,231	3,228	1,123	347	14,773
Share of Total		3%	3%	13%	49%	22%	8%	2%	

Table 4-11
Cost of Rental Housing: Fair Market Rents by Number of Bedrooms

Fair Market Rents by Number of Bedrooms										
Year	Efficiency		1 Bedroom		2 Bedrooms		3 Bedrooms		4 Bedrooms	
	FMR	Increase	FMR	Increase	FMR	Increase	FMR	Increase	FMR	Increase
2001	\$516		\$618		\$782		\$1,055		\$1,260	
2002	\$543	5%	\$650	5%	\$823	5%	\$1,110	5%	\$1,325	5%
2003	\$638	17%	\$764	18%	\$967	17%	\$1,305	18%	\$1,558	18%
2004	\$674	6%	\$807	6%	\$1,021	6%	\$1,378	6%	\$1,646	6%
2005	\$746	11%	\$900	12%	\$1,124	10%	\$1,510	10%	\$1,816	10%

Key Stats	
▪	29 percent of all rental units have one bedroom or less. 31 percent of units (4,574) have three bedrooms or more.
▪	Fair market rents have increased at least five percent each year since 2001 for every size unit. Overall, fair market rents have increased an average of 45 percent from 2001 to 2005.

11. Cost of Owner-Occupied Housing

During the prior four years, the cost of single family homes in the City of Lancaster has increased to the point that the number of families that are able to purchase a home has decreased substantially. The record lows for interest rates during the same time period was part of the impetus for the surge in home prices. However, with interest rates increasing in the past year, home prices have not followed. This results in a decrease in the number of families being able to purchase a home. The table below shows the number of sales, the median sales price, and the percentage increase of 2003 for a single family home in Lancaster. The results are an increase of 36% in one year.

Similar conditions occur for condominium or attached single family dwellings, however not at the same level of increase during the same time period.

Table 4-12
Cost of Owner-Occupied Housing: Single Family Units

Median Home Prices by Zip Code			
Zip Code	Number of Sales	Median Price (\$1,000)	Annual Increase
93534	969	195	36%
93535	1731	206	36%
93536	1245	260	31%
source: sales data in 2004; Dataquick			

Table 4-13
Cost of Owner Occupied Housing: Condominium

Median Home Prices by Zip Code			
Zip Code	Number of Sales	Median Price (\$1,000)	Annual Increase
93534	38	144	51%
93535	84	126	59%
93536	81	165	36%
source: sales data in 2004; Dataquick			

Key Stats

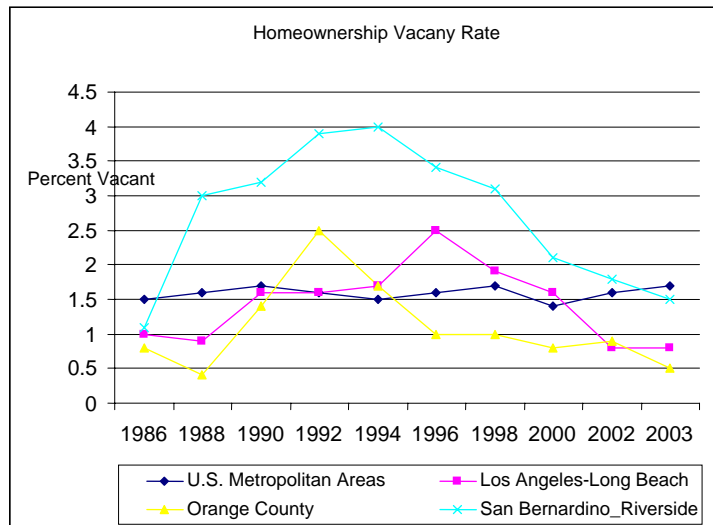
- The median single family housing price (half the homes sold for more, half the homes sold for less) increased by 25 percent from 2003 to 2004. The median sales price in 2004 was \$220,000.
- The median condominium housing price (half the homes sold for more, half the homes sold for less) increased by 25 percent from 2003 to 2004. The median sales price in 2004 was \$220,000.

12. Vacancy

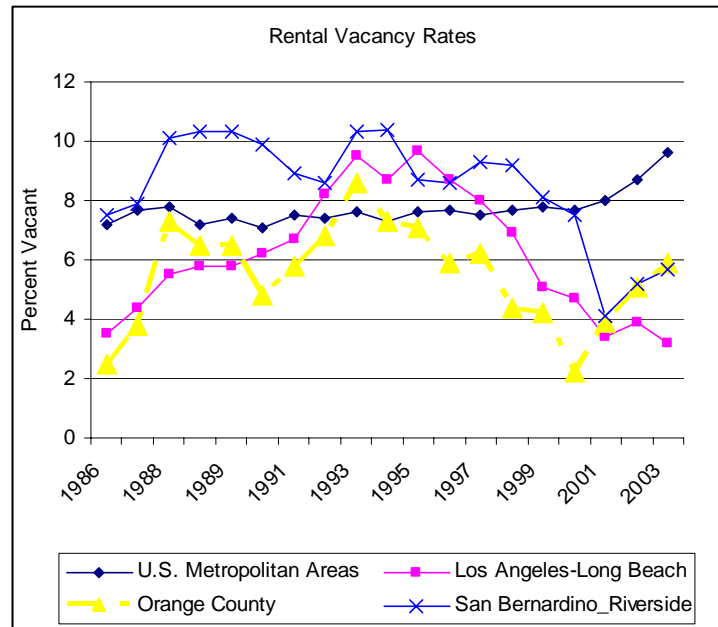
This analysis provides a comparison rate for vacancy rates for homeownership and for rental type properties in the U.S. Metropolitan areas as well as for the three local counties. The three counties represented are Los Angeles County, Orange County, and San Bernardino County.

The graph shows a constant vacancy rate for both homeownership and rental properties in the U.S. Metropolitan Areas. In comparison, the vacancy rates in the Los Angeles County area for both, the homeownership and rental properties during the 1995 and 1996 increased in excess of 250% from the 1986 and 2003 levels.

**Graph 4-2
Vacancy Rates: Homeownership Vacancy Rates**



**Graph 4-3
Vacancy Rates: Rental Vacancy Rates**



Key Stats

- The housing vacancy rate for Los Angeles County (0.8) is far below the national average for U.S. Metro areas (1.7).
- Rental vacancy rates for Los Angeles County have been below 5% since 2000. In 2003, the rate reached its lowest level in twenty years (3.2%). According to the Southern California Association of Governments, a vacancy rate below 3% points to a severe deficit in the supply of housing.

13. Overcrowding

Overcrowding is a living condition defined by the Census as more than one person living per dwelling room. Current Census data indicates that 9 percent of occupied housing units have rooms that are occupied by 1.01 persons or more. This means that 91 percent of units have rooms that are occupied by 1 person or less.

Throughout the State, County and City, overcrowding is increasingly becoming a problem. In the last decade, there has been an increase in the number of married couples, children, and other family members living together in units to pay the rent or mortgage. This doubling up is the result of a combination of rising housing costs, population growth, and an inflow of new immigrants moving into the area.

This phenomenon is adding a new dynamic to the city’s housing market. While strict code enforcement helps ensure safety, it may also mean increasing the homeless population, placing lower income households with housing cost burden, or housing discrimination. However, the underlying problem is a shortage of affordable housing. With only a 9 percent overcrowding rate, the City must remain vigilant and mindful of any potential increase, and the problems created.

Lancaster’s residential code violation process is complaint-driven. Therefore, residents and officials attempt to strike a balance between social understanding and the law to address overcrowding issues. Overcrowding in a home often causes neighbors to be concerned about their property values. Therefore, many of the city’ resident bring potential overcrowding hazards to the attention Code Enforcement staff. Therefore, the City will need to continue weighing the benefits and drawbacks to strict code enforcement. Note that this is often a Health Department regulation, not a City regulation; not enforceable by Code Enforcement staff.

**Table 4-14
Overcrowding Rates: Overcrowding By Race/Ethnicity**

Overcrowded Housing Units			
Race/Ethnicity	Total Households	Overcrowded	
		#	%
White	26,893	1,531	6%
Black	5,203	771	15%
Native American	411	80	19%
Asian	1,337	141	11%
Pacific Islander	78	0	0%
Other Race	2,888	890	31%
Multiracial	1,399	198	14%
TOTAL	38,209	3,611	9%
Hispanic	6,535	1,685	26%
source: 2000 US Census			

Key Stats
<ul style="list-style-type: none"> ▪ A unit is overcrowded when the ratio of occupants to the number of rooms (not bedrooms) is more than 1. Nine percent of all units (3,611) are considered overcrowded. ▪ A disproportionate number of Hispanic and Other Race households (26% and 31%, respectively) live in overcrowded units. NOTE: It is presumed that most Other Race households are Hispanic. ▪ The lack of housing has created an informal housing market of illegal units, usually consisting of garage conversion. These illegal units are not included in many of the figures presented in this document. This means that the number of overcrowded units is most likely understated.

14. Cost Burdens

Table 4-15 below lists the percentages of monthly income renters paid for housing costs in 1999. Given that any household paying more than 30 percent of monthly income is considered *cost burdened*, the data from the 2000 shows that:

- 6,762 (46%) renter households in Lancaster experienced a cost burden by spending 30 percent or more of their income on housing in 1999.
- Of population that was cost burdened: 8 percent were slightly burdened (30 to 34 percent of income spent on housing) and 15% were moderately burdened (35 to 49 percent of income spent on housing) and 24% were severely cost burdened (50 percent or more of income spent on housing).

Table/Chart 4-15
Cost Burdens: As a Percentage of Income
Renters

Rent Burdens as a percent of income	#	%
Less than 10 percent	759	5%
10 to 14 percent	1,611	11%
15 to 19 percent	1,853	13%
20 to 24 percent	1,572	11%
25 to 29 percent	1,613	11%
30 to 34 percent	1,116	8%
35 to 39 percent	887	6%
40 to 49 percent	1,279	9%
50 percent or more	3,480	24%
Not computed	603	4%
Total:	14,773	100%

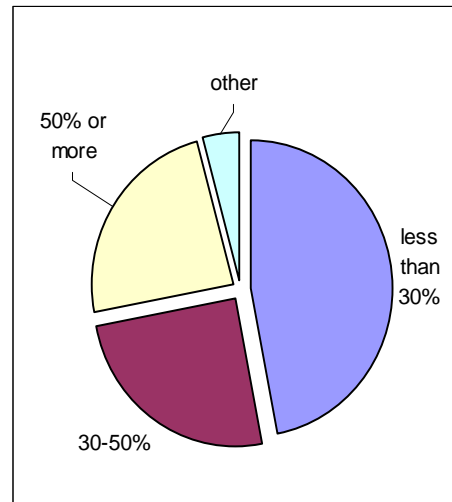
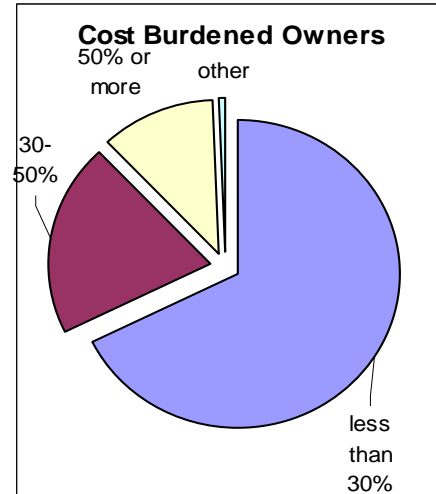


Table 4-16 below lists the percentages of monthly income homeowners paid for housing costs in 1999. Given that any household paying more than 30 percent of monthly income is considered *cost burdened*, the data from the 2000 shows that:

- 5,459 (32%) of homeowner households in Lancaster experienced a cost burden by spending 30 percent or more of their income on housing in 1999.
- Of population that was cost burdened: 10 percent were slightly burdened (30 to 34 percent of income spent on housing) and 16% were moderately burdened (35 to 49 percent of income spent on housing) and 17% were severely cost burdened (50 percent or more of income spent on housing).

Table/Chart 4-16
Cost Burdens: As a Percentage of Income
Owners

Housing Cost Burdens for Owners		
Housing Cost as a % of income	#	%
Less than 10 percent	428	6%
10 to 14 percent	850	12%
15 to 19 percent	861	12%
20 to 24 percent	1,064	15%
25 to 29 percent	834	12%
30 to 34 percent	712	10%
35 to 39 percent	498	7%
40 to 49 percent	649	9%
50 percent or more	1,221	17%
Not computed	56	1%
Total Owner Units with Mortgage	7,173	
Source: US Census		



HUD is especially concerned about those households paying more than 50 percent of monthly income on housing costs. These households are considered severely cost burdened and at high risk of homelessness. Any break in the flow of income or unexpected expenses, such as loss of employment or hospitalization, would severely jeopardize the household’s ability to continue to meet the housing expense. In 2000, the number of severely cost burdened families (renter and homeowner) reached 4,701.

Key Stats
<ul style="list-style-type: none"> ▪ A household is considered cost burdened when it pays more than thirty percent of its gross income for housing costs. At this point the unit is considered unaffordable for the household. Almost half of all renter households (48.6%) endure a cost burden. 43 percent of all owner households have a housing cost burden. ▪ A household is considered to have a severe cost burden when more than 50 percent of its gross income goes toward housing costs. Households with severe cost burdens run a risk of losing their housing if faced with a loss of employment, sickness, injury, or similar event that reduces income. Almost 1 of every 4 renters has a severe cost burden.

15. Physical Defects and Substandard Condition

HUD considers a unit that lacks a complete kitchen or bathroom to have a physical defect and therefore a housing problem. Current Census data indicates that 410 units (1.1 percent of units) lacked complete plumbing or complete kitchen facilities.

**Table 4-17
Substandard Conditions: Housing Units
Lacking Plumbing or Complete Kitchen**

Housing Problem	# of Housing Units	% of Housing Stock
Lacking complete plumbing facilities	151	0.4%
Lacking complete kitchen facilities	259	0.7%
Source: U.S. Census Bureau, 2000		

Since substandard housing can cause serious health and safety issues, the definition of physical defects should not be used as the only definition of substandard housing. The City considers housing units in compliance with local building codes to be standard units. Any housing unit that does not meet these requirements is considered substandard.

Common housing code violations make a unit unsafe and/or unsanitary, including problems with wiring, plumbing, windows, roofs and exterior, and heating and air conditioning systems. Most of these units are substandard units that are suitable for rehabilitation. These units, which do not meet local code standards for occupancy but are still in use, though dilapidated and poorly maintained, are suitable for essential repairs to rehabilitate the unit.

However, any property found to be structurally unsound or badly deteriorated is considered in substandard condition, unsuitable for rehabilitation. These units may be candidates for reconstruction. These are units that do not meet local code standards for occupancy and are “uninhabitable” as a working residential unit because they no longer contain an enclosed, heated residential unit with working plumbing and electricity.

16. Housing Needs

HUD requires the Priority Housing Needs Table to be submitted as part of the Consolidated Plan. The table is organized first by tenancy and then by income. Renter housing needs are further categorized by family type. The information in each category of the Priority Housing Needs Table is defined below.

17. Relative Level of Need

A score of low, medium, or high reflects the level of need for this household type relative to the other categories. A category that receives a “low” may in fact have a large number of households in need of assistance, but the City understands that either another agency is servicing these needs or the need is greater for other household types.

A medium level of need indicates the City will attempt to satisfy these needs if funding is available or pursue other funding sources to meet these needs. A low need level indicates that the City does not consider the household type a priority or that another organization is sufficiently serving the need.

The need level indicates where the City will spend its housing funds. A category assigned a high need level is considered a priority and will receive funding throughout the plan.

a. **Unmet Need**

Despite the data available from the Census and other sources, the ever changing needs, wants, and circumstances of individuals constituting the family unit makes it impractical to prescribe a formula to determine the exact number of households in need of assistance. Some may need a rental subsidy while others need a larger unit. Unmet needs for the purpose of this assessment were estimated by calculating the number of households that spend more than 30 percent of their gross monthly income on housing expenses. Such households are termed cost burdened. It is important to note that the City does not intend to help only households experiencing a cost burden.

18. Goals

The Redevelopment Agency Department is in the process of developing a Housing Needs Assessment that will provide the City with a detailed overview of the existing housing conditions and existing housing deficiencies. The results of the Housing Needs Assessment will allow the City to invest its future CDBG, HOME, Redevelopment Agency where it will make the greatest impact. The finding will be incorporated into future Consolidated Plan documents, including an amendment to the Consolidated Plan if necessary.

In determining the goals, the historical participation in housing programs by various household types and estimated level of funding over the next five years was considered. Special attention was given to family households as such households are more likely to consist of children further stretching the limited resources available to low-income families. These households are also more likely to reside within the assisted dwelling unit during the period of affordability for these programs.

Moreover, those households between 50%-80% of FMI are well suited to afford the monthly owner cost of housing.

V. PUBLIC HOUSING NEEDS

A. Introduction

Public housing and other assisted housing programs are crucial elements of the City's efforts to address the affordable housing needs of low- and moderate-income families in Lancaster. The Los Angeles County Community Development Commission, acting as the Los Angeles County Housing Authority (HACOLA), oversees the City's public housing programs.

As a standard performing housing authority, HACOLA provides affordable housing for low-income families, seniors, and disabled persons. HACOLA administers the Section 8 Housing Choice Voucher Program (Section 8), which provides rental assistance in all unincorporated area of the County and in 38 participating cities.

B. Public and Assisted Housing Providers

The Redevelopment Agency Department, as part of its mission of collaboration and leveraging, is committed to working with public and assisted housing providers to address housing needs. The following section provides a summary of the various agencies that provide public housing assistance or programs that can be used to create public housing.

1. Housing Authority of the County of Los Angeles

The Housing Authority of the County of Los Angeles offers two types of housing assistance programs. These are the Section 8 Assisted Housing Programs and the Public Housing Program. Under both programs, the owner is required to provide decent, safe, and sanitary housing to tenants at a reasonable rent. Inspections are performed initially and at least once annually thereafter to insure that tenants and owners comply with Housing Quality Standards, and other lease and contract provisions. A summary of each program is provided below.

Public Housing Program

Anyone whose income does not exceed 80 percent of median income is eligible to reside in public housing. However, the Housing Authority is required to target 40 percent of all new admissions from families earning below 30 percent of median income. Specific income limits are defined by HUD and are based on family size and the community in which the unit is located. The Housing Authority maintains a waitlist based on the date and time the application is submitted.

Applicants may qualify for and request a local preference for conditions such as displacement due to natural disaster, domestic violence, homelessness, a rent burden of 50 percent or more of income, families with a terminally ill member, working families, elderly or disabled families, and veterans.

The Public Housing program is comprised of 120 units owned and/or managed by the Housing Authority. The units were developed with Department of Housing and Urban (HUD) funding and continue to receive an operating subsidy from HUD. In accordance with Housing Authority officials, there are a total of 120 senior public housing units in Lancaster.

Residents in the Public Housing program are required to pay rent based on 30% of their adjusted gross income. The difference between the resident portion of the rent and the cost of maintaining the unit is substantially paid by HUD in the form of an operating subsidy. The Public Housing program provides vital assistance for many low-income families and seniors, aggressively addressing the need for affordable housing in the county of Los Angeles.

Section 8 Assisted Housing Program

The Section 8 Assisted Housing program was established by the 1974 Housing and Community Development Act and is administered by the Housing Authority of the County of Los Angeles. This federally-funded program provides rental assistance in the form of a voucher to very low-income families, senior citizens, disabled, handicapped, and other individuals for the purpose of securing decent, affordable housing. The Housing Authority is currently managing 712 Section 8 certificates and vouchers units that are located within Lancaster. Of these 712 vouchers, 517 of them are regular household vouchers and 195 are elderly vouchers.

Under the Housing Choice Voucher Program, subsidy payments are made by the Housing Authority to property owners on behalf of the family. Assistance is provided to very low-income families including senior citizens, disabled, handicapped, and other individuals. The program uses a Payment Standard to determine the maximum amount of assistance that will be paid on behalf of the family. The family's portion will be a minimum of 30% of their adjusted gross monthly income up to a maximum of 40% if they choose.

2. Federally-Assisted Housing

Aside from the programs that the County Housing Authority currently administers, HUD also provides funding for the construction of low- and moderate-income rental housing as authorized under Sections 202, 241, 236, and 811 of the National Affordable Housing Act. Many of these projects also maintain project-based Section 8 contracts to subsidize rents for low-income tenants.

HUD Section 236 Loans

Housing projects funded under the HUD Section 236 loan program carry 40-year low-income use restrictions. After the first 20 years of the loan, owners participating in this program can choose to prepay the outstanding mortgage loan and opt out of the low-income use restriction. Until recently, prepayment of

the Section 236 loan had been regulated by the provisions of the Low Income Housing Preservation and Resident Homeownership Act (LIHPRA).

Under LIHPRA, the owner of a prepayment-eligible project can choose to retain project ownership in exchange for additional federal incentives or sell the properties under a voluntary sale program. Where the owner chooses to sell, the residents and non-profit organizations are provided with an exclusive 12-month negotiating period. Prepayment and conversion of the housing to non-low income use can only occur if there is no willing buyer to purchase the project.

In light of the budgetary constraints at the federal level, Congress passed the Housing Opportunities Extension Act in 1996, which limits the incentives that can be offered to prepayment-eligible projects in exchange for extending the low-income use restrictions and allows more flexibility for owners to prepay and sell the projects than previously provided for under LIHPRA. For all practical purposes, HUD now considers all prepayment-eligible projects to be at risk of converting to market rate housing.

HUD Section 8 Contracts

Projects with Section 8 contracts receive Section 8 rent subsidies that are tied to the project units. Many projects financed with HUD Section 202, 221, and 236 funds also maintain Section 8 contracts with HUD. The contracts typically carry an initial term of 15-years with the option for five-year extensions thereafter. However, passage of the 1996 Housing Opportunities Extension Act also jeopardized the continued availability of project-based Section 8 assistance. The bill allows owners of projects with Section 8 contracts to opt out of the Section 8 program with a six-month notification prior to expiration of the contracts. For owners who elect to renew the expiring contracts, HUD is giving local HUD offices the authority to renew these contracts on an annual basis pending funding availability. For these reasons, projects with Section 8 contracts are considered at risk of losing their affordability.

HUD Section 221 Loans

There are typically two types of Section 221 loans - loans with below-market rate interest (221(d)(3)) and loans with market rate interest (221(d)(4)). Projects financed under Section 221(d)(3) have a 40-year low-income use restriction and the long-term low-income use of these units is therefore considered fairly secure. However, the Section 8 contracts on these projects may still expire due to budgetary constraints at HUD.

Projects financed under the Section 221(d)(4) market rate program alone have no binding low-income use restrictions. Typically, these projects also receive project-based Section 8 assistance to maintain the affordability of the units. These projects may be at risk if Section 8 funds are reduced or no longer available.

HUD Sections 202/811

These projects are owned by non-profit organizations and low-income use restrictions are locked-in for the full 40-year mortgage term. The long-term low-income use of these projects is fairly secure as they are required to be owned by non-profit entities. However, the Section 8 contracts on these projects, if any, may still expire due to budgetary constraints at HUD. The City's policy is to emphasize preservation of the existing units when they become available by leveraging funds from existing City programs with HUD resources on a project by project basis.

C. Units at Risk of Conversion

HUD requires that the City undertake an analysis of federal, state and locally assisted housing units that may be lost from the City's affordable housing stock. The expiration of affordability restrictions on government assisted rental units is the typical reason of this potential loss. Much of the housing at risk of conversion from affordable housing to market rate housing is predominantly reserved for lower income households.

Use restrictions, as defined by State law, means any federal, state or local statute, regulation, ordinance or contract which as a condition of receipt of any housing assistance, including a rental subsidy, mortgage subsidy, or mortgage insurance, to an assisted housing development, establishes maximum limitations on tenant income as a condition of eligibility for occupancy.

Table 5-1 provides an inventory of the assisted units that are at risk of converting to market rate housing. As shown, there are a total of 1,020 assisted, multi-family rental units in the City, of which 170 are units that are "at-risk" of conversion to market rate (Fernwood Senior Citizen Apts. and Danilo Gardens Apartments). These 1,020 assisted units receive assistance under a combination of HUD programs including Housing Revenue Bonds, the County of Los Angeles Multi-family Mortgage Revenue Bond Program, and other Lancaster Redevelopment Agency Funds.

**Table 5-1
Inventory of Assisted Units**

Project	Location	Type of Unit	Form of Assistance	Total Units	Assisted Units	Date of Subsidy Termination
Fernwood Senior Citizens Apts	45151 N. Fern Ave.	Senior Apartments	Sec. 8 Vouchers	76	75	Annual
Danilo Gardens	43650 Challenger Way	Apartments	Sec. 8 Vouchers	100	95	Annual
High Valley Apartments	2325 W. Avenue J-8	Apartments	*	140	120	9/28/2027
Antelope Pines	43519 Kirkland	Apartments	MRB	73	63	8/1/2026
The Willows	1650 W. Avenue K-8	Apartments	MRB	46	46	8/1/2026
Silverwinds	45180 Fern Ave & Ave I	Apartments	MRB		25	8/1/2026
Montecito	835 W. Avenue L	Apartments	MRB		39	10/17/2028
Cedar Ridge	2105 e. Avenue J-8	Apartments	MRB	110	22	11/26/2029
Woodcreek Garden Apts	43530 Gadsden	Apartments	MRB	208	84	8/1/2028
West Park Villas	1800 W. Avenue J-12	Apartments	MRB	272	55	12/1/2026
Sunset Creek	43244 16 th St. West	Apartments	MRB		300	11/1/2027
Sierra Retirement Village	43321 North Sierra Highway	Senior Apartments	RDA	96	96	N/A

1,020

1. Inventory of At-Risk Units

A review of the above Table 5-1 reveals that 170 of the 1,020 assisted housing units are at risk during this planning period. (See highlighted units in Table 5-1). The units are renewed on an annual basis and are assisted with Section 8 vouchers issued by the Housing Authority of the County of Los Angeles.

2. Cost of Preservation Versus Replacement

A total of 170 units are at-risk of conversion to market rate during the planning period. The cost of preserving at-risk units is estimated to be less in most cases to the City than replacing the units through new construction. Replacing the units with rehabilitated units may be cost effective in some instances.

Preservation of the units as affordable would require financial incentives to the project owners to extend low-income use restrictions. Other scenarios for preservation would involve purchase of the affordable units by a non-profit or public agency, or local subsidies to offset the difference between affordable and market rents.

Scenarios for preservation will depend on the type of project at-risk. Two options exist for preservation of future units at-risk of losing their Section 8 rental subsidies: HUD may offer an extension of the Section 8 contractor the City may offer rental subsidies.

3. Resources for Preservation

The following summarizes financial resources available to the City for preservation of assisted, multi-family rental housing units.

CDBG – The City is programmed to receive approximately \$7,000,000 during the next five years. CDBG funds are awarded to the City on a formula basis for housing activities. Eligible activities include acquisition, rehabilitation, economic development, and public services.

Redevelopment Agency Funding – Twenty percent of this local agency’s funds are set aside for affordable housing activities governed by state law. Eligible activities include acquisition, rehabilitation, and new construction.

The City may pursue additional funding from the following resources:

- Section 8 Rental Assistance Program – This program provides rental assistance payments to owners of private market rate units on behalf of very low-income tenants.
- Section 202 – Provides grant to non-profit developers for supportive housing for elderly. Eligible activities include acquisition, rehabilitation, new construction, and rental assistance.
- California Housing Finance Agency (CHFA) Multiple Rental Housing Programs – This state program provides below market rate financing to builders and developers of multiple-family and elderly rental housing. Tax exempt bonds provide below market mortgage money. Eligible activities include new construction, rehabilitation, and acquisition of properties with 20-150 units.
- Low Income Housing Tax Credit (LIHTC) – This state program provides tax credits to individuals and corporations that invest in low-income rental housing. Tax credits are sold to corporations and people with high tax liability and proceeds are used to create housing. Eligible activities include new construction, rehabilitation, and acquisition.
- California Community Reinvestment Corporation (CCRC) – This private, non-profit mortgage banking consortium provides long-term debt financing for affordable multi-family rental housing. Eligible activities include new construction, rehabilitation, and acquisition.

D. Public Housing Strategy

1. **Strategy 1: Rehabilitate owner and/or renter-occupied residences for extremely low-to moderate-income households, elderly, and the physically disabled.**

The preservation and improvement shall include the implementation of the following:

a. Monitor At-Risk Units

Maintain contact with owners of at-risk units as the use restriction expiration date approaches. Communicate to the owner the importance of the units to the supply of affordable housing in Lancaster as well as its desire to preserve the units as affordable. Make every effort in using local incentives that can be offered to property owners to preserve any at-risk units.

b. Rental Subsidies

If other methods to preserve the at-risk units fail, determine if it can assign financial resources to provide rental assistance to very low-income tenants to cover the difference between their current rents and market rents.

c. Support and Assistance to Local Nonprofits

Focus on development and/or support of local nonprofit housing organizations. If owners of the at-risk housing projects are interested in selling to nonprofit organizations, work with the project owner(s) and nonprofit(s) to maximize the possibility of purchase. Use incentives, such as low-cost financing or payment of some of the costs associated with the purchase, to facilitate non-profit purchase of the project in order to preserve its affordability.

d. Redevelopment Agency Purchase

Assist the Lancaster Redevelopment Agency in preserving affordable units by purchasing projects with at-risk units from the current owners. The Lancaster Redevelopment Agency gets credit toward state and federal housing requirements for affordable housing units within the redevelopment area. The Lancaster Redevelopment Agency and the City will evaluate the potential for purchase of the units. The City will also explore which local incentives can be offered to property owners and the Lancaster Redevelopment Agency to preserve the units.

VI. Homeless Needs Assessment

A. Profile of the Homeless

When a low income household suffers from a personal crisis, the result can be loss of their housing. Issues most often cited by homeless persons as the cause of homelessness include substance abuse, loss of employment, health issues and injuries. Substance abuse is the most commonly reported cause of homelessness. People often have a misconception of the homeless.

Homelessness is a significant issue in Lancaster. To address this growing problem, the Los Angeles Homeless Services Authority (LAHSA) works with the City to lead the effort to address homelessness in Lancaster.

LAHSA sponsors a semi-annual Homeless Service Providers Survey to gather demographic information on the homeless who receive services based on a “point-in-time estimate.” The survey defines homelessness as follows, which is based on standard established by the Department of Housing and Urban Development (HUD) California Housing Finance Agency:

- Any individual who lacks a fixed, regular, and adequate nighttime residence or has a primary nighttime residence in any facility not designed for permanent living.
- Families, individuals, and youth residing in emergency shelter or transitional housing.
- Persons in drug and alcohol treatment who were homeless before they entered treatment or will be homeless after they leave.
- Family members wait-listed for public housing that are currently residing in substandard or overcrowded housing.
- Individuals discharged from correctional institutions within 30 days of the survey date that would meet the definition of being homeless.

B. Homeless Definitions

The definition of homelessness in the survey differs slightly from the definitions for HUD's homeless programs (the Emergency Shelter Grant, the Supportive Housing

Program, Shelter Plus Care program, and the Section 8 Moderate Rehab for Single Room Occupancy Units program). All organizations receiving funds under these four programs must ensure that any homeless persons participating in any activities funded by these programs meet HUD's homeless definitions.

HUD considers persons living in overcrowded housing to be at high risk for homelessness, but not homeless, as in the definition in the survey. HUD also has a requirement that people leaving institutions (such as in-patient alcohol and drug treatment facilities)—where they have stayed more than 30 days—are only considered to be homeless if they have no family or friends where they can stay, have no resources to obtain housing, and did not have housing discharge planning. Please note that HUD does not consider people staying in such institutions for more than 30 days to be homeless just because they once were in a shelter or living on the streets. For such people to be considered homeless, the other criteria (support network, resources, planning) must also be absent and documented.

Finally, HUD does not consider persons living in transitional housing to be homeless unless they leave within 30 days and previously came from the streets or emergency shelter. In this case, documentation must exist that the person came from the streets or emergency shelter. If a person has been in an institution for more than 30 days, they must meet the "network, resources, planning" test described above.

C. Factors Contributing to Homelessness

Providers suggest that the growth in homeless families is due to the difficulty in finding affordable housing options in a tightening rental market. Based on the Community Meetings, homeless working group meetings, consultations, and survey results, the following issues surfaced as contributing factors:

- Substance abuse.
- De-institutionalization of persons with mental illness.
- Lack of resources to address the needs of homeless or "near-homeless" persons with substance abuse or mental illness, including persons with dual diagnoses.
- Unemployment/underemployment.
- Lack of job skills among persons at high risk for homelessness.
- Domestic violence.

- A large gap between the number of affordable housing units and the number of households which need them.
- Poverty and lack of personal resources.

D. Local Homeless Population

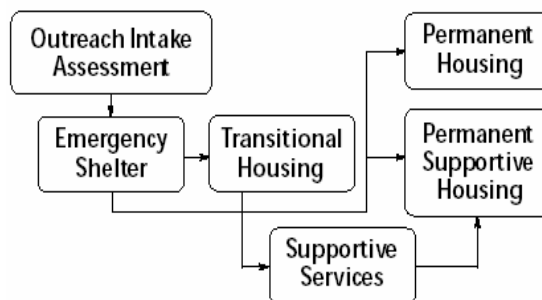
The following are quick facts about the homeless population in Los Angeles County:

- One third of homeless is comprised of single adults, one third is adults in families with children, and one third are children in families.
- Sixty-four percent of homeless public assistance recipients are working-age adults.
- Homelessness is temporary for most. Roughly ten percent can be described as chronically homeless.
- More than 50 percent of persons receiving assistance from the Winter Shelter program report their last residence was another facility, such as jail, hospitals, psychiatric facilities, domestic violence facilities, and other homeless shelters. Better post-release planning could lower this number.

E. Homeless Needs

To most efficiently address the needs of the homeless population, HUD has tasked local governments with developing a Continuum of Care. The Continuum of Care (CoC) is a planning model designed to provide assistance to homeless persons at every level of need and to move a client from homelessness to permanent housing. The Continuum addresses both the lack of housing affordable to the lowest income levels, it also addresses the underlying causes of homelessness such as substance abuse, domestic violence, and mental illness.

The City of Lancaster is part of the county-wide Los Angeles Continuum of Care (LACoC). The LACoC is coordinated by the Los Angeles Homeless Services Authority (LAHSA). LAHSA is a City-County Joint Powers Authority formed to address homelessness throughout Los Angeles County. LAHSA partners with other local government agencies and community-based nonprofit agencies to provide homeless services throughout Los Angeles County. Homeless needs are presented by the levels of service that form the Continuum:



- Prevention – Activities include income supports, rental assistance and advocacy. Eviction prevention and crisis intervention help at-risk households maintain their housing and side-step homelessness.
- Outreach and Assessment – Activities include walking the streets and other places not fit for human habitation and marketing available services to homeless persons reluctant to apply for services on their own. Once the client enters the system, the assessment process identifies a client’s needs.
- Emergency Shelter – Offers a safe, secure, temporary place (up to 90 days) for homeless persons to reside while they prepare to move into more stable housing.
- Transitional Housing – Long term (up to 24 months) housing with supportive services that address the underlying causes of homelessness. Transitional housing programs enable people to successfully transition to and maintain permanent housing.
- Permanent and Permanent Supportive Housing – Permanent housing for most is affordable, market-rate housing. Permanent supportive housing enables persons with disabilities to live as independently as possible. Moving previously homeless persons into permanent housing is the primary objective of the Continuum.
- Supportive Services – Activities that help persons address the underlying causes of homelessness and move towards self-sufficiency and independent living. Services include substance abuse treatment, employment education and job readiness, budgeting workshops, parenting classes, and childcare. Services may be part of a housing program or independently.

For many Lancaster residents, the first entry into the Continuum of Care is through an emergency shelter, where individuals and families obtain emergency housing and supportive services directed to getting people off the streets and into a safe environment. Typically, people stay in an emergency shelter for a short period. Usually during this time, other housing is arranged and the homeless person's immediate social service and medical needs are addressed.

The next component of the Continuum is transitional housing, designed as short-term housing for up to 2 years, where persons move into a more stabilized housing arrangement than an emergency shelter. In transitional housing, persons receive substantial supportive services that are normally directed toward long-term solutions (i.e. employment, counseling, medical aftercare and life skills training), rather than the immediate needs and services addressed in the emergency shelter settings.

The final component of the Continuum of Care is permanent housing, both with and without supportive services. The goal of the Continuum of Care system is to move people toward housing alternatives where they are able to reside permanently in safe and sanitary housing. This housing must be available at prices they can afford and in locations where they can receive the support services necessary for them to achieve maximum independence based on their abilities.

The following tables were provided as part of the county's Continuum of Care. The inventory numbers in the tables below are based off the results of a survey sent to all 226 homeless service providers who participate in the Los Angeles County Continuum of Care. The estimated need was determined by the Economic Roundtable, a research organization working in tandem with the Los Angeles Homeless Services Agency.

**Table 6-1
Consolidated Plan: Homeless Population
County of Los Angeles**

		Current Inventory in 2004	Under Development in 2004	Unmet Need / Gap
Individuals				
Beds	Emergency Shelter	5,445	131	2,642
	Transitional Housing	6,140	273	10,022
	Permanent Supportive Housing	3,179	665	12,591
	Total	14,764	1,069	25,255
Persons in Families with Children				
Beds	Emergency Shelter	975	0	4,937
	Transitional Housing	2,993	89	8,743
	Permanent Supportive Housing	414	2,964	8,447
	Total	4,382	3,053	22,127

**Table 6-2
Consolidated Plan: Homeless Population
County of Los Angeles**

Part 1: Homeless Population	Sheltered				Unsheltered		Total		
	Emergency	A	Transitional	A					
1. Homeless Individuals	5,445	A	6,140	A	29,503	E	41,088	E	
2. Homeless Families with Children	325	E	998	E	8,531	E	9,854	E	
2a. Persons in Homeless Families with Children	975	A	2,993	A	25,594	E	29,562	E	
Total Persons (1+2a.)	6,420	A	9,133	A	55,097	E	70,650	E	
Part 2. Homeless Subpopulations	Sheltered				Unsheltered		Total		
1. Chronic Homelessness	1,688				E	5,459	E	7,147	E
2. Seriously Mentally Ill	2,300				A				
3. Chronic Substance Abuser	1,977				A				
4. Veterans	813				A				
5. Persons with HIV/AIDS	445				A				
6. Victims of Domestic Violence	1,375				A				
7. Youth	865				A				

Table 6-3
Consolidated Plan: Homeless Population
County of Los Angeles

Los Angeles County Homeless Population 2002 Point in Time Estimate		
Single Individuals	Estimated Point in Time Population	% of Homeless Population
Females	13,400	30%
Males	31,300	70%
Chronic Substance Abuse	22,300	50%
Seriously Mentally Ill	11,200	25%
Dually-Diagnosed	7,100	16%
Veterans	10,000	22%
Persons with HIV AIDS	1,300	3%
Victims of Domestic Violence	4,000	9%
Youth/ Foster Youth	3,600	8%
Other - Employment Disability	11,000	25%
Other - Elderly	5,500	12%
Other - Multi Diagnosed	2,200	5%
TOTAL	44,700	
Family Members	Estimated Point in Time Population	% of Homeless Population
Female Parents	10,700	31%
Male Parents	3,400	10%
Female Children	9,900	29%
Male Children	10,000	29%
Chronic Substance Abuse (Parents)	4,500	32%
Seriously Mentally Ill	1,400	4%
Dually-Diagnosed	300	1%
Veterans (Parents)	1,800	13%
Persons with HIV AIDS	1,000	3%
Victims of Domestic Violence	11,500	34%
Other - Multi Diagnosed	300	1%
Other - Employment Disability	3,200	23%
TOTAL	33,900	

Based on the figures provided above and local expertise from homeless service providers, the Antelope Valley region of the County has derived the following priorities:

Table 6-4
Continuum of Care Priorities - Antelope Valley

2004 Continuum of Care Priorities		
Los Angeles County Planning Area #1: Antelope Valley		
Permanent Housing	Transitional Housing	Supportive Services
1. Mentally Ill	1. Individuals / Families With General Needs	1. Case Management / Street Outreach, Including Providing Transportation
2. Substance Abuse	2. Domestic Violence	2. Job Training
3. Individuals / Families With Disabilities	3. Mentally Ill/Veterans	3. After School Tutoring/Education
4. Dually Diagnosed	3. Emancipated Foster Youth	4. Transportation
5. Multiple Diagnosed	5. Multiple Diagnosed	

F. Available Programs for Lancaster

1. 2004-2005 Year Round Overnight Emergency Shelter Program

The Lancaster Community Shelter, operated by the Catholic Charities of Los Angeles, Inc. provides overnight shelter to the homeless in the Antelope Valley. Clients will receive case management and support services that include life-skill workshops, groups for alcohol and drug addiction. Clients are provided referrals to other social services providers such as Mental Health Association and Veterans Administration.

2. Antelope Valley Access Center

The program is operated by the Mental Health Association in L.A. County. The program provides an access center to homeless persons. Services include information and referrals, assessment, case management, benefits advocacy, life skills training, employment assistance, housing assistance, veterans services, domestic violence services and referrals to other supportive services.

3. Antelope Valley Homeless Assistance Program

The program is provided by the Mental Health Association in L.A. County. The program provides supportive services to mentally ill homeless persons including life skills training, money management, case management and referrals to other resources

4. Stepping Into the Light

The program is provided by the AV Domestic Violence Council. The program provides 6 to 8 scattered-site units of transitional housing for families that are homeless because of domestic violence. Supportive Services include case management, domestic violence counseling, life-skills classes, job training and referrals to other supportive services.

5. Transitional Housing Program for Homeless Young People

The program is operated by the Department of Children and Family Services (DCFS). The program provides scattered site transitional housing with supportive services to homeless youth 18-21 who were emancipated from the foster care system.

6. Valley Oasis Center

The program is operated by the AV Domestic Violence Council. The program provides 24-hr emergency housing, meals and supportive services including case management, domestic violence counseling, benefits advocacy, life skills training, referrals to other supportive services and referrals to transitional and permanent housing.

VII. NON-HOUSING COMMUNITY DEVELOPMENT NEEDS ASSESSMENT

A. Introduction

Consolidated Plan regulations require an assessment of “non-housing community development needs.” The City of Lancaster is committed to developing effective investment strategies to meet these needs using the City’s Community Development Block Grant (CDBG). This section is presented in the following order:

- The City’s methodology for determining priorities amongst the several competing community needs.
- The three funding priority levels and their meaning.
- An overview of the CDBG program and eligible uses of funds.
- The City’s community development needs, including infrastructure improvements, facilities, public services, accessibility improvements, and economic development needs.
- At the end of the section is Consolidated Plan Table 2B. This table summarizes all of the non-housing community needs and the City’s five-year funding strategy for the City’s Consolidated Plan funds.

B. Methodology

The City used several data sources to assess the non-housing community needs. 2000 U.S. Census data was the primary source for demographic data, while Los Angeles County and State of California provided data on the local economic conditions. As required by the federal regulations, the City consulted local service providers. The first-hand knowledge of local community development professionals, including City staff and non-profit advocacy groups, made a significant contribution to the assessment. In addition, the City conducted a Community Needs Survey to gather the opinion of the public.

C. Funding Priority Levels

Consolidated Plan funds are limited and are not sufficient to meet all of a community’s needs. Therefore, it is necessary that the City assign relative priorities to each need and use its limited resources to address the highest priorities. The City has assigned one of the following Priority levels to each possible use of funds:

- **High Priority:** A high priority indicates the City will use Consolidated Plan funds to implement programs and projects to address this need.
- **Medium Priority:** A medium priority indicates the City acknowledges a need exists but that the need level is relatively low compared to other needs and / or the need is being addressed by another program or funding source. The City will partner with other agencies and organizations to apply for additional funding.

- Low Priority: A low priority indicates that the City does not perceive a need for this type of service or program.

D. The CDBG Program

This section provides a brief overview of the CDBG Program as it is the primary funding source utilized by the City for non-housing community and economic development activities related to this Consolidated Plan. The CDBG statute calls for program funds to be used to develop viable communities through the provision of decent housing, a suitable living environment, and expanded economic opportunities primarily for persons of low and moderate income. To achieve these ends, the statute requires that activities funded through CDBG meet one of three national objectives:

- Benefiting low- and moderate-income (LM) persons
- Preventing or eliminating slums or blight
- Meeting urgent needs

1. Activities Benefiting Low- And Moderate-Income Persons

LMA - Area Benefit Activities: An activity with benefits available to all residents in a particular area where at least 51 percent of the residents are low- and moderate-income persons. Typical area benefits include:

- Street Improvements
- Water and Sewer Lines
- Neighborhood Facilities
- Façade Improvements in Neighborhood Commercial Districts

LMC - Limited Clientele Activities: An activity that provides benefits to a specific group of persons of which at least 51 percent of the beneficiaries are low- and moderate-income persons.

Presumed Group: An activity that benefits clientele who are generally presumed to be principally low- and moderate-income persons. (Presumed groups: abused children, battered spouses, elderly persons, adults who are severely disabled, homeless persons, illiterate adults, persons with AIDS, and migrant farm workers)

Requiring Income Documentation: An activity requiring information on family size and income to document that at least 51 percent of the clientele are persons whose income does not exceed the low- and moderate-income limit.

Programs Limiting Services to Low- and Moderate-Income: An activity that has income eligibility requirements which limit the activity exclusively to low- and

moderate- income persons, or is of such a nature and location to limit services to primarily low- and moderate-income persons.

Activities that would be expected to qualify under the LM limited clientele presumed groups subcategory include:

- Construction of a senior center
- Public services for the homeless
- Assistance to LM persons developing a micro-enterprise
- Meals on Wheels for the elderly
- Construction of job training facilities for severely disabled adults

LMJ - Job Creation or retention: An activity that directly creates or retains permanent, full-time equivalent jobs. Activities that could be expected to create or retain jobs include:

- Construction by the grantee of a business incubator which is designed to offer both space and assistance to new, small businesses to help them survive and perhaps even expand.
- Loans to help finance the expansion of a plant or factory.
- Financial assistance to a business which has publicly announced its intention to close, and to help it update its machinery and equipment instead.
- Improvement of public infrastructure as needed by a company to comply with environmental laws to avoid closure.

2. Activities Preventing or Eliminating Slums or Blight

The second of the CDBG national objectives has its roots in the Urban Renewal program, one of the major Federal programs that were terminated and replaced with the CDBG program upon its formation in 1974. Although the vast majority of persons who resided in the areas that qualified for assistance under the Urban Renewal program were LM, the principal focus of that program lay in eliminating major slums and other areas of blight within the community and preventing the return of blight to treated areas.

Because of some concerns that the CDBG program might not allow the continuance of the type of projects that were funded under Urban Renewal, provision was made for this through the inclusion of the national objective concerning slums and blight. The subcategories under this national objective are:

- **SBA – Slum or Blighted Area Activities:** An activity serving to improve an area in which documented conditions of slums or blight exist.

- SBS - Slum or Blight on Spot Basis Activities: An activity outside of a slum and blighted area designed to address imminent safety hazards.

3. Activities Designed To Meet an Urgent Need

To comply with the national objective of meeting community development needs having a particular urgency, an activity must be designed to alleviate existing conditions that the grantee certifies:

- Pose a serious and immediate threat to the health or welfare of the community.
- Are of recent origin or recently became urgent.
- The grantee is unable to finance the activity on its own, and
- Other resources of funding are not available to carry out the activity.

Example: a major catastrophe such as a flood or earthquake that threatens the community's residents with the spread of serious disease. The community's other resources may well be depleted and other Federal programs may not be sufficient to cover all the costs associated with this public health threat.

E. Community Development Priority Needs

This assessment examines the level of need for each non-housing community use of funds eligible under the CDBG regulations. The needs are grouped into the following categories: Community Improvements; Community Facilities; Community Services; Accessibility Needs; and Economic Development. **Each need category is defined below.**

Community Infrastructure Improvements

Public improvements that support existing or future community development that benefits an entire area or site (e.g., roads, curbs, gutters, sewer systems, street lighting, bridges).

Community Facilities

Construction or rehabilitation of structures or facilities that house a public use, except for the general conduct of government.

Community Services

Activities that provide services to individuals and/or households (e.g., job training, child care, graffiti removal).

Accessibility Needs

Non-housing activities or improvements that provide accessibility improvements for persons who are physically disabled. All improvements completed must meet the Americans with Disabilities Act (ADA) requirements.

Economic Development

Activities or improvements designed to support, increase, or stabilize business development, as well as to create or retain jobs, or expand the provision of goods and services (e.g., small business incubators, commercial and industrial development, loans to for-profit businesses, infrastructure improvements specific to expanding or creating business development).

F. Community Infrastructure Improvements

The City has on-going needs for community infrastructure improvements and follows a Capital Improvement Plan (CIP) to meet those needs. The CIP includes various Community Infrastructure Improvements to include the installation of a number of storm drain and box culverts to eliminate flooding over roadways, the construction of the Lancaster Blvd-30th East sanitary sewer system, the Drainage Channel Land Acquisition at 10th W/Ave K-8, and the construction of the Avenue H Waterline to name a few.

The City uses a variety of financing to improve community infrastructure, including Lancaster Redevelopment Agency funds, Gas Tax, Drainage Maintenance District funds, and Developer Fees in addition to others. The City makes use of Assessment Districts (AD) and Developer Impact Fees. Bonds are issued to pay for the work and are repaid through an additional tax on properties within the districts. For the 2004-2005 Program Year, the City will be completing projects with an overall cost of approximately \$10 million in drainage/utility capital improvement projects.

In the *Needs Assessment Survey*, respondents did not indicate a need for improvements to this type of community infrastructure.

G. Community Facilities

1. Health Care Facilities

Below is a short summary of current and planned health services programs, including a new hospital and new mental health facility in the City.

a. Antelope Valley Hospital, Lancaster

Antelope Valley Hospital is a not-for-profit, district-owned medical facility governed by a community-elected board. With 455 licensed patient-care beds, Antelope Valley Hospital (AVH) is currently the only full-service hospital in the Antelope Valley. AVH provides complete emergency care

and mental health services. There is also a paramedic base station and provisions for home care.

b. Lancaster Community Hospital, Lancaster

The 117-bed Lancaster Community Hospital (LCH) is owned by Universal Health Services. The hospital includes a Center for Wound Care, the only facility in the area offering a much-needed service to Antelope Valley residents. Working together as a team, physicians, nurses and therapists who specialize in wound care treat patients with a variety of hard-to-heal wounds, including pressure ulcers, diabetic ulcers and bedsores. Services include a medical surgical unit and a nursing/transitional care unit and outpatient services, including an ambulatory treatment center, with outpatient surgery and procedures available. Also, home health care, hospice care and respiratory therapy are part of the LCH's services.

c. New Mental Health Facility

The Antelope Valley Services chapter of the National Mental Health Association (NMHA) provides mental health services for the region, including one-on-one support to adults and teens as well as offering the valley's first comprehensive services for the homeless. The organization also sponsors and coordinates "Project Return" a self-help program aimed at assisting those with mental illness to have active lives within the community. NMHA has started development of a new 20,000-square-foot facility that will open in 2006. Financing of the development of the facility will come from multiple sources, including a \$120,000 federal grant and a \$1.45 million Section 108 loan secured by the City.

2. Fire Station and Equipment

The city receives fire protection services from the Los Angeles County Fire Department. There are seven stations currently located within the city (Battalion 11). As the city continues to grow, there will be a corresponding need for new facilities. The City has assigned a low priority to this need category, as current services and development of new facilities are funded through other funding streams.

3. Youth Centers

The City operates eleven City parks and facilities that administer youth programs, including the Lancaster City Park, the Jane Reynolds Park, and the Skytower Park facilities. The Lancaster City Park hosts a variety of youth programs including Tiny Tot Acting and children's etiquette. The Jane Reynolds Park facility hosts youth dance, cooking for kids, youth marital arts, and day care facilities. The Skytower Park hosts youth activities such as kinder music, Kung Fu Training, and sign language.

4. Libraries

The City is currently served by the Lancaster Public Library a County Public Library located at 601 West Lancaster Boulevard. The library also has a bookmobile servicing the community. The system offers a diverse range of informational resources, special programs, and public services such as the Literacy Program. Since the facility is a County facility, funding for the services and the facility are funded by the County. Therefore, the City has assigned this need category a low priority for Consolidated Plan funds.

5. Child Care Centers

There are slightly over 9,500 children under the age of five in the City, according to the latest US Census. This accounts for eight percent of the total population. The age cohort is expected to grow as the city is one of the few remaining housing markets in the county still affordable to new families.

Adequate and affordable child care is a key component in helping working families succeed. During the school year, the city offers after-school programs and Day Camps during school breaks. These programs, however, have limited enrollments. In addition to the city programs, there are 27 private child care providers in the City that are licensed by the State. Overall, these centers provide approximately 1,800 child care slots. The key subsidized child care services are described below.

- a. Head Start Preschools: These preschools provide child development services to preschool children ages 3-5 and families. For the children, the schools provide hot meals, along with health, social, and psychological services. Referral services for housing and job information are provided for the parents.
- b. Avenues for Independence (GAIN) Program: This program subsidizes child care for people who meet the low income eligibility and who are either working or going to school. The intent of this program is to help parents achieve greater financial independence by maintaining employment or acquiring the job skills to secure employment.

6. Senior Centers

The City has assigned this category a low priority because the existing facilities currently meet the need. At the same time, the City recognizes the growing needs of seniors. Lancaster's senior population as of the 2000 census was approximately 10,000 persons, who accounted for 8.6 percent of the population. As the senior population grows and the average lifespan increases, the need for additional capacity and upgrades to the existing facilities will grow. The City does not currently have a dedicated Senior Center facility. Instead, the City offers programs for all adults at all of the recreation facilities in the City.

7. Park and Recreational Facilities

Lancaster maintains over 450 acres at 11 City parks with two more under construction. The recreational facilities include but are not limited to a state-of-the-art soccer center (Lancaster Municipal Soccer Center), a tennis center and Big 8 Softball Complex at Lancaster City Park, and a swimming facility at Jane Reynolds Park. The City is constructing two new parks, the Whit Carter Park and the Dr. Forrest Hull Park, thereby expanding the amount of park and recreational facilities available to the residents of Lancaster.

The City also provides services through the Lancaster Performing Arts Center, the Lancaster Museum/Art Gallery, and the Prime Desert Woodland Preserve.

8. Community Centers

The City currently operates the Lancaster City Park community center facility. The facility has the ability to accommodate conferences and banquet facilities since the facility contains a commercial kitchen, offering a unique setting for special occasions. The center is ideal for meetings, banquets, special events, fundraisers, receptions, anniversaries, and family reunions. Other facilities, including the Jane Reynolds Park and the County Library serve as community centers. The City has assigned this category a low priority need.

H. Community Services

The City recognizes the importance of coordinating its planning efforts with other public and private community service organizations in order to accomplish the programs necessary to meet the community's needs. The City uses a variety of funding sources such as redevelopment agency funds, State HOME funds and general fund monies to assist community based organizations in providing needed community services to Lancaster residents. In this Consolidated Plan, the City is placing a medium priority on public services that serve low and extremely-low income residents.

1. Homeless Services

The threat of homelessness continues to rise as local property values and rents continue to increase at high rates. While there are few homeless persons visible on the streets of the City, there is an evident need based on the numbers of persons served at local service providers. The City supports the Lancaster Community Shelter which offers temporary shelter and services to City and area homeless. The shelter is leased to Catholic Charities of Los Angeles and provides 40 beds and two family units to accommodate the homeless. An additional 10 beds are available for cold weather emergency shelter. The Lancaster Redevelopment Agency will provide approximately \$40,000 annually for building maintenance and staff support to Catholic Charities for the five year Consolidated Plan period.

In addition, the City partners with local non-profit agencies and the regional Continuum of Care to provide homeless services to the area. It is estimated that there are more than 70,650 homeless living in the Los Angeles County region (not including the Cities of Long Beach, Pasadena, and Glendale) at any point in time. The City considers the provision of homeless services a high priority and will support programs that contribute to the regional Continuum of Care's framework of service. Please refer to Homeless Needs section for additional information on the existing homeless facilities and services and the unmet need in the area.

2. Substance Abuse Services

The County is the primary provider of substance abuse services. The County provides a range of outpatient and residential treatment programs, including crisis intervention, assessment and evaluation, and counseling.

The City is served by four local organizations that provide substance abuse services: the Clinical Counseling Center, Lancaster Medical and Mental Health Service, the Tarzana Treatment Center, and the South Valley Medical Center.

There are a large number of residential treatment facilities throughout the County. However, these private services are often cost-prohibitive to low- and moderate-income persons. The City has assigned a medium priority to this need category based on existing resources. The City would consider funding a program that met this need if it complemented existing services.

3. Senior Services

The City's Parks and Recreation Department is home to numerous senior activities. Programs include educational classes, exercise programs, art education, health promotion, transportation, counseling, and support functions for seniors. A professional staff coordinates programs with the intent to enrich the lives of older adults and their family members.

The City places a medium priority on supportive senior services that help maintain independence. These services allow seniors to remain in their homes when they may otherwise be institutionalized at a high cost to both the senior and the public.

4. Health Services

As health care costs rise and an increasing number of residents go without health insurance, this category is an increasing concern. The City has assigned a medium priority to health services and will look to local non-profit agencies and local health care providers as partners to meet this need.

This category also includes mental health services. The County currently provides a range of services including emergency crisis intervention, acute and

long-term hospitalization, short-term outpatient services, and longer-term rehabilitative and recovery outpatient mental health services. Outpatient programs emphasize individual needs and strengths while developing rehabilitation and recovery goals chosen by the consumer. Supportive services are provided to those able to live independently as well as to those in need of shelter and residential rehabilitation programs. The City has assigned a low priority to this need category based on existing resources

5. Employment / Job Training

The Antelope Valley One Stop Career Center (AVOSCC) is the lead agency for employment and job training services in the area. The AVOSCC administers both the Workforce Investment Act (WIA) and Welfare to Work funding.

The WIA program goals are to design a revitalized, workforce investment system that provides workers with the information, advice, job search assistance, and training they need to get and keep good jobs and provide employers with skilled workers. The primary vehicle for offering these services are One-Stop Career Centers that offer a wealth of training, information, and assistance for businesses and job seekers.

The Welfare to Work program is designed to assist states and localities to help move hard-to-employ welfare recipients into lasting unsubsidized jobs and achieve self-sufficiency. Under the California Work Opportunities and Responsibility to Kids (CalWORKs) Act, welfare recipients must comply with work requirements in order to receive assistance. The program offers a number of employment assistance activities, such as work preparation and vocational training, job search and readiness activities, study, on-the-job training, vocational training, adult basic education, and other supportive services.

The City recognizes the need for employment and job training services and will consider support for programs that seek to complement the existing services. The City has assigned a high priority to this need category.

6. Youth Services

The City administers several youth recreational programs including sports leagues, educational classes, field trips, special events, and after-school programs. The City has placed a low priority on this need category based on relative needs and the availability of other funding sources for these programs.

7. Child Care

Affordable child care is an essential component to a low-income working family's ability to rise out of poverty. Although there are a large number of licensed child care facilities in Lancaster, the cost of these facilities is often unaffordable to the families who most need it. The local Welfare-to-Work program meets some of the existing need, as it includes subsidies for child care.

The City has placed a medium priority on meeting the community's child care needs.

8. Services for the Disabled

The Independent Living Center of Southern California, located in Van Nuys with a branch office in Lancaster, is a primary provider of services to the disabled in the area. The Center receives funding from the State Department of Rehabilitation and is designated as a one of the twenty nine Independent Living Centers (ILCs) in the state. These centers are dedicated to the ideal that communities become fully accessible and integrated so that all persons with disabilities can live, work, shop, and play where they choose, without barriers. The Center provides a variety of services including advocacy, counseling, and vocational services.

In addition, the State administers the In-Home Supportive Services Program that helps pay for services so that clients can remain safely at home as an alternative to expensive out-of-home care, such as nursing homes or board and care facilities. Types of services include housecleaning, meal preparation, and personal care services.

Given the existing level of service and funding, the City has set this need category as a medium funding priority, where it will consider supporting programs that complement existing services.

9. Transportation Services

The Antelope Valley Transit Authority (ATVA) has 40 local transit coaches. Transit vehicles seat 38 to 40 passengers and have 2 wheelchair positions. They are lift-equipped and the front steps can be lowered for passengers who have difficulty boarding. Transfer Centers are located at Lancaster City Park and at the Antelope Valley Mall.

Senior citizens ride local transit free from 9 a.m. to 2 p.m. during the week and all day on the weekends. ACCESS service is restricted to persons with disabilities as determined by the Americans with Disabilities Act. Passenger pick up/discharge is limited to within 3/4 of a mile of an AVTA local bus route and affords travel within the Antelope Valley, to and from the San Fernando Valley, Los Angeles basin and Santa Clarita.

AVTA's Medical Shuttle provides a convenient way for passengers to get to major medical centers in the San Fernando Valley and Los Angeles Basin. Beginning January 3, 2005, Medical Shuttle service will be available to the general public.

Reduced fare programs provide eligible applicants with an appropriate ID card, to which a purchased monthly reduced fare stamp may be affixed. The City has assigned this category a high priority need relative to other community needs.

10. Crime Prevention

The City helps organize a network of neighborhood watch and business watch groups, operates a graffiti abatement program, and coordinates the Lancaster Appreciation Project (LAN-CAP) group.

The LAN-CAP combines the City, Lancaster Sheriff's Station, rental property owners and managers and residents into a team that focuses on keeping illegal activity out of rental property. The cornerstone of the program is a three-phased certificate program for rental property owners and managers. The program includes training, inspections, and Apartment Watch.

The City has assigned this category of need a medium priority relative to other community needs.

I. Accessibility Needs

Persons who are physically disabled, including blindness, and persons who suffer from brain impairments due to diseases or accidents, often face accessibility issues. The American Disabilities Act of 1991 provides comprehensive civil rights protection to persons with disabilities in the areas of public accommodation, employment, state and local government services, and telecommunications. The design, implementation, and maintenance of all park facilities must comply with ADA; persons of all abilities must have the opportunity to participate in recreation activities.

Under the Americans with Disabilities Act (ADA), the City is charged to ensure that individuals with disabilities are not excluded from services, programs, and activities because existing buildings are inaccessible. ADA compliance is a concern of the Consolidated Plan as many persons with disabilities qualify as low and moderate income. The City is working to assure compliance with this important legislation and has assigned this category of need a medium priority.

J. Economic Development

With the sprawl of Los Angeles quickly reaching capacity, the Antelope Valley has never looked better to commercial developers, retailers, and industrialists. Land prices are more affordable than other regions within the County. Improved land in the Santa Clarita Valley, for example, is priced at about \$12 per square foot, while land in the Antelope Valley ranges from \$2.50 per square foot.

Four economic indicators - absorption rate, available space, vacancy rate, and affordable land for development – all indicate an improved and still-growing demand for industrial construction and development in the valley. A recent study by the Greater Antelope Valley Economic Alliance (GAVEA) concluded that nearly 3 million square feet of non-military industrial space had been constructed since 1997. This accounts for 40 percent of all industrial space in Antelope Valley. Despite this large increase in inventory, the vacancy rate for industrial and commercial space has

dropped substantially in recent years and was near one percent in June 2004, a historic low.

The City has a proactive plan to attract new businesses, accommodate economic development, and shape the future growth of the City.

State Enterprise Zone

The City received designation from the state for the Antelope Valley Enterprise Zone in 1997. This 61-square-mile zone offers five state tax incentives to businesses located within the zone. The incentives include (1) a Hiring Tax Credit where firms earn up to \$31,574 in state tax credits for each qualified employee hired; (2) a Sales & Use Tax Credit where firms earn sales tax credits on purchases of up to \$20 million per year on qualified machinery or machinery parts used in the Zone; (3) Business Expense Deduction for businesses to deduct up to \$20,000 of the cost of qualifying business equipment, furniture, and fixtures or other depreciable personal property; (4) Net Operating Loss Carryover where firms can carry all Net Operating Losses from one year to the next; and Interest Deduction for Lenders where lenders to Zone businesses may deduct direct expenses incurred in making the loan from the interest income.

There are several other existing economic development programs available to residents and local businesses funded from other agencies. Descriptions of these programs are provided below.

Small Business Administration (SBA) Programs

Basic 7(a) Loan Guaranty: This is the SBA's primary business loan program. It helps qualified small businesses obtain financing when they might not be eligible for business loans through normal lending channels. Funds can be used for most business purposes including working capital, machinery and equipment, furniture and fixtures, land and building, and debt refinancing. These loans are processed through local commercial lenders.

Express Loans: This program offers term loans and lines of credit up to \$150,000.

Microloan Program: Local intermediary for U.S. Small Business Administration's Microloan program is Valley Economic Development Corporation, located in Van Nuys, serves Los Angeles and Orange County. The Microloan program loans up to \$35,000 for a term of six years to start-up and growing small businesses.

Certified Development Company (504) Loan Program: The CDC/504 loan program is a long-term financing tool for economic development within a community. The 504 Program provides growing businesses with long-term, fixed-rate financing for major fixed assets, such as land and buildings. Maximum loans are \$1.3 million. Local intermediaries: Business Finance Center, located in Commerce, serves Los Angeles County.

Small Business Incubator

Lancaster has been an innovator in the small business arena for many years, co-founding one of the State's first small business incubators. This 30,000 square foot facility within the Lancaster Business Park is designed to create a nurturing, affordable environment for young start-ups taking their first leap from the kitchen table or garage. Incubator tenants enjoy flexible lease terms and have access to on-site counseling, shared resources including high-speed Internet connectivity, and the invaluable exchange of ideas that takes place between fellow entrepreneurs.

Small Business Development Center

North County Small Business Development Center (SBDC) is an entrepreneurial resource made available by the City in cooperation with the Chamber of Commerce. The SBDC's counselors provide marketing, production, employee relations, and technical assistance to businesses that may not have in-house expertise within a given area. The Center can also coordinate assistance from graduate business students who can perform focused business analysis to help you determine your company's key strengths and weaknesses.

SCORE Center

The Service Corps of Retired Executives (SCORE) is a non-profit association comprised of 11,500 volunteer business counselors throughout the U.S. and its territories. There are 389 SCORE chapters in urban, suburban and rural communities. SCORE members are trained to serve as counselors, advisors, and mentors to aspiring entrepreneurs and business owners. These services are offered at no fee, as a community service. SCORE was formed in 1964 and nearly 4 million Americans have utilized SCORE services.

The City has assigned this category of need a high priority relative to other community needs.

**Table 7-1
Community Development Needs (HUD Table 2-B)**

PRIORITY COMMUNITY DEVELOPMENT NEEDS	Priority Need Level High, Medium, Low, No Such Need	Unmet Priority Need	Dollars to Address Unmet Priority Need	Goals
PUBLIC FACILITY NEEDS (projects)	L		\$26,163,000	
Senior Centers	L		\$0	
Handicapped Centers	L		\$0	
Homeless Facilities	L		\$0	
Youth Centers	L		\$0	
Child Care Centers	L		\$0	
Health Facilities	L		\$0	
Neighborhood Facilities	L		\$0	
Parks and/or Recreation Facilities	H		\$23,788,000	
Parking Facilities	M		\$2,000,000	
Non-Residential Historic Preservation	L		\$0	
Other Public Facility Needs	M		\$375,000	
INFRASTRUCTURE (projects)			\$50,529,600	
Water/Sewer Improvements	H		\$6,321,600	
Street Improvements	H		\$2,767,000	
Sidewalks	M		\$0	
Solid Waste Disposal Improvements	L		\$0	
Flood Drain Improvements	H		\$40,305,000	
Other Infrastructure Needs	M		\$1,136,000	
PUBLIC SERVICE NEEDS (people)			\$120,250,000	
Senior Services	H		\$11,500,000	
Handicapped Services	M		\$750,000	
Youth Services	H		\$7,000,000	
Child Care Services	L		\$0	
Transportation Services	H		\$34,000,000	
Substance Abuse Services	L			
Employment Training	M		\$3,000,000	
Health Services	L		\$0	
Lead Hazard Screening	L		\$0	
Crime Awareness	H		\$62,000,000	
Other Public Service Needs	M		\$2,000,000	
ECONOMIC DEVELOPMENT			\$29,691,000	
ED Assistance to For-Profits(businesses)	L		\$0	
ED Technical Assistance(businesses)	M		\$532,000	
Micro-Enterprise Assistance(businesses)	L		\$0	
Rehab; Publicly- or Privately-Owned	L		\$0	
C/I* Infrastructure Development (projects)	H		\$27,459,000	
Other C/I* Improvements(projects)	M		\$100,000	
PLANNING			\$800,000	
Planning	H		\$800,000	
TOTAL ESTIMATED DOLLARS NEEDED:			\$225,833,600	

VIII. BARRIERS TO AFFORDABLE HOUSING

A. What is a Barrier to Affordable Housing?

As defined by the Consolidated Plan regulations, a *barrier to affordable housing* is a public policy, such as land use controls, property taxes, zoning ordinances, building codes, fees and charges, growth limits, and other policies. Since cost reduction opportunities in housing can also be found in areas other than public policy, the Redevelopment Agency Department chose to look at all potential barriers. To distinguish a barrier to affordable housing from an impediment to fair housing choice, is to think of a barrier as not unlawful necessarily (i.e., the lack of affordable housing stock, in and of itself, is a barrier to affordable housing).

B. Analysis of Barriers

The Redevelopment Agency Department is committed to helping reduce barriers to affordable housing. Despite Lancaster's strong economy and growing housing demands, the local market is not responding to the needs of lower-income households to the degree needed. The inventory of affordable housing continues to deteriorate, while the production rate of new affordable housing units cannot keep up with demand.

As the lead agency for housing and community development in Lancaster, the Redevelopment Agency Department is making a significant effort to identify housing problems and reshape its policies and programs for the coming years. The Redevelopment Agency Department sponsored community meetings, distributed needs surveys, and conducted individual interviews as part of Consolidated Plan development (described in the Consolidated Plan Development section). Participants in these meetings identified several issues that are barriers to affordable housing.

Comments from these sources reveal a variety of barriers to affordable housing in Lancaster. The primary barrier to accessing affordable housing is:

- Lack of affordable housing.

Other barriers may include:

- Approval process and fees.
- Building codes and standards.
- Zoning.
- Land use controls.
- Citizen opposition (the "Not In My Back Yard," or NIMBY syndrome).
- Lack of political constituency.

- Lack of knowledge of available programs and resources.
- Resource fragmentation and scarcity.
- Housing acquisition finance requirements.
- Lack of financial resources by housing providers.
- Lack of coordination of resources.

In addition, some families and individuals face barriers to fair housing choice. For more information on impediments to fair housing choice, consult the Impediments to Fair Housing section of this document.

1. Primary Barrier: Lack of Affordable Housing

Since affordable housing is becoming more difficult to find, many low-income households must pay more than they should for a home, or live in less-than-desired conditions. As reported in the housing needs section, approximately 6,762 (45.8 percent) renter households and approximately 5,751 (28.6 percent) of the owner households in the Lancaster are experiencing a cost burden.

What is a Housing Cost Burden?

When a household pays more than 30 percent of its income on housing and utilities, HUD considers the household to be experiencing a cost burden. When a household pays more than 50 percent of its income on housing, the household experiences a severe cost burden.

2. Other Barriers

- a. **Approval Process and Fees:** Getting government approvals for affordable housing projects requires an increasing amount of time and money. The length of time involved in the permit approval process itself can be a barrier to affordable housing. Many residents cited 6 months as the minimum required. Sometimes the process of obtaining all required permits and approvals may add months or even years to a project's development time. During this period the developer must pay the explicit costs of funds borrowed to finance the development and staff retained to design it, as well as the implicit cost of revenues foregone as a result of the approval process delay. Often such delays are due to the needs for submission revisions in accordance with permit requirements. However, whether the delays are due to government officials or developers, they still reduce the financial return on the development of affordable housing.

Approval fees also may constitute a significant barrier to the development of affordable housing depending on the type, size, and location of the proposed development. The fees and charges necessary for approval of a residential development include subdivision fees, building and other permit

fees, and charges for access to sewers and other public infrastructure, among others. Prospective developers may be required to prepare market analyses, environmental or economic impact analyses, or infrastructure requirements analyses and engineering plans to accompany particular development proposals. In many cases, the aggregate cost of these fees, charges, and required submissions can amount to a significant share of the total cost of a residential development. These costs are passed on to the homebuyers making the homes less affordable for low- and moderate-income families.

- b. **Zoning:** Local zoning is the primary system used by the City to maintain control over the pattern of land development within its borders. Zoning regulations allocate parcels of land to different classifications with certain uses being permitted, while others are proscribed. Zoning regulations often restrict density and limit housing types in locations that might otherwise be suitable for affordable housing. Such restrictions therefore exclude lower income household from many neighborhoods.

Zoning regulations prescribing minimum lot sizes, minimum setbacks, and other requirements may necessitate the need for larger lots, which drive up the cost of housing making it less affordable. In addition, zoning is occasionally used to “zone out” mobile/manufactured homes, which are an important source of affordable housing for many low- and moderate-income citizens in Lancaster.

Zoning regulations may also prohibit the development of ancillary dwelling units, even if such units do not impose a significant cost on other community residents. Ancillary dwelling units—sometimes called “in-law apartments” or “grandparent apartments”—are an important tool to increase the supply of affordable housing for moderate-income households, particularly single people who require minimal space.

Zoning practices often have the intended or unintended effect of increasing housing costs, and effectively excluding prospective moderate-income households from locating affordable housing for purchase or rent. Separation of residential from non-residential uses exacerbates traffic problems since most employees must then drive to work. Higher-income residents may bid up the price or rent of housing units that are near places of employment thereby forcing lower-income residents to live farther from their places of employment or other amenities.

- c. **Citizen Opposition:** The “Not In My Back Yard” (NIMBY) syndrome is also a barrier to affordable housing. Participants in interviews, town hall meetings, and working groups often expressed a reluctance to have any additional affordable housing in their neighborhoods due to their perception of housing design, absentee landlords, and crime associated with such housing. There is the misperception that there will be a decrease in property

value. Public hearings concerning proposed affordable housing projects bring objections galore, mostly from neighbors who cite adverse effects on traffic, infrastructure, public services schools, the environment, property values, and crime rates. Community representatives almost all cited the need to keep out additional rental housing, particularly multifamily housing. Frequently unstated is the desire to maintain a neighborhood's socioeconomic homogeneity and exclusivity.

- d. **Lack of Political Constituency:** Despite statistics showing affordable housing shortages, there is little effective public support for new affordable housing initiatives, and little support for measurable increased public funding. Lack of public support often translates into a lack of political support and thus serves as a barrier to the development of both new affordable rental housing units and affordable housing rental subsidies.
- e. **Lack of Knowledge of Available Programs and Resources:** A lack of knowledge among organizations and lower income clients arose as a common theme in meetings and interviews.
- f. **Resource Fragmentation and Scarcity:** To finance affordable housing, sponsors must now bundle together many Federal, State, City, and private programs providing capital funds, operating subsidies, and investment tax incentives. Funding fragmentation is administratively onerous, with sometimes conflicting program constraints.

Even with the availability of a variety of programs, affordable housing resources remain scarce. Like most jurisdictions, the City still has insufficient resources to meet the need for affordable rental and homeownership housing. The need for increased revenue for housing on the Federal, State, and local levels competes with other legitimate public priorities, such as education, transportation, health, and welfare.

- g. **Housing Acquisition Finance Requirements:** Mortgage down payment requirements constitute perhaps the most significant barrier to the purchase of otherwise affordable housing by moderate-income households. Moderate-income households may have little difficulty in making monthly mortgage payments, particularly as household incomes increase with increasing self-sufficiency and real wage growth. However, these households may have difficulty accumulating the total amount required for the up-front down payment on a home purchase.
- h. Additionally, during interviews, some people indicated that the lack of a "one-stop-shop" for housing finance was a significant barrier to homeownership for low-income people in the City.
- i. Finally, rental security deposits may also constitute a significant barrier to the acquisition of otherwise affordable rental housing by low- and

moderate-income households, although security deposits are generally small compared with mortgage down payment requirements.

- j. Similarly, environmental review procedures result in barriers to affordable housing. Environmental regulations provide positive public benefits to all citizens and communities, however, different environmental reviews, rather than a uniform review process shared by all departments, prolong the affordable housing development process, increase costs, create confusion, reduce affordability, and impose undue administrative burdens.

Additionally, many low-income households and most special needs populations usually need access to a variety of supportive services. A common theme reported in interviews was the lack of access to transportation. In most areas of the City, affordable housing is not located near public transportation routes, which are scarce. Lack of transportation raises high barriers to self-sufficiency in such cases.

C. Strategy and Objectives

The primary barrier to affordable housing in Lancaster—as cited through the citizen participation and consultation process—is the lack of affordable rental and homeownership units. Many low- and moderate-income persons and households, especially the very low-income households, the homeless, the physically and mentally disabled, the frail elderly, and other persons with special needs, have problems finding and obtaining affordable housing.

Therefore, the City’s primary strategies for helping reduce barriers to affordable housing are the same as its strategies to meet affordable housing needs:

- Expand and preserve affordable rental housing opportunities, particularly for low-income persons.
- Increase and preserve affordable homeownership opportunities, particularly for low- and moderate-income persons.
- The final strategy is that the City, with the help of the Redevelopment Agency Department, will work with its Consolidated Plan partners throughout Lancaster to further examine ways to ameliorate the conditions that can prevent residents of from obtaining quality, affordable housing. The City of Lancaster 2005-2009 Consolidated Plan contains several objectives that address some of the above barriers to affordable housing such as lack of access to affordable housing. Consult the Strategic Plan section to find the list of strategies and objectives. They are listed under the first two strategies above.

IX. IMPEDIMENTS TO FAIR HOUSING

A. Introduction

Consolidated Plan requirements include completing an Analysis of Impediments to Fair Housing Choice. As part of a mandate to affirmatively further fair housing, Lancaster must take appropriate actions to overcome the effects of the impediments to fair housing choice it identifies in its analysis.

As the lead agency for the City of Lancaster 2005-2009 Consolidated Plan, the Redevelopment Agency Department is committed to working with the public, private, and nonprofit sectors in Lancaster to ensure fair housing choice for all residents. This commitment includes incorporating fair housing needs and strategies into the Consolidated Plan.

This section on Fair Housing includes the following:

- Overview of fair housing, with background on the Fair Housing Act.
- Impediments to Fair Housing Choice in Lancaster, as identified in the “Fair Housing in Lancaster – An Update to the 1996 Analysis of Impediments to Fair Housing” (AI) dated April 2002.
- A strategy for the City of Lancaster to affirmatively further fair housing by addressing current impediments.

B. Overview of Fair Housing

1. What is Fair Housing Choice?

The ability of persons, regardless of race, color, religion, sex, handicap, familial status, national origin, of similar income levels to have available to them the same housing choices.

Consolidated Plan requirements include completing an Analysis of Impediments to Fair Housing Choice. As part of a mandate to affirmatively further fair housing, the City of Lancaster must take appropriate actions to overcome the effects of the impediments to fair housing choice it identifies in its analysis.

2. What is an Analysis of Impediments to Fair Housing?

HUD requires each CDBG recipient to complete an Analysis of Impediments to Fair Housing Choice, also known as an *AI*. The analysis includes examining barriers to fair housing choice. Many communities develop this analysis and planned actions as part of a broader fair housing strategy or fair housing plan.

3. What is an Impediment to Fair Housing Choice?

Housing choice is impeded when actions, omissions, or decisions are taken that restrict a person's choice of housing because of his/her characteristics as listed above. It is also impeded when certain residential dwellings are not made available to a person because of his/her characteristics as listed above.

C. Fair Housing in Context

Title VIII of the Civil Rights Act of 1968 (and a subsequent Amendment in 1988) made it unlawful to discriminate in any aspect related to the sale, rental, or financing of dwellings (or in the provision of brokerage services or facilities) in connection with the sale or rental of a dwelling because of:

- Race
- Color
- Religion
- Sex
- National origin
- Persons with handicaps
- Families with children

1. Application of the Fair Housing Act

Application of the Fair Housing Act is not limited to situations involving Federal funds. It provides for fair housing throughout the United States in the private and public sectors.

When Congress first passed the Housing and Community Development Act in 1974, HUD instructed recipients of the Community Development Block Grant (CDBG) funds to "affirmatively further fair housing." However, it did not provide specific guidance for implementing programs to affirmatively further fair housing.

Some CDBG recipients funded nonprofit groups to provide direct assistance to victims of housing discrimination. Others funded educational programs for consumers and industry about their rights and responsibilities under Federal, State, or local fair housing laws. Other CDBG recipients took actions such as holding special events during the National Fair Housing Month in April each year. Other CDBG recipients did nothing specific to affirmatively further fair housing.

2. Analysis of Impediments to Fair Housing Choice

To help remedy this situation, when HUD published the Consolidated Plan Final Rule in 1995, it required each CDBG recipient to complete an Analysis of Impediments to Fair Housing. The AI is part of the mandate to affirmatively further fair housing. This mandate also includes planning and taking annual actions to overcome the effects of any identified impediments. A jurisdiction

must also maintain records reflecting the AI and the actions it takes to address fair housing impediments.

The City has updated its *Analysis of Impediments to Fair Housing Choice* in April 2002. This study evaluated the nature and extent of housing segregation and discrimination in the City. It serves as a framework for the City's fair housing planning as part of its Consolidated Plan implementation.

D. Discrimination

Discrimination in the sale or rental of housing has diminished significantly since the 1960s. However, there is evidence that housing discrimination persists in Lancaster despite being illegal. Discrimination affecting home sales appears to occur most commonly when potential buyers are hoping for approval of their mortgage application by the lender. Discrimination in apartment rentals is no longer simply a matter of White landlords refusing to rent to minority tenants. Members of many ethnic groups, often immigrants, own or manage apartment complexes, and their own ethnic biases clearly affect their treatment of prospective tenants.

Populations that are particularly impacted by discrimination and face higher levels of fair housing violations are large families with children, female-headed families, formerly homeless persons, disabled persons and persons with HIV/AIDS. Many of these groups face housing restrictions imposed by property owners/managers working under misperceptions or stigmas about these population groups.

Many families with children often face housing discrimination by landlords who fear that children will cause property damage or have cultural issues with children of opposite sex sharing a bedroom. Female-headed families may be discriminated against in the rental housing market because some landlords are concerned about the ability of these households to make regular rent payments.

Formerly homeless persons may encounter fair housing issues when landlords refuse to rent to them based on the perception that homeless persons are more economically, and sometimes mentally, unstable. Persons with disabilities may face discrimination in the housing market because of the need for wheelchairs, home modifications to improve accessibility, or be refused housing based on the stigma of mental disability. Many persons living with HIV/AIDS face illegal eviction from their homes when their illness is exposed.

Discriminatory advertising is also issue that inhibits fair housing choice. When looking for a home to purchase or rent, some of the main sources of information are the classified advertisements in local newspapers, word of mouth, signs, apartment guides, the Internet, and apartment brokers. The language in these types of advertisements has become an issue in that it can contain discriminatory references such as the use of words describing conditions like "adults preferred," "perfect for empty nesters," or "ideal for married couples without kids." Further, if advertisements are limited to one language it can be targeted to specific ethnic

groups, excluding others, such as when “for rent” and “for sale” signs and advertisements for housing are in Spanish or languages other than English. This can exclude English speaking-only residents and also make certain groups feel unwelcome.

Discrimination can also play a role when deciding where to live. Realtors can act unintentionally by steering potential buyers or renters to particular neighborhoods by encouraging the client to look into certain areas; others may choose not to show clients all of the choices available. Further, agents may also discriminate by their choices in whom they agree to represent, whom they turn away, and the comments they make about their clients. Instances of steering by realtors to certain neighborhoods occur in many communities. The homeownership market lends itself to potential increases in discrimination by the very nature of stakeholders involved.

While the City understands that limited housing is not a fair housing issue, it also understands that this condition can exacerbate fair housing problems as housing becomes increasingly scarce and competition for housing increases. When the housing market is tight, with high demand, low vacancies, and rising costs, the potential for discriminatory housing practices also increases.

E. Summary of Issues and Key Findings

The analysis entitled *Fair Housing in Lancaster – An Update to the 1996 Analysis of Impediments to Fair Housing* was completed in April 2002 and is available for review by the public. It assesses housing segregation in the private market; housing and lending discrimination based on race, national origin, familial status, and disability; racial attitude; housing segregation and discrimination in public and subsidized housing; and public policies affecting fair housing choice. The analysis revealed the following findings, which are impediments to fair housing:

Issue #1 - The Zoning Code

According to the Zoning Code “Family” means an individual or 2 or more persons living in a single dwelling unit. “Family” also means the persons living together in a licensed “residential facility” which serves 6 or fewer persons. This definition contains no requirements that the persons be related, a limit on the size of the family, or even that the dwelling unit have a kitchen. The definition’s extension to residential facilities is compatible with the state law and federal regulation. There appears to be no problem with this definition.

The definition of “Guest House” is problematic. The Zoning Code prohibits these units from rented out. This restricts the amount of affordable housing as guesthouses are often viewed as allowing persons of different incomes to live in the same neighborhoods, to the extent that there is a shortage of affordable housing in the City of Lancaster, revising this provision and allowing rental use of guesthouse may be indicated.

There appear to be no barriers to group living, for disabled persons or others. The family definition is not at all restrictive and there are no special use permits required for group living or residential care. Zones designated for residential use would appear to allow for the standard set of facilities for the disabled without any additional costs, permissions, variances, or hearings.

Issue #2 - Residential Zones

There are several residential zone categories. The first two, RR and R, are zoned for single-family dwelling units. The RR category contains the following three sub-categories: RR-2.5 are rural zones with a maximum of one single-family unit on a minimum of 2.5 acres or 100,000 square feet. RR-1 is also rural with a maximum of one single-family dwelling and a minimum of one acre or 40,000 square feet. SRR is a semi-rural designation and has a maximum of two single-family dwellings per acre or a minimum lot size of 20,000 square feet.

The Urban Residential zones have 5 sub categories. R-15,000 is a transitional designation for one single-family home on lots of at least 15,000 square feet. R-10,000 is also a transitional zone for one single family home on lots with a minimum of 10,000 square feet. R-8500, R-7000, and R-6000 are also all designated for one single family home on 8500, 7000, and 6000 square feet respectively.

The medium and high-density zones have four sub categories. MDR-1 allows multi-family construction with a range of 6.6 to 11 dwelling units per acre. MDR-2 has a density of 6.6 to 15 dwelling units per acre. HDR-1 has a density of 15.1 to 25 dwelling units per acre and HDR-2 has a density range of 15.1 to 30 dwelling units per acre. In addition, these zones also allow for the construction of duplexes.

In evaluating these zone categories from a fair housing viewpoint there seems to be little at issue. The required lot sizes are comparable to other jurisdictions and the lot size requirements are in fact less than in many more densely populated areas. The density provisions are also comparable or better in terms of number of dwelling units possible than other areas and should allow for the construction of suitable low and middle income accessible units. Projects that would have more than 10 units require a conditional use permit. Family care homes, foster homes and group homes serving 6 or fewer persons are all allowed without a conditional use permit, additional fees, or hearings.

The required lot width and depth are reasonable and consistent with the lot sized and seem to pose no barrier to fair housing. The front yard (setback) and the rear yard requirements are small and reasonable. Building height is capped at 40 feet for RR-2.5 and RR-1 and 35 feet for the other single-family zones with a maximum lot coverage of 40%. Multi-family zones all have small and reasonable setbacks and yard requirements. The building height is capped at 35 feet for all multi-family building if it is within 100 feet of a single-family zone. Multi-family buildings further than 100 feet from single-family zones range from 45 feet for MDR-1 to 50 feet for MDR-2 to 55 feet for HDR-1 to 60 feet for HDR-2. These requirements are

flexible enough to allow for the creation of dense, multi-family, units and exceeds the minimum of many other jurisdictions.

Lot coverage requirements are 45% for MDR-1, 50% for MDR-2, 55% for HDR-1, and 60% for HDR-2. These also allow more coverage than many other jurisdictions and seem to present no barrier to fair housing.

Parking requirements are similar to most jurisdictions and could be reduced in order to allow for less expensive construction. Low income families also tend to have fewer vehicles and less need for parking and excessive parking space requirements may pose some minor barriers to construction of low and moderate income housing. The single-family parking requirements are for 2 enclosed spaces per dwelling unit. Duplexes are required to have two enclosed spaces per unit. MDR and HDR zones must have 1.5 covered spaces per studio and one bedroom and one and one half covered and one half uncovered spaces for two or more bedroom units. These requirements do not seem to be excessive and in fact require less covered parking than other areas. There are reduced parking requirements for residential care facilities and senior citizen housing. This tends to make construction of these types of units more attractive and is a regulation that enhances fair housing in Lancaster.

Issue #3 - Density Bonus Program

In order to provide additional low and very low income housing, the City of Lancaster has added a density bonus program to the existing zoning code. This program allows for a 25% increase in dwelling units over the standard zone maximum. To qualify for this program the building must have 5 or more units and designate 20% of the total units for lower income housing, 10% for very low income housing and 50% for senior citizen housing. The City will also provide additional incentives in order to create this type of housing. These incentives include a reduction in the parking requirements, a reduction in setbacks, or an increase in building height and lot coverage. The builder would agree to maintain the building for a minimum of 10 years and a maximum of 30 years and report on the status of its tenants to the City.

This program, and the incentives it provides, would seem to fulfill both the letter of the fair housing law and its intent to provide a housing stock accessible to low income families. The incentives offered are those already identified as possibly increasing the cost of low-income housing and the waiver provisions are not excessive. In summary, this program is an excellent example of how zoning codes can help increase the amount of low income housing by providing private incentives.

Issue #4 - The Zoning Code

Despite the fact that the definition section of the code prohibits guesthouses from being rented, the code does contain a section on second dwelling units. These units may be rented. The units must have separate utility service, be 400 to 1200 square feet, and be compatible with the architecture of the main unit. The provisions for

approval of these units seem reasonable and the intent of the section is to augment the supply of low-income housing. In summary, this section is another example of zoning regulation that helps address the shortage of low-income housing.

Issue #5 - ADA and Fair Housing Amendments Act Guidelines

While not addressed specifically in the zoning code, the City should ensure that all builders and property managers are aware of and in compliance with the provisions of the ADA and the FHAA, which have fairly specific requirements for multi-family housing built after 1990. While there appears to be no impediments in the code to group living or residential care, it is important that the City undertake a proactive effort to increase awareness would seem to be a reasonable course of action to take.

Issue #6 - The General Plan

A review of the general plan revealed a few interesting issues. First, the City of Lancaster boast that its supply of affordable housing will increase its growth over the life of the plan and this distinguishes Lancaster from many other communities in Los Angeles County. People will come to Lancaster to work locally as well as commute to Los Angeles proper or the San Fernando Valley as long as the supply of affordable housing remains high.

Second, The City of Lancaster's goals include one calling for a mix of incomes, residences types and commercial uses. In other words, Lancaster is trying to create a diversified community less reliant on military spending and farming and that is racially and ethnically diverse.

Recommendation:

Action 1.1 - The City of Lancaster should work with Palmdale in developing joint strategies for Fair Housing. Periodic three-way meetings between the two cities and the fair housing provider should be conducted. The City should also explore the possibility of persuading the County of Los Angeles to begin a separate subcontract for fair housing services in the Antelope Valley area.

Action 1.2 Although the City of Lancaster is highly integrated, new developments on its southwest border are much less so. The Cit should authorize and encourage its fair housing provider to conduct investigations and testing in this area, since conditions here inevitably have a powerful influence on the fair housing environment of the City.

Action 1.3 The Asian community within Lancaster is the one ethnic group which has become more segregated over the past decade. The City's fair housing provider should undertake special outreach efforts aimed at this community to better understand possible fair housing needs among Asians.

- Action 1.4** In general, the performance of lenders servicing Lancaster is good. Loans are available, and approval rates, although lower for Black and Hispanic applicants, are relatively similar among many lenders. However, we have identified several lenders with large disparities in the approval rates for majority vs. minority applicants. The City’s fair housing provider should follow up on these concerns and work with City agencies to improve practices. The provider should also audit building permitting processes to insure that new multifamily buildings in Lancaster comply with fair housing construction standards.
- Action 1.5** The City should reexamine its zoning and land use practices to ensure fair housing is available for disabled persons, especially those living in group homes. The City’s fair housing provider should follow-up on these concerns and work with the City agencies to improve practices. The provider should also audit the building permitting process to insure that new multi-family buildings in Lancaster comply with fair housing construction standards.
- Action 1.6** Most of Lancaster’s residents live in single-family homes, but fair housing enforcement efforts currently focus almost entirely on the rental market. The City’s provider has substantial experience in doing enforcement in the “sales” market, and the City should take advantage of this expertise and broaden the provider’s mission in Lancaster.
- Action 1.7** Fair Housing Funding by the City has been flat at \$15,000 for many years. The City of Palmdale, with a similar population, is funding fair housing at \$20,000 (and plans to increase theirs to \$22,000 per year) Lancaster should increase funding to at least \$20,000 per year. It should also consider reaching an agreement with Palmdale under which both cities will increase funding to \$25,000 in exchange for the air housing provider (a) taking on the supplemental activities and services described here; and (b) committing to provide a weekly staff presence in the Antelope Valley.
- Action 1.8** The fair housing monitor in Lancaster should insure that the City’s current fair housing provider follows the procedures outlined in the detailed review of Chapter Three. It should set standards for performance in outreach, investigation volume, testing volume, and substantive resolutions for fair housing complaints. These standards for performance in outreach investigation volume, testing volume, and substantive resolutions for fair housing complaints.

F. Fair Housing in Lancaster

Since 1985, the City of Lancaster has worked in conjunction with the Housing Rights Center (formerly the Fair Housing Council of San Gabriel Valley) to affirmatively further fair housing opportunities in this community. The Housing

Rights Center “actively supports and promotes freedom of residence through education, advocacy and litigation to the end that all persons have the opportunity to secure the housing they desire and can afford, without regard to their race, color, religion, gender, sexual orientation, national origin, familial status, marital status, disability, ancestry, age, source of income or other characteristics protected by law.”

The Housing Rights Center (HRC) provides a wide array of programs and services to its clients free of charge and which are available in eight different languages to residents, housing professional and community service providers under contracts with the City of Lancaster, an many other communities throughout Los Angeles County.

G. Fair Housing Strategy

The Redevelopment Agency Department, as the lead agency for the Consolidated Plan, is committed to working with its public, private, and nonprofit partners to ensure fair housing choice for all residents. This commitment includes incorporating fair housing needs and strategies into the Consolidated Plan. In conjunction with the *Fair Housing in Lancaster – An Update to the 1996 Analysis of Impediments to Fair Housing* the Redevelopment Agency Department will develop measurable actions that it will undertake each year to carry out this strategy. The Annual Action Plan for each program year will describe these actions.

For a copy of the *Fair Housing in Lancaster – An Update to the 1996 Analysis of Impediments to Fair Housing*, write to the City of Lancaster, Redevelopment Agency Department, 44933 North Fern Avenue, Lancaster, CA 93534-2461

X. LEAD-BASED PAINT HAZARDS

A. Introduction

Lead-based paint poisoning among children is increasing nationwide. Research indicates that even a low level of lead in a child's blood can have harmful effects on physical and developmental health. The Center for Disease Control has designated lead exposure as the primary environmental health hazard facing American children. The most common source of exposure is deteriorating lead based paint and lead-contaminated dust found in the home.

Fortunately, lead poisoning is preventable. To adequately protect children, the Federal government streamlined, modernized, and consolidated all lead-based paint requirements in Federally-assisted housing. New HUD regulations (24 CFR Part 35) took affect implementing these sweeping changes in 2000, and the City is ensuring that its programs comply with these new regulations.

B. Lead Hazards

Lead can cause severe damage in young children. It attacks the central nervous system and the neurological system, and can cause brain damage, IQ reduction, learning disabilities, decreased attention span, hyperactivity, growth inhibition, comas, seizures, and in some cases, death. Fetuses may also experience significant adverse effects through prenatal exposure.

In 1991, the Center for Disease Control issued guidelines for identifying children with lead poisoning. It recommended that jurisdictions screen all young children for lead in their blood. Children identified with blood lead poisoning would receive intervention to remove the source of the poisoning and reduce the blood lead level.

The problem of lead poisoning has increased so dramatically that the Center has reduced the standard regarding the blood level that demarcates lead poisoning by more than half. By reducing the standard from 25 micrograms to 10 micrograms of lead in a deciliter of blood ($\mu\text{g}/\text{dL}$), it expanded the number of people considered to be poisoned and in need of help.

A level of 10 $\mu\text{g}/\text{dL}$ or above is now considered an "elevated blood lead level." If a child's blood lead level is 20 $\mu\text{g}/\text{dL}$ or remains at 15 $\mu\text{g}/\text{dL}$ after two tests, the Center for Disease Control requires case management by local health professionals¹. Even a low level of lead in a child's blood can have harmful effects on physical and developmental health.

C. Sources of Lead Hazards

The most common source of child lead poisoning is exposure to lead-based paint (and lead-contaminated dust) in the child's home. Housing built before 1978 may contain some lead-based paint since the use of lead-based paint became illegal that

year. Since the amount of lead pigment in the paint tends to increase with a home's age, older housing is more likely to have lead-based paint hazards.

Lead exposure occurs when children ingest chips of lead-based paint, paint contaminated dust, or paint-contaminated soil. It also occurs if they inhale dust particles from lead-based paint (usually occurring due to deterioration, abrasion, home renovation, or maintenance). Children are also exposed to lead through a variety of other sources besides lead-based paint, such as gasoline, air, food, water, soil, dust, and parental hobbies such as pottery and stained glass making.

Occupational lead exposure accounts for approximately 90 percent of adult lead poisoning cases. Occupations in which a worker is potentially exposed include smelting and refining industries, battery manufacturing plants, gasoline stations, construction and residential painting.

D. What is a Lead-based Paint Hazard?

Lead-based paint hazards consist of any condition that causes exposure to lead from the following sources that would result in adverse human health effects:

- Lead-based paint dust.
- Lead-based paint contaminated soil.
- Lead-contaminated paint that is deteriorated or present in accessible surfaces, friction surfaces, or impact surfaces.

E. Effects of Lead Hazard

Lead poisoning is one of the most common and preventable health hazards to American children today. Research indicates that even a low level of lead in a child's blood can have harmful effects on their physical and developmental health.

Lead poisoning is the most serious environmental threat to children's health. If harmful levels of lead are not detected early, children could suffer from:

- Decreased growth.
- Learning problems.
- Impaired hearing.
- Behavior problems (such as hyperactivity).
- Nerve and/or brain damage.

Children are more susceptible to the effects of lead, because their growing bodies absorb more lead and young children often put their hands and other objects in their mouths. In addition, their brains and nervous systems are more sensitive to the damaging effects of lead.

Most children do not have any symptoms, even if a blood test shows that they have an elevated blood lead level. If a child does have symptoms, the symptoms may be mistaken for the flu or other illnesses. If symptoms occur, they might be:

- Irritability.
- Fatigue.
- .Constipation
- Frequent vomiting.
- Headache.
- Sleep disorders.
- Poor appetite
- Stomach ache and
- cramps.

Lead can cause severe damage in young children. It attacks the central nervous system and the neurological system, causing brain damage, IQ reduction, learning disabilities, decreased attention span, hyperactivity, comas, seizures, and in some cases, death. There may also be significant adverse effects to fetuses through prenatal exposure.

Who is At Risk?

Residents of any housing built before 1978 are considered to be at risk of containing some amount of lead-based paint. Older housing is more likely to have lead-based paint and the amount of lead pigment in the paint tends to increase with the age of the housing. A large amount of Lancaster's housing stock (57.1 percent) was built after 1979, eliminating the residents of these homes from risk of lead-based paint hazards. An additional 14.6 percent of the City's housing stock was built between 1970 and 1979, which has a somewhat low risk of lead-based paint hazards.

Since low-income people often live in older housing, they are at higher risk for exposure to lead-based paint. It is estimated that 52 percent of the units constructed before 1978 are occupied by low- to moderate-income households and potentially have lead-based paint. However, empirical evidence gathered through the testing of pre-1978 housing done in conjunction with the City's various housing rehabilitation programs suggests that a smaller percentage of the City's housing stock has paint containing lead. Young children who live in housing built before 1978 could ingest lead-based paint and are thus at higher risk. The following children in Lancaster could be at higher risk:

- Children under 5 years old: about 8 percent of the population of Lancaster, or 9,544 children.¹
- Approximately 1,873 families (or 25.1 percent of the total number of families below the poverty level) have related children under five years old are living below poverty.²

¹ Source: U.S. Census Bureau, 2000 Census data.

² Source: U.S. Census Bureau, 2000 Census data.

F. Number of Children with Elevated Blood Levels of Lead

The Center for Disease Control mandates lead screening for all children who participate in Federally-funded health programs. Screening typically occurs when a child is between 12 and 72 months old. An elevated blood level (EBL) is recorded when the blood level is 10 µg/dL.

In accordance with the Centers for Disease Control and Prevention, A “case” is defined as a child having a blood lead level equal to or greater than 20 µg/dL once, or blood lead levels between 15-19 µg/dL for at least two tests. Once a case is reported, the CDC is involved in the case, as described below the heading, Childhood Lead Poisoning Prevention Program (CLPP).

The Center for Disease Control records the number of reported annual screenings, the number of children with elevated blood levels and the number of reported cases for the cities within County. The chart below shows the number of screenings, EBLs, and cases in the City of Lancaster.

Table 8-1
Number of Screenings, EBLs, and Cases in Lancaster

Description	2000	2001	2002	2003	2004
Screening*	6	9	6	253	59
EBL's	3	5	4	11	8
Cases	1	1	2	1	2

Note: * The number of children screened reflects only of the Blood Levels that LA CLPPP received and entered. According to the universal reporting law, laboratories are mandated to report all BLL's to the State only, no to local agencies.

G. Strategies and Objectives

The City's strategy for lead-based paint falls under:

Housing Strategy #?: Preserve and Improve the Existing Stock of Affordable Housing

The following describes the programs and activities to support this strategy and more specifically to address lead-based paint in federally assisted housing.

The City undertakes a range of activities to address the problem of lead-based paint in the housing, including outreach, assessment, and abatement. As required by HUD regulation 24 CFR Part 35, the City has a *Lead-Based Paint Implementation Plan* that includes a Needs Assessment Matrix that estimates lead-based paint needs by activity.

The City conducts housing inspections to determine if various types of housing are safe, sanitary, and fit for habitation.

H. City Compliance and Activities

The City has taken aggressive action to ensure compliance with HUD's Consolidated Lead-Based Paint Regulations. The matrix on p. 8-10 displays the process and procedures that the City uses to address lead-based paint in CDBG and HOME-funded Rehabilitation Programs. This matrix is broken into three categories—rehabilitation under \$5,000, rehabilitation \$5,000 to \$25,000, and rehabilitation over \$25,000—and describes the approach to lead hazard evaluation and reduction, application to the program, scope of work, notification, lead hazard evaluation, relocation requirements, lead hazard reduction, clearance, and options.

During the past three years, the City has proactively disseminated information on lead hazards and the new regulations to its Housing Division staff; Community-Based Organizations; non-profit organizations; and other participating public agencies that receive City administered federal funds.

To ensure that its staff is knowledgeable about lead regulations, the City has sent key staff to HUD-sponsored training sessions. The City compiled an informational source document based on HUD-sponsored training materials and conducted internal training sessions for the other Housing staff members. The training sessions were designed to help other staff members provide meaningful oversight of lead-hazard consultants and contractors to ensure safe work practices are followed, and to ensure that compliance requirements are implemented in conjunction with rehabilitation and renovation program activities.

**Table 8-2: Addressing Lead-Based Paint in
CDBG and HOME--funded Rehabilitation Programs**

Requirements	< \$5,000	\$5,000 - \$25,000	> \$25,000
Approach to Lead Hazard Evaluation and Reduction	Do no harm	Identify and control lead hazards	Identify and abate lead hazards
Application to Program	Application reviewed and approved; agreement determines commitment	Application reviewed and approved; agreement determines commitment	Application reviewed and approved; agreement determines commitment
Scope of Work	Scope of work to determine if painted surfaces will be disturbed; begin to identify lead hazards	Scope of work to determine if painted surfaces will be disturbed; begin to identify lead hazards	Scope of work to determine if painted surfaces will be disturbed; begin to identify lead hazards
Notification	Lead hazard pamphlet; notification to buyers; notify. of evaluation; notify. of reduction	Lead hazard pamphlet; notification to buyers; notify. of eval.; notify. of reduction	Lead hazard pamphlet; notification to buyers; notify. of evaluation; notification of reduction
Lead Hazard Evaluation	Paint testing required by certified paint inspectors* or risk assessors* for surfaces disturbed during rehab.	Paint testing required by certified paint inspectors* for surfaces disturbed during rehab; risk assessment on entire dwelling and soil	Paint testing required by certified paint inspectors* for surfaces disturbed during rehab; risk assessment on entire dwelling and soil
Relocation Requirements	Relocation from work area	Relocation from unit may be required when extensive rehab. occurs in kitchens, bathrooms, etc.	Relocation from unit may be required when extensive rehab. occurs in kitchens, bathrooms, etc.
IF LEAD IS PRESENT OR PRESUMED: Lead Hazard Reduction	Repair lead-based paint disturbed during rehab. and apply a new coat of paint; Safe Work Practices (SWP) that restrict types of paint removal methods, provide for occupant protection, and require cleaning after lead hazard reduction activities.	Interim Controls on lead-based paint include addressing friction and impact surfaces, creating smooth and cleanable surfaces, encapsulation, removing or covering lead-based paint and paint stabilization through-out unit; SWP	Abatement to lead-based paint involves permanently removing lead-based paint hazards, often through paint and component removal, and enclosure and interim controls on exterior surfaces not disturbed by rehab; SWP
Clearance	Clearance testing on repaired surfaces by certified professional*	Clearance testing performed unit-wide and on soil	Clearance testing performed unit-wide and on soil
Options	Presume lead-based paint; SWP	Presume lead-based paint; use standard treatments	Presume lead-based paint; abate all applicable surfaces
Contractor Qualifications	SEP-contractors familiar with Safe Treatment Methods and Prohibited Treatment Methods	Interim Controls or Standard Treatments- accredited lead-based paint worker course or lead-based paint abatement supervisors course	Abatement contractors- trained and state-certified abatement supervisors and accredited lead abatement worker training
*Certified Paint Inspectors must successfully complete an Environmental Protection Agency (EPA) or state-accredited training program and receive state certification; Certified Risk Assessors must successfully complete an Environmental Protection Agency (EPA) or state-accredited training program, receive state certification, and have related experience.			

I. Activities of Other County Agencies

Other County agencies administer various programs and engage in various activities to address lead hazards or lead-based paint issues. These programs and activities are listed below.

Childhood Lead Poisoning Prevention Program

The Health Assessment Division³ of the Los Angeles County Department of Health Services administers a Childhood Lead Poisoning Prevention (CLPP) program with the following mission:

“To prevent lead poisoning in children by pro-active action to educate the public regarding the hazards of lead poisoning, and to provide a comprehensive response to support lead burdened children, their families and the community.”

The Division has four units to carry out the mission of the CLPP: the Case Management, Environmental Health, Epidemiology, and Health Education Units. The Case Management Unit has Public Health Nurses who assist primary care providers with identification, follow-up and management of lead-poisoned children considered to be a case.

Once a child has been identified as a case, a Public Health Nurse visits the child’s home to provide a general physical assessment of the child. The nurse also educates the family on the effects of lead poisoning, explains how to prevent it, and helps link the family to any needed health and social services.

The Environmental Health Unit sends Registered Environmental Health Specialists to visit a lead-poisoned child’s environment to identify hazards, interview parents and take environmental samples. These specialists investigate, evaluate and analyze lead hazards, including source identification. The inspectors may issue corrective notices to eliminate lead hazards as well as monitor home repair, corrective notices, or compliances.

The Epidemiology Unit maintains a lead poisoning database, which includes demographic, geographic, laboratory and clinical information on all reported screenings, and identified cases throughout the County. The Epidemiology staff plans, directs, and evaluates original epidemiological studies, analyzes lead poisoning data and responds to data requests from interested parties.

Finally, the Health Education Unit maintains a library of information on lead and lead poisoning prevention, available to the community in several languages. The unit also provides presentations, information booths, and trainings upon request. In addition, it offers a toll free hotline, 1-800-LA-4-LEAD, for the public during regular working hours to answer questions or to give referrals regarding lead-related issues.

³ Information on the Childhood Lead Poisoning Prevention Program was received from the Los Angeles County Department of Health Services’ web site at www.lapublichealth.org

Table 8-3

More Local Sources for Information on Lead-Based Paint

Air Quality Management District <i>To report the spread of lead dust due to construction</i> www.aqmd.gov 1-800-288-7664	Hazardous Waste Roundups <i>Disposal of hazardous materials (i.e., paint, oil, batteries, etc.)</i> www.ladpw.org/epd 1-888-CLEAN-LA ; 1-888-253-2652
California Department of Health Services <i>Occupational Lead Poisoning Prevention Program</i> (510) 622-4332	Healthy Families <i>State's low-cost health insurance for children ages 1-19</i> www.healthyfamilies.ca.gov 1-800-880-5305
National Safety Council/Environmental Health Center [URL: www.nsc.org/ehc/lead.htm]	National lead service Provider's Listing System [URL: www.leadlisting.org]
Child Health and Disability Prevention Program <i>CHDP - provides no cost health examination, including blood lead test, for children under 21</i> www.dhs.cahwnet.gov/pcf/cms/html/chdp.htm 1-800-993-CHDP ; 1-800-993-2437	Lead-Related Construction Information Line <i>List of certified workers and contractors</i> www.dhs.ca.gov/childlead 1-800-597-LEAD; 1-800-597-5323
Consumer Nutrition Information Center <i>Suggestions for healthy foods</i> www.eatright.org 1-800-366-1655	Office of Lead Hazard Control/Department of Housing and Urban Development [URL: www.hud.gov/lea/]
Consumer Product Safety Commission Hotline <i>For information on lead in consumer products</i> www.cpsc.gov 1-800-638-2772	Medi-Cal <i>This program provides no-cost or low-cost medical care for families. For more information, call</i> www.medi-cal.ca.gov 1-888-747-1222
Environmental Protection Agency EPA - <i>Home repairs and renovations</i> www.epa.gov 1-415-744-1124	National Lead Information Center <i>Information on protecting children, during home repairs and renovations</i> www.epa.gov/lead 1-800-LEAD-FYI ; 1-800-424-LEAD
EPA's Safe Drinking Water Hotline <i>Information on lead in drinking water</i> www.epa.gov/OGWDW 1-800-426-4791	Occupational Lead Poisoning Prevention Program <i>Lead concerns in the workplace</i> www.dhs.cahwnet.gov/ohb/olppp 1-510-622-4332
Poison Control System <i>For Poison Emergencies</i> www.calpoison.org 1-800-876-4766	CDC Childhood Lead Poisoning Prevention Program [URL: www.cdc.gov/nceh/lead/lead.htm]
National Center for Lead Safe Housing [URL: www.lead-safehousing.org/]	

XI. HOUSING AND COMMUNITY DEVELOPMENT DELIVERY SYSTEM

A. Housing and Community Development Delivery System

State agencies, local governments, nonprofit organizations, businesses, and financial institutions are all vital players in Lancaster's housing and community development delivery system. This section examines the effectiveness of the housing and community development system in the City and possible strategies to enhance collaboration.

Institutional Structure:

The *institutional structure* is comprised of the private, public, and nonprofit organizations that help carry out the Consolidated Plan for the City. The relationships and interaction of these organizations as they deliver programs and undertake activities is known as the City's *housing and community development delivery system*.

1. Lead Agency

The City's Redevelopment Agency is the lead agency for the Consolidated Plan. It administers the City's CDBG and HOME programs. As the City's affordable housing and community development agency, its mission is to *Build Better Lives and Better Neighborhoods* by strengthening communities, empowering families, supporting local economies, and promoting individual achievement.

The Redevelopment Agency plans, administers, implements, and monitors projects funded through the City's formula entitlement funds from the U.S. Department of Housing and Urban Development. These entitlements include the Community Development Block Grant (CDBG) and HOME Investment partnerships (HOME) programs. As the recipient of these funds, the Redevelopment Agency is tasked with the responsibility for developing and carrying out the Consolidated Plan

The City uses these and other funds to provide decent housing, create a suitable living environment, and expand economic opportunities throughout the City. It also manages State and Federal workforce development programs under the Workforce Investment Act and the State Training and Employment Program.

2. Community Development Block Grant (CDBG) Program

The CDBG program was initiated by the Housing and Community Development Act of 1974. Although the Act has been amended in recent years, the primary objective continues to be the development of viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for persons of low and moderate-income.

Each year the City program is designed to achieve this primary objective. Regulations governing the Program also require that each activity undertaken with CDBG funds meet one of three broad national objectives as follows:

- Benefit low- and moderate-income persons.
- Aid in the prevention or elimination of slums and blight.
- Meet other community development needs having a particular urgency.

The City certifies that its Annual Action Plan has been designed to give maximum feasible priority to activities, which meet the first and second objectives above. Additionally, the City certifies that no less than 70 percent of the CDBG funds received, over a three-year certification period, will be designed to benefit low- and moderate-income persons.

3. Home Investment Partnerships Program (HOME)

On November 28, 1990, the Cranston-Gonzalez National Affordable Housing Act was enacted (P.L. 101-625). The HOME Investment Partnerships (HOME) program was created as a result of this legislation. It affords states and local governments the flexibility to fund a wide range of low-income housing activities through housing partnerships among states, localities, private industry, and nonprofit organizations. This program provides federal funds for the development and rehabilitation of affordable rental and homeownership housing, replacing a series of programs previously funded by HUD. Funds are allocated by HUD to qualifying "Participating Jurisdictions" (PJs), such as the City of Lancaster, based upon a variety of demographic and housing factors. With the exception of a waiver granted for disaster-related funding, HOME funds are subject to a 25 percent match of non-federal funds or in-kind contributions.

4. Homeless Services Programs (Including ESG Program)

The Emergency Shelter Grant (ESG) program began on November 7, 1989, as part of the Stewart B. McKinney Homeless Assistance Act. The program is designed to improve the quality of existing emergency shelters, make available additional emergency shelters, help meet the cost of operating emergency shelters, and provide essential social services to homeless individuals. The ESG program ensures that the homeless have access not only to safe and sanitary shelter but also to supportive services and other kinds of assistance needed to improve their situations. The program is also intended to reduce homelessness through the funding of preventive programs and activities.

On December 17, 1993, the County of Los Angeles and the City of Los Angeles entered into a joint exercise of powers agreement to create the Los Angeles Homeless Services Authority (LAHSA) to provide coordinated homeless services. Programs initially assigned to LAHSA by the County and City of Los Angeles include the ESG Program and the Cold/Wet Weather Emergency Shelter Program,

funded in part with CDBG funds, as well as other homeless services programs already being provided by the County and City.

Subsequently, on November 15, 1994, the County approved entering into a grant agreement with the City and HUD to implement the Los Angeles Area Homeless Initiative pursuant to the "HUD Demonstration Act of 1993." The County and City have designated LAHSA to administer the Homeless Initiative. All of these Homeless Programs and funds will be coordinated by LAHSA. The funds will be apportioned in the County and City according to need and in keeping with the Continuum of Care, described in Section 4.2.2 of the Consolidated Plan.

5. Housing Authority Of County Of Los Angeles (Hacola)

The Housing Authority of the County of Los Angeles (HACoLA) is a public housing authority with jurisdiction throughout the unincorporated county and within the participating cities. Its purpose is to administer federal funds for public housing projects and government assisted housing units such as the Section 8 Rental Subsidy and Family Self-Sufficiency programs. HACoLA is staffed by the CDC, and is governed by the Housing Authority Board of Commissioners.

The County Board of Supervisors serves as the Housing Board of Commissioners, with each of the five members duly elected by supervisorial district. Each member of the Housing Board of Commissioner in turn appoints a representative to the nine member Housing Commission, with four at-large members; two selected from tenants of Housing Authority developments and two who are receiving Section 8 assistance through HACoLA. The Housing Commission serves as an advisory body to the Board of Commissioners on matters related to the Housing Authority, including housing development, modernization, acquisition, management, maintenance and administration.

The majority of HACoLA decisions such as procurement, hiring and contracting are independent of review and approval by the Community Development Block Grant Division of the CDC. The CDC maintains decentralized procedures by division, with all activities governed by the CDC's Purchasing, Policies and Procedures Manual. The manual ensures that CDC activities are consistent with Office of Management and Budget regulations. The Central Services Division of the CDC is charged with providing final oversight of procurement and contracting to ensure compliance with adopted policies.

Because HACoLA is part of the overall CDC structure, there is good communication between HACoLA and other divisions of the CDC. Specifically, HACoLA communicates with the relevant divisions of the CDC regarding the public housing comprehensive plan, and proposed demolition or disposition of public housing projects, or proposed development sites. The goals of the Public Housing Comprehensive Plan are coordinated with the Consolidated Plan and Annual Agency Plans that are submitted to the Community Development Block Grant Division for certification of consistency of the Consolidated Plan.

6. Other Housing And Community Development Organizations

Other public agencies, for-profit entities, and nonprofit organizations all play a part in the provision of affordable housing and community services in the City. The City strives to coordinate with these organizations in the development of the Consolidated Plan and in the delivery of the programs covered by it.

City Departments

City staff coordinates with various City departments to carry out the City's housing and community development strategies and to allocate CDBG funds to provide funding support to achieve community development goals. These departments include:

- Police Department
- Public Works Department
- Parks and Recreation Department

Organizations

Major players in the City's institutional structure for housing and community development include nonprofit organizations. The City contracts directly with approximately 20 nonprofit community-based organizations to provide public services to City residents, including a wide range of programs for persons with special needs, homeless, seniors, youth, and other low- and moderate-income populations. For production of affordable housing, the City supplements its own efforts by entering into partnerships with private sector and nonprofit developers and housing development corporations.

Additionally, through a joint exercise of powers agreement, the County of Los Angeles and City of Los Angeles created the Los Angeles Homeless Service Authority (LAHSA) in 1993. LAHSA is charged with planning the continuum of care for homeless services in the City and County of Los Angeles, a component of which includes distribution of the County's ESG funding to nonprofit agencies operating shelter programs. LAHSA functions to coordinate homeless service funds throughout the County and link such funds to development activities.

Housing Authority of the County of Los Angeles —administers the public housing units and the Section 8 rental assistance programs in Lancaster;

Southern California Home Financing Authority (SCHFA) - a joint powers authority between Los Angeles and Orange Counties formed in June 1988 to issue tax-exempt mortgage revenue bonds for low and moderate income First Time Homebuyers. The program is administered by the Community Development Commission of the County of Los Angeles and County Executive Office of the

County of Orange on behalf of the SCHFA. The Authority has helped thousands of individuals and families

California Department of Health Services (CDHS), Childhood Lead Poisoning Prevention Branch (CLPPB) - compiles information, identifies target areas and analyzes information to design and implement a program of medical follow-up and environmental abatement to reduce childhood lead exposure. Programs operated by the CLPPB include: 1) accreditation of training providers and certification of individuals involved in construction related activities; 2) reporting of elevated blood lead levels by medical laboratories; 3) lead exposure screening; 4) real estate disclosure of known LBP hazards upon sale of property; and 5) lead related activities in construction work, as well as other various other childhood and occupational lead poisoning prevention programs.

7. Faith-Based Organizations

Recently, there has been great recognition and value given to the contributions of faith-based organizations (FBOs) in providing social services. In the past, FBOs have been particularly visible in providing food, clothing, and shelter to individuals and families in need. However, more recently faith-based organizations have also taken on a (new) role in helping encourage housing and community development; consider: fourteen percent of community development corporations (CDCs) are faith-based.

Moreover, the significance of faith based organizations in the United States is underlined by President George Bush's creation of the Office of Faith-Based and Community Initiatives. This initiative expands the role of faith based organizations, by requiring Cabinet agencies to create their own Center for Faith-Based and Community Initiatives to work in tandem with the White House OFBCI, to make federal grants available to Faith-Based and Community Initiatives nationwide. Agencies include the following Federal Departments: Health and Human Services; Housing and Urban Development; Department of Labor; Justice; and Education.

B. Gaps in the Institutional Structure

Consolidated Plan requirements include an examination of how organizations in the City that "deliver" housing and community development (called the institutional structure). This examination includes identifying the gaps in the institutional structure and developing strategies to address the gaps. Lancaster can only achieve its Comprehensive Plan goals and Consolidated Plan strategies if its institutional structure is complete.

As the lead agency for the City of Lancaster 2005 – 2009 Consolidated Plan, the Redevelopment Agency desired to gain a better understanding of the gaps and potential strategies needed for collaborative long-term planning. The ideas of the City's housing and community development organizations are crucial to an accurate gaps analysis of the institutional structure. They are even more important to the

development and implementation of strategies to overcome the gaps. Therefore interviews and town meetings included questions or comments concerning the current gaps in the local delivery system for housing and community development. They also discussed preliminary components of strategies for filling the most troublesome gaps.

Gap in the Institutional Structure: A missing component, such as an organization, a relationship, a service, a project, or an activity.

1. Common Themes

Several primary themes and issues emerged from the group meeting and interviews. These themes and issues provide a good starting point in understanding the gaps in the housing and community development delivery system. They also provide a foundation for developing workable, collaborative strategies to fill the gaps.

- a. **Public Education Gap:** The lack of knowledge among the public and lower income clients arose as a common need. The most common gap cited was knowledge of the available resources, services, and programs for lower income people and persons with special needs. This lack of knowledge occurred among clients, employers, and service providers.
- b. **Unmet Housing Needs:** Almost all providers mentioned an urgent need for affordable housing spread out across the City, especially supportive housing for lower income people and persons with special needs. People mentioned that under-served housing needs include persons with both substance abuse and mental illness, including the dually diagnosed, persons needing assisted or supportive living arrangements, and former offenders.
- c. **Lack of Children-Centered Services:** Services and programs related to children in lower income families repeatedly arose as a theme. Lack of quality childcare surfaced as a gap in all discussions. Other child-related issues included the lack of the following items: a children's primary prevention program, training for childcare providers, childcare at non-traditional hours, mental health and substance abuse treatment services and facilities for children and mental health prevention for children.
- d. **Need for More Services for Persons with Special Needs and the Homeless:** Such needs include mental health and substance abuse treatment services and facilities, long-term care facilities and services for low-income persons, transportation for the low-income elderly and low-income residents, transitional housing with supportive services for homeless persons with multiple diagnoses, and homeless shelters with services for children.
- e. **Communication/Coordination among Organizations:** This theme arose in many forms. It includes lack of communication between specific groups and the overall community of service providers, such as the need for stronger relationships between all types of organizations involved in housing and community development (neighborhood groups, church groups, nonprofit

agencies, and government agencies). Lack of a working group on affordable housing was cited as a gap. Participants pointed to many reasons for this lack of communication and coordination, such as the division of City programs and the division of Federal, State, and local grant programs as a barrier. In addition, confidentiality laws reduce information sharing between service providers and contribute to a lack of good referrals.

C. Housing and Community Development Delivery System Strategy

The themes and gaps that emerged from the interviews, working groups, and town meetings provide the basis for cooperative strategies to fill gaps in the City's housing and community development system. As lead entity for Lancaster's Consolidated Plan, the Redevelopment Agency's focus on the institutional structure should be a broad strategy of coordination, empowerment, and communication with the public, private, and nonprofit sectors.

D. Priority Strategy for the Housing and Community Development Delivery System:

Encourage collaboration among the organizations providing housing, community development, and economic development programs and services in the City. The Redevelopment Agency has an opportunity to take an active leadership role in many of the areas above. These areas include vision, communication and coordination, education, and outreach. The Redevelopment Agency, with advice from the CDBG Advisory Committee, will continue to develop and communicate its vision and mission. This will allow its partners to better understand Redevelopment Agency's role in the housing and community development delivery system.

XII. ANTI-POVERTY STRATEGY

A. Poverty in Context

The U.S. Census Bureau follows the Office of Management and Budget’s Directive 14 to define poverty. It therefore uses a set of income thresholds that vary by family size and composition to detect who is “poor.” If the total income for a family or unrelated individual falls below the relevant poverty threshold, then the family or unrelated individual is classified as being “below the poverty level.” The official poverty definition counts money income before taxes and does not include capital gains and noncash benefits (such as public housing, Medicaid, and food stamps). Poverty is not defined for people in military barracks, institutional group quarters, or for unrelated individuals under age 15 (such as foster children). They are excluded from the poverty universe—that is, they are considered neither as “poor” nor as “nonpoor.”

Since this Housing and Community Development Plan covers programs designed to help primarily low-income people and neighborhoods, it must also include an anti-poverty component. By undertaking activities funded by the CDBG program, the Redevelopment Agency Department supports the State’s overall anti-poverty strategy of moving low-income people to self-sufficiency. The Redevelopment Agency Department consults with many public, private, and nonprofit organizations to help ensure that its goals, programs, and policies for activities such as producing and preserving affordable housing are effectively coordinated to best reduce the number of poverty level families.

B. Analysis of Poverty in City

Poverty is the condition of having insufficient resources or income. In its extreme form, poverty is a lack of basic human needs, such as adequate and healthy food, clothing, housing, water, and health services. Even modest levels of poverty can prevent people from realizing their goals and dreams.

Census data from the year 2000 indicates that 18,239 Lancaster residents were living in poverty in 1999, which is 16.4 percent of the population. This number translates to 3,847 families, or 13.8 percent of the families in Lancaster. Just slightly over 25.1 percent of these families had a child under the age of 5 years old.

Although most of Lancaster’s households have higher incomes, a significant number are living at or near poverty. The housing section stated that this division of wealth has significant social consequences and implications for Lancaster’s market segmentation, housing demand, and affordability.

Female headed households make up 34.5 percent of families living in poverty. More than 41 percent of these families included a child under the age of 18; just over 56 percent of these families included a child under the age of 5.

C. The State’s Welfare-to-Work Program

The City’s anti-poverty strategy and activities support the overall effort in the State to move low-income families to economic self-sufficiency. The California Department of Health and Social Services is the nexus of the State’s welfare-to-work program and is thus the lead anti-poverty agency in the State.

D. Existing Programs

In California, the primary programs for assisting families in poverty are CalWORKS, Food Stamps, and Medi-Cal. Together, these programs combine to provide clients with employment assistance, discounted food, medical care, child care, and cash payments to meet basic needs such as housing and transportation. A short description of each is provided below.

CalWORKS

The California Work Opportunities for Kids (CalWORKs) program is a time-limited program that provides financial assistance and Welfare-to-Work services to families with children who are deprived of support or care due to the death, incapacity, unemployment/underemployment, or continued absence of one or both parents. Homeless Assistance is included in this program. CalWORKs is administered following Federal and State regulations.

Food Stamps

The Food Stamp Program is a nutritional assistance program designed to help single people and families with little or no income to buy food. Food Stamp benefits are issued on an EBT Card that is used just like a bank card at most local food stores. The Food Stamp Program is a Federal State funded program.

Medi-Cal

The Medi-Cal program pays for health care for certain needy residents of California, including public assistance recipients. Medi-Cal is supported by federal and state taxes. Pregnant women and children have been the focus of outreach efforts by the State of California for enrollment in the Medi-Cal program.

General Relief

The County General Relief (GR) program provides loan assistance to indigent individuals and families in temporary need of housing, food, and/or transportation. General Relief is the only TAD program that is totally funded, as well as administered, by the County of San Bernardino.

Child Care

TAD operates a number of child care programs funded by the California Department of Social Services or the Department of Education. These programs provide child care payments to providers on behalf of CalWORKs recipients in approved work or training programs, former CalWORKs recipients, parents in child protective services cases, and the working poor. Payments are reimbursements for child care provided and are paid directly to the provider.

Also available are services designed to treat persons suffering from substance abuse, domestic violence, and mental illness. These programs are administered through the County's Transitional Assistance Department (TAD). There is an estimated 5,500 city residents who participate in these programs and receive over \$120 million in annual benefits.

E. Anti-Poverty Strategy

The City's goal is to help families that are self-sufficient yet still at-risk to increase their financial stability. The focus of the anti-poverty strategy is three-fold: (1) to help these families accumulate assets, (2) to help these families address issues, such as substance abuse and domestic violence, that may threaten the family's stability, and (3) to provide these families with employment-related supportive services such as child-care. This focus will be incorporated into the programs and policies undertaken by the City as part of this Consolidated Plan.

1. Programs

The City has yet to finalize any specific programs at this stage in the development of the Consolidated Plan. Any definite activities will be described in detail in the City's Annual Action Plan. Potential programs may include:

Asset Building:

- **Downpayment Assistance:** Homeownership is the most effective way for a family to accumulate assets. The City will continue to administer its down payment assistance program to help poor families realize the dream of homeownership.
- **Individual Development Accounts (IDAs):** Individual Development Accounts are savings accounts where deposits made by program participants are matched by City funding. The end goal of each program participant is to use the savings for a down payment on a house, the capitalization of a new business, or to pay for vocational training or higher education.
- **Micro-enterprise Loans:** Creating a small business is a great source of potential income and provides a high level of job satisfaction. Through a micro-enterprise loan program, the City can provide technical assistance

and accept a portion of the risk normally associated with starting a new business.

Family Stability

- Counseling:
- Substance Abuse Services:
- Domestic Violence Services:

Employment Related Supportive Services

- Job Training
- Child Care

2. Policies

- The City will fully comply with Section 3 of the Housing and Community Development Act. Section 3 helps foster local economic development, neighborhood economic improvement, and individual self-sufficiency. This set of regulations require that to the greatest extent feasible, the City will provide job training, employment, and contracting opportunities for low- or very-low income residents in connection with housing and public construction projects.
- Public services funded through the Consolidated Planning process that promote the self-sufficiency of families in poverty (extremely low-income) will be given preference.
- Firms that accept City contracts must adopt an affirmative hiring policy that gives preference to participants in the County's GAIN Welfare to Work Program.
- When evaluating economic development aid packages and incentives offered to firms in exchange for relocating to the City, the City will incorporate a benchmark measure called the Stability Index when reviewing the income level of potential jobs. The Stability Index determines the wage required, based on family size and composition, a family needs to (A) meet their basic needs without subsidies of any kind and (B) save 5% of their income. This index is based on the Self-Sufficiency Standard developed by Wider Opportunities for Women.

**Table 12-1
2004 Stability Index**

Monthly Costs	One Adult		One Adult, One Preschooler		One Adult, One Pre-Schooler, One School-Age Child		Two Adults, One Pre-Schooler, One School-Age Child	
	Costs	%	Costs	%	Costs	%	Costs	%
Housing	\$605	40%	\$766	28%	\$766	22%	\$766	19%
Child Care	\$0	0%	\$651	24%	\$1,053	31%	\$1,053	26%
Food	\$164	11%	\$249	9%	\$372	11%	\$511	13%
Transportation	\$256	17%	\$262	9%	\$262	8%	\$501	13%
Health Care	\$92	6%	\$199	7%	\$222	7%	\$281	7%
Misc.	\$112	7%	\$213	8%	\$267	8%	\$311	8%
Taxes	\$275	18%	\$498	18%	\$627	18%	\$736	18%
Total	\$1,429	95%	\$2,696	95%	\$3,391	95%	\$3,951	95%
Savings (5%)	\$75	5%	\$142	5%	\$178	5%	\$208	5%
Wage Needed								
Hourly	\$8.54		\$15.65		\$19.35		\$11.35 per adult	
Monthly	\$1,503		\$2,755		\$3,406		\$3,996	
Annual	\$18,040		\$33,056		\$40,870		\$47,954	

Source: The self Sufficiency Standard for California – By Diana Pierce, PhD.

XIII. STRATEGIC PLAN

The Strategic Plan section of the Consolidated Plan summarizes Lancaster's 5-year strategies and objectives to address the needs described earlier in the Consolidated Plan. To carry out each objective, the Redevelopment Agency Department, as advised by the Advisory Committee, has developed measurable actions that it will undertake each year.

The Lancaster 2005-2009 Consolidated Plan includes five Annual Action Plans. Each of these plans will describe the activities planned for the coming program year to carry out the 5-year strategies. Additionally, each Consolidated Annual Performance and Evaluation Report (CAPER) will report the City's progress in carrying out the strategies, objectives, and actions.

A. Strategies

Lancaster developed priority strategies and objectives to meet the housing and community development needs described in earlier sections. It also set other strategies regarding some specific issues.

Consolidated Plan Goals

The City's strategies, objectives, and activities for the Consolidated Plan must meet Federal goals. Regulations state that the Consolidated Plan's activities should meet one of the following three goals. To provide:

- Affordable housing opportunities.
- A suitable living environment.
- Expanded economic opportunity.

The City's Priority Strategies

Through the citizen participation and consultation process described in the Section on Consolidated Plan Development, the Redevelopment Agency Department developed top-level strategic goals to meet the priority needs (described in previous sections). It will invest its CDBG funds according to these strategies:

1. Rehabilitate owner and/or renter-occupied residences for extremely low- to moderate-income households, elderly, and the physically disabled
2. Construct affordable housing meeting the special needs of the elderly population.
3. Construct congregate housing to meet the special needs of veterans.
4. Provide shelter and services to meet the needs of the homeless and "at risk" populations.

5. Provide financial assistance to first-time home buyers who do not exceed the moderate-income level to help them purchase affordable housing.
6. Construct affordable housing meeting the needs of the low- to moderate-income population.
7. Promote and stimulate job creation/retention activities for low/moderate-income residents through economic development activities.
8. Enhance the City's public facility needs through the expansion and development of new parks, recreational, and neighborhood facilities.
9. Provide for a safe and healthy environment through the construction and rehabilitation of City infrastructure.
10. Provide for the public safety needs of Lancaster residents through enhanced crime awareness services.
11. Provide for public service needs for Lancaster residents through enhanced transportation services.
12. Provide for neighborhood revitalization within blighted areas.
13. Promote and support enhanced skills' assessment, employment training, and job placement for very low- and low-income residents.

Other Strategies

The City develops strategies to carry out specific national Consolidated Plan objectives. These include strategies to:

- Address impediments to fair housing
- Reduce lead-based paint hazards
- Move low-income persons to self-sufficiency (called an *anti-poverty strategy* in the regulations)

In support of these strategies, the City developed the following additional strategies to ensure coordination and collaboration in meeting the objectives:

- Continue To Implement Fair Housing Laws By Providing Funding To Further Fair Housing.
- Reduce The Number Of Housing Units With Lead Paint Hazards Through Education, Inspection And Rehabilitation.

The Redevelopment Agency Department will only provide CDBG funds to projects that help meet the above strategies during one or more of the five program years covered by the *Lancaster 2005-2009 Consolidated Plan*.

B. General Priorities for Investment

The Strategic Plan must identify Lancaster's general priorities for activities and HUD-supported investments to address affordable housing needs, homelessness, the need of non-homeless persons who required supportive housing, and non-housing community development needs. These general and relative priorities will help guide HUD-supported housing and community development initiatives in Lancaster for 2005-2009.

General priorities are those shown as "H" (for "high") as shown on the priorities needs tables in earlier sections of this document. These are the priority needs tables that address affordable housing needs (HUD Table 2A), homelessness (HUD Table 1A), the need of non-homeless persons who required supportive housing (HUD Table 1B), and non-housing community development needs (HUD Table 2B). These priorities are not intended to preclude nor impede use of HUD or other government/private resources when other documented priority needs are known to exist or can be established. The relative priority of needs on these tables can be found since some needs are listed as high, medium and low priorities.

C. Geographic Priorities for Investment

Most general priorities in this Strategic Plan are focused on meeting the housing and community development needs of low-income households and neighborhoods throughout the City of Lancaster. Some housing and community development revitalization initiatives are targeted to low-income residents or specific neighborhoods.

Basis for Assigning Priorities

The narrative for each table contains a description of the basis for assigning priorities. Please consult each needs section for this explanation.

Obstacles to Meeting Underserved Needs

Obstacles to meeting underserved needs have been identified through the housing and community development needs assessment and input from the citizen participation process. Some of these needs were identified in the previous Consolidated Plan, while others were identified in this one.

Housing and Services

Housing market characteristics having the greatest influence on the City's use of funds to support affordable housing are the average purchase price of home in Lancaster, the extremely low rental vacancy rate, and the lack of new multi-family rental construction. Based on these factors, funds have been targeted for home ownership program, rental assistance, and housing rehabilitation assistance for low- and moderate-income homeowners.

Other factors that may influence future funding decisions are:

- NIMBY, the "Not In My Back Yard" Syndrome, including stigma attached to housing of special needs populations.
- Insufficient services capacity to address simultaneous homeless, working poor, and welfare reform initiatives.
- Insufficient affordable childcare coupled with increase competition between working poor and welfare-to-work.

Resources, Regulations, Policies

- Shifting Federal/State programs and policies; uncertainty about future program availability and funding streams.
- Federal regulations that limit flexibility or prohibit use of resources otherwise available to meet priority needs.
- Local policies and code restrictions/requirements that constrain affordable housing development and increase costs.
- Resource/regulatory/policy impediments to housing and services for persons with mental illness or multiply diagnosed and exiting medical or correctional institutions.

D. Goals, Strategies, and Objectives Matrix

Lancaster's Consolidated Plan activities must meet one of the three national goals set for the Consolidated Plan by the U.S. Department of Housing and Urban Development (HUD) except for its administrative activities. As the lead entity for the Consolidated Plan, the Redevelopment Agency Department is responsible for ensuring that Consolidated Plan activities meet these goals.

The next section summarizes the City's 5-year strategies and objectives in relation to the national goals for the Consolidated Plan. The Redevelopment Agency Department will update this information in each year's Annual Action Plan and CAPER to reflect actions and accomplishments. Such updates will allow citizens and other organizations to track the Redevelopment Agency Department's performance.

Objectives are measured by the proposed and actual accomplishments. See each year's Annual Action Plan for proposed measurements for each objective. The measurements for 2005 are listed here as an example.

Lancaster's priorities are listed sequentially rather than ranked by order of importance.

Priority 1: Rehabilitation of owner and/or renter-occupied residences for extremely low-to moderate-income households, elderly, and the physically disabled.

The rehabilitation of deteriorating and substandard housing occupied by extremely low- and low-income owners will continue to be a primary activity. Extremely low- and low-income households will be a priority as they represent a large portion of the population sustaining housing cost burdens and problems, and are often unable to borrow money at the prevailing market rate to maintain their homes. Their principal need is assistance in rehabilitating and maintaining their residences in a standard condition.

Extremely low- and low-income, elderly households will be another priority group to receive housing assistance. This group's greatest need is the rehabilitation and repair of deteriorating housing, due to limited income and lack of physical ability to provide maintenance on their homes.

Extremely low- to moderate-income owner and/or renter households occupied by physically disabled persons represent another important priority group to receive housing assistance. The physically-disabled population needs rehabilitation work performed on their homes to make their living environment accessible to them.

Priority 2: Construction of affordable housing meeting the special needs of the elderly population.

In the United States, society has not developed the means to create a lifestyle satisfactory to the elderly population. Over the last few decades, the elderly population has increased tremendously, forcing society to deal more aggressively with how to create a satisfactory lifestyle for this population. Congregate and senior independent living facilities have become quite popular in meeting the needs of the elderly population. Their greatest need is for rental assistance to reduce the cost of renting existing market-rate housing. The City will provide, and assist with the construction of, congregate and senior independent living facilities to meet the needs of its extremely low- and moderate-income elderly households. Recently approved low-income senior housing developments will provide additional units for the elderly.

Priority 3: Construction of congregate housing to meet the special needs of veterans.

Veterans represent a special needs population that is often overlooked. This group requires support facilities and services that can meet their health needs and at the same time provide affordable housing opportunities. This housing must meet the needs of veterans of all ages. Congregate housing offers a variety of health care units within a single facility and provides the level of service required by this special needs population.

Priority 4: Provide shelter and services to meet the needs of the homeless and "at risk" populations.

The Lancaster Redevelopment Agency provided the site for and facilitated the construction of, a 40-bed community shelter for the homeless. Construction of the facility was made possible by contributions from a variety of community donations

and public financial participation. The City sees the need to continue financial support of homeless programs/activities in order to provide the necessary facilities and services required for this population and to continue financial assistance to other non-profit organizations when funding permits.

Since homelessness is a regional problem that is not confined to one jurisdiction, it is equally important that the City coordinate with other jurisdictions to investigate the potential for the construction of other publicly supported shelters and/or support centers within those jurisdictions. In addition, the City will support the efforts of private agencies in order to create and enhance supportive services to the homeless and “at risk” population.

Priority 5: Provide financial assistance to first-time home buyers who do not exceed the moderate-income level to help them purchase affordable housing.

This group can often purchase older houses with a relative “shallow” subsidy. They receive the benefit of home ownership and the community benefits through increased diversity and stability. When the units are sold, the City will recapture funds, which can then be used to assist additional families. Low- and moderate-income, first-time home buyers are drawn from renter households whose income does not exceed 80 percent of the median income level. Activities may include, but not be limited to, acquisition of existing affordable housing and sale of same to eligible first-time home buyers, new construction of affordable for-sale housing, and home buyer assistance through silent second down payment assistance loans.

Priority 6: Construction of affordable housing meeting the needs of the low to moderate-income population.

Based on the continuing need for affordable housing, the City of Lancaster, in conjunction with the Lancaster Redevelopment Agency and a private developer, will continue to construct and sell single-family residences to low and moderate-income households. The property for these homes will be acquired by the Lancaster Redevelopment Agency within a Redevelopment Project Area.

Priority 7: Promote and stimulate job creation/retention activities for low/moderate-income residents through Economic Development activities.

Based on current economic conditions and the lack of job opportunities for low- and moderate-income residents, the City sees a primary need to address the area of job creation and retention for low/moderate-income residents. In prior years, the Antelope Valley was hit hard by an economic downturn resulting in a dramatic slow down in job opportunities. Severe cutbacks in defense spending led to layoffs, particularly within the local aerospace firms which were the major employers in the area.

As a result of these difficult economic conditions, City officials strove to diversify the industrial and economic base of the Lancaster area and, thereby, create more employment opportunities for local residents. Low- and moderate-income residents

will be the focus group to receive assistance through the City's job creation/retention activities.

Priority 8: Enhance the City's public facility needs through the expansion and development of new Parks, Recreational, and Neighborhood facilities.

The City of Lancaster has long seen the need to create and develop its public facilities. In recent years, the Antelope Valley has had a large influx of new families move into the area. With more families comes a need for more parks and recreational areas. In addition, this influx of people has brought more crime to the City's neighborhoods. To alleviate these concerns, the City will aggressively pursue the enhancement of its public facilities to create additional recreational areas as well as create additional adult and youth activity centers in order to provide safe and healthy environments for residents citywide.

Priority 9: Provide for a safe and healthy environment through the construction and rehabilitation of City infrastructure.

Between 1990 and 2000 the City of Lancaster's population increased by approximately 22 percent. From 2000 to 2004, the City's population continued to increase by 9 percent. This continued increase in population puts a greater burden on all aspects of the City's infrastructure which, in turn, creates an expensive budget to maintain existing infrastructure and build new improvements when needed.

The City of Lancaster, in conjunction with the Lancaster Redevelopment Agency's AB 1290 Compliance Program, will continue to aggressively pursue enhancing the City's infrastructure through its rehabilitation efforts in redevelopment project areas and low/moderate-income neighborhoods along with its capital improvement projects of street rehabilitation, construction, and flood/drainage improvements. During this five-year program period, the City will allocate various state and federal monies made available to the City as well as pursue other funding sources to fund upcoming projects.

Priority 10: Provide for the public safety needs for the residents of the City of Lancaster through enhanced crime awareness services.

As the City of Lancaster continues to grow, crime and law enforcement continue to be a priority community concern. As a result, the City of Lancaster has pledged to allocate the funding necessary to keep its law enforcement programs at levels necessary to address community needs and expand programs over the next five years as needed.

Priority 11: Provide for public service needs for the residents of Lancaster through enhanced transportation services.

As more families continue to relocate to Lancaster from the San Fernando and Los Angeles areas, the need for expanded transportation services becomes an every increasing priority for the City. The lack of the City's current transportation capacity has created economic hardships for both Lancaster residents and local businesses.

As a result, the City of Lancaster realizes the importance of providing its residents additional and expanded transportation availability. Over this planning period, the City will continue to monitor the local transportation services as the City's population increases, procuring additional buses and expanding lines when warranted.

Priority 12: Provide for neighborhood revitalization within blighted areas.

Although the bulk of housing stock throughout the City of Lancaster is relatively new, concentrated areas exist where older housing stock, especially multi-unit housing, has deteriorated and been demolished creating a blighting condition in the neighborhood.

In conjunction with the City of Lancaster Redevelopment Agency AB 1290 Compliance Program, during the next five years, the City will focus on addressing and eliminating blighting conditions in targeted areas throughout the City. The City will work to address these conditions, especially in low-income housing areas, through neighborhood revitalization programs.

Priority 13: Promote and support enhanced skills' assessment, employment training, and job placement for very low- and low-income residents.

The City will continue to aggressively pursue the relocation of new business and industry to the area thereby creating new jobs for local residents. Since many of the area's unemployed residents fall in the very low- and low-income categories, it becomes critical that these individuals receive the necessary assistance and training required to meet the needs of new employers. As a means of meeting this priority, the City of Lancaster will continue to promote the State Enterprise Zone tax credit benefits to local and new relocating businesses as well as continue to work with area job placement providers through the Antelope Valley One-Stop Career Center.

E. Affordable Housing Strategies

City Staff *analyzed* all pertinent available data to ascertain how to allocate available federal, state and local resources during the next five years in order to address housing needs. Priority need levels were determined based on housing needs by income group and factors such as resources, staff capacity, timing, and local political and community interests. Consideration was given to those groups experiencing the worst housing problems, and program objectives were designed to provide as much assistance as possible to those groups.

It is the City's goal during the next five years to further the provision of affordable, safe healthy and livable housing to its residents. This includes providing affordable housing to extremely-low, low-, and moderate-income persons who experience housing cost burdens, live in deteriorated units, or require certain special services to maintain a satisfactory lifestyle.

The housing objectives identified in the Plan are responsive to the market conditions in the City of Lancaster. According to data from the 2000 Census and available

updated statistics, the City has available adequate and affordable housing due to the large amount of new housing offered at low costs. Nevertheless, the City has lower-income households who experience cost burdens and are forced to live in older housing with problems, some to the degree of being substandard. The City's intent is to provide housing programs which help prevent the deterioration and maintain the supply of affordable housing to these lower income groups. The housing programs will focus on meeting the needs of the extremely-low, low-, and moderate-income households in the City.

The City continues to see the need to assist lower-income physically disabled owners and renters make their living environments more accessible. A primary need of the physically disabled is to have access to their home and to everyday conveniences in their home. In response to this need, the City has implemented a program to assist physically disabled extremely low- to moderate-income owner and renter households gain access to not only their homes but also everyday conveniences within their homes.

The City has many programs that provide assistance to extremely low- and low-income residents in the City. These programs are described further in the report. The City's goal is to retain these programs and/or expand them subject to the availability of resources.

The estimated number of housing units needed to address priority housing needs over the five-year planning period are contained in HUD Table 2A. The City of Lancaster does not set general priorities for allocating investment geographically with regard to housing needs. The City addresses individual housing needs on a case-by-case basis with no priority given based on census tract or other geographic identifier. The City's analysis of the housing market, the severity of housing problems, and the needs of extremely low-, low-, and moderate-income renters and owners provided the basis for assigning the relative priority need level given to each priority need category in the Priority Housing Summary Needs Table (see HUD Table 2A). Renters and owners are judged to have the same need and priority. Family size, age, overcrowded conditions, and disabilities were also judged to have the same needs and priority ratings. As resources are made available, some categories will be addressed, thus meriting the "Medium" ratings. Within this rating, priority consideration, based on income level, is given to extremely low- (0-30%) and low- (31-50%) income families followed by moderate-income families (51-80%), who are either renters or owners.

It is expected that over the next five years the characteristics of the housing market will not significantly change or effect the use of funds made available for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units.

The only obstacle to meeting underserved needs would be funding and staff availability. As funding sources are developed and become available to the City, the City could finance additional programs and the staff necessary to administer them.

The Community Development Block Grant Program (CDBG) and the Home Investment Partnership Program (HOME) will continue to be the two sources of federal revenue used for future housing assistance programs. HOME, a U.S. Housing and Urban Development program is administered by the State of California; and CDBG, a U.S. Housing and Development program, is administered by the Federal Government. Other HUD operated programs within the City of Lancaster are the Section 8 and the Section 236 programs. The Lancaster Redevelopment Agency will continue to be the main source of revenue used for future housing assistance programs.

Following are the five-year program objectives that the City has determined are necessary to maintain the increase affordable housing:

Priority 1: Rehabilitation of owner- and/or renter-occupied residences for extremely low- to moderate-income households, elderly, and the physically disabled.

Objective B1: Implement the Rental Housing Rehabilitation Program in the North Downtown Revitalization/Transit Village Project Area.

The program will meet the needs of low- and moderate income households located in the North Downtown Revitalization/Transit Village Area. The program will offer financial assistance for the rehabilitation of rental housing within this target area. Approximately \$875,000 will be allocated during the five year period for the rehabilitation project. The five year goal is to rehabilitate 40 rental housing units.

Objective B2: Continue the Home Ownership Mortgage Loan Program (formerly the Substandard Mobile Home Inventory Replacement Program) citywide.

The program will provide affordable housing to meet the needs of extremely low- and low-income households, increase the mobile home owner base, and revitalize mobile home parks. Priority is to provide new or substantially refurbished housing to meet the needs of the extremely low- and low-income households and also provide financial assistance to extremely low- and low-income households for purchase of affordable housing.

The Lancaster Redevelopment Agency will provide no-interest loans to applicants to purchase new mobile homes or refurbished mobile homes, to replace an applicant's old substandard mobile home, or to become a first-time home buyer. The loan requires the applicant to contribute 2% towards the Downpayment of the unit and have the funds necessary for the first and last months rent on the unit space. The City anticipates providing 8 new units and 12 refurbished units per year. About \$450,000 has been budgeted to be spent over the next five years. The five-year goal is to provide about 50 new or substantially refurbished mobile homes.

Eligibility will be based on applicants meeting the extremely low- and low-income requirements.

Priority 2: Construction of affordable housing meeting the special needs of the elderly population.

Objective B3: Continue construction of senior citizen independent living residences.

The Lancaster Redevelopment Agency (LRA) will provide affordable housing to meet the special needs of the elderly population whose household income does not exceed the moderate-income level. The priority is to construct affordable housing to meet the needs of the elderly population.

LRA has provided \$500,000 in financial assistance in the form of a waiver of development impact fees to assist a private developer with the construction of a \$13 million residential/commercial mixed-use project. The mixed use project will include 150 senior units that will be available for low- and moderate- income seniors.

As part of its Downtown Neighborhood Revitalization/Transit Village Plan, the City has been working with a developer in the development and rehabilitation of 116 unit senior complex called the Arbor Gardens Affordable Senior Housing. The developer will be completing phase 1 of the development of a 76 unit senior complex by June 2005. Phase 2 will include the rehabilitation of an existing 40-unit senior housing complex for very low-income seniors. Phase 2 will take place during the 5 year Consolidated Plan period. The developer will be investing approximately \$8.1 million in private sector funds to complete phase 1 and 2 of this project.

Priority 5: Provide financial assistance to first time home buyers who do not exceed the moderate-income level to help them purchase affordable housing.

Objective B4: Continue the Home Ownership Mortgage Loan Program (formerly the Mobile Home Purchase Program) citywide.

The program will provide affordable housing to meet the needs of extremely low- and low-income households, increase the mobile home ownership base, and revitalize mobile home parks. Priority is to provide new housing to meet the needs of extremely low- and low-income households and to provide financial assistance to extremely low- and low-income households for purchase of affordable housing.

Eligibility is based on the applicants meeting the extremely low- and low-income requirements.

The Lancaster Redevelopment Agency will provide no-interest loans to applicants to purchase new mobile homes or refurbished mobile homes, to replace an applicant's old substandard mobile home, or to become a first-time home buyer. The loan requires the applicant to contribute 2% towards the Downpayment of the unit and have the funds necessary for the first and last months rent on the unit space. The City anticipates providing 8 new units and 12 refurbished units per year. About \$450,000 has been budgeted to be spent over the next five years. The five-year goal is to provide about 50 new or substantially refurbished mobile homes.

Priority 6: Construction of affordable housing meeting the needs of the low to moderate-income population.

Objective B5: Complete construction and sale of single-family residences.

This program will provide affordable housing to meet the needs of low- and moderate-income households, increase the home ownership base, and revitalize neighborhoods. The priority is to construct affordable housing for low- and moderate-income households and enhance stability in neighborhoods through the pride of home ownership.

The Lancaster Redevelopment Agency (LRA) owns a single-family residential subdivision in a Redevelopment Project Area. LRA will enter into a Disposition and Development Agreement to have a developer construct and sell 79 single-family residences. All of the 79 units will be sold to households that do not exceed 120% of the Los Angeles County median income. Covenants, conditions, and restrictions will be recorded on 16 of the units restricting the resale of the homes for 55 years to individuals whose income does not exceed 120 percent of the Los Angeles County median income.

F. Homeless Strategies

By comparison to other areas of Los Angeles County, the homeless population in the City is relatively small (1%). However, like other areas, homelessness is a growing concern. To address this concern, the City has facilities and services available to the homeless population that provide temporary shelter; emergency shelter; cold weather programs; transitional living programs; meals; clothing; child, adult, and group counseling; and other health services. Many of the service providers maintain 24-hour telephone referral hotlines which will refer homeless cases to available shelters. The Lancaster Community Shelter constructed and owned by the City of Lancaster, is the only shelter servicing the homeless population throughout the Antelope Valley.

The number of public and private organizations in Lancaster that serve the homeless make the City a focal point for the homeless population to receive aid. However, homelessness is not restricted by a jurisdiction's boundaries. The homeless population tends to fluctuate through migration from area to area based on the availability of aid, weather conditions, and other factors. Therefore, homelessness should also be viewed as a regional concern to be addressed through the cooperation of many organizations both public and private throughout the Antelope Valley.

Since homelessness is a regional concern, any strategy to address this problem should incorporate a regional solution. To this end, the City will work with the City of Palmdale and Los Angeles County to investigate the potential for the development of additional publicly-supported shelters or assessment centers within those jurisdictions with the objective of providing public services to the homeless on a more regional scale in order to better serve this targeted population. This is particularly important in the Antelope Valley to avoid making a city such as

Lancaster an exclusive magnet for the homeless due to a paucity of services and homeless shelters in adjacent cities and unincorporated areas.

The City views supporting non-profit organizations as vital in helping them provide needed services. As part of its annual budget process, the Redevelopment Department provides funding for the maintenance and staff support of the Lancaster Community Shelter which celebrated its 15-year anniversary in February 2005. In addition, city staff assists the Antelope Valley Homeless Coalition with the implementation of its programs.

It is anticipated that the various non-profit homeless service providers will continue to provide services over the course of the planning period. The City will continue to work with these agencies and organizations to meet the needs of the homeless population within the City and on a regional basis.

Lancaster Redevelopment Agency funds, City of Lancaster general funds, and/or CDBG and HOME funds may be utilized to continue financial support for the Lancaster Community Shelter. Non-profit organizations that are part of the community social services support system are anticipated to remain in operation.

City staff analyzed all pertinent available data to ascertain how to allocate identified resources. Priority needs determination was based on factors such as resources, staff capacity, timing, and local political and community interests. As resources are made available, some categories outlined in the Homeless and Special Needs Population matrix should be addressed, thus meriting “medium” ratings (see HUD Table 1A in Appendix A). The City has identified that the greatest need over the five-year planning period will be for the continued provision of both emergency and transitional shelter for the homeless population as well as assessment outreach programs. A medium priority was assigned to these categories of assistance indicating that, pending the availability of funds, the City will address these needs over the planning period through financial support for the Lancaster Community Shelter.

The only obstacles to meeting underserved needs would be funding and staff availability. As funding sources are developed and become available to the City, it could finance additional programs and the staff necessary to administer them.

The City will help low-income families avoid becoming homeless through the affordable housing strategies outlined in the Homeless Needs section of the Consolidated Plan, and through the economic strategies contained in the Non-Housing Needs section.

The following are the five year program objectives to assist the homeless:

Priority 4: Provide shelter and services to meet the needs of the homeless and “at risk” populations.

Objective C1: Continue to support the Lancaster Community Shelter for the Homeless.

The Lancaster Community Shelter offers temporary shelter and services to City and area homeless. The shelter is leased to Catholic Charities of Los Angeles and provides 40 beds and two family units to accommodate the homeless. An additional 10 beds are available for cold weather emergency shelter needs. Catholic Charities operates essentially three programs at the shelter: a transitional housing program funded by a grant from HUD; an emergency shelter program funded primarily from local resources; and a seasonal cold-weather program funded by the Los Angeles Homeless Services Authority (LAHSA); and the Federal Emergency Management Agency (FEMA). The priority is to provide housing and/or services to meet the needs of the homeless population. Eligible citizens are those who are homeless and at least 18 years of age.

Barring a reduction in the various funding resources, no obstacles should be encountered in carrying out the program over the five-year planning period.

The Lancaster Redevelopment Department will provide approximately \$40,000 annually for building maintenance and staff support to Catholic Charities in operating/maintaining the Lancaster Community Shelter during the five-year period.

Objective C2: Coordinate with other jurisdiction and area service providers in the Antelope Valley in order to address the regional perspective of homelessness.

The City will work with the City of Palmdale, Los Angeles County, and area service providers to investigate the potential for the development of other publicly supported shelters and/or service centers or adding additional beds and services within existing service locations with the goal of providing comprehensive services to the homeless on a regional scale.

Objective C3: Support development and implementation of a regional Antelope Valley Access Center.

With the support of the United Way – Antelope Valley Region, the Antelope Valley Homeless Coalition will acquire funding in the amount of \$600,000 for the development of a 15-member Antelope Valley Access Center. This Center will serve as a single point of entry (one –stop) to services for all homeless populations in the Antelope Valley. Funding for the \$2.5 million project will be provided from a grant obtained from the Los Angeles Homeless Services Authority (LAHSA) and support from the various agencies that provide housing and related services to the homeless, “at risk” persons, mentally ill, disabled, and other special needs populations.

G. Other Special Needs Strategies

Although there are a variety of community services and support groups available in Lancaster to provide assistance to people with special needs, the City recognizes that there is a continuing need for affordable housing for special needs groups such as the elderly, persons with disabilities, and veterans. The City’s housing strategy will work towards increasing the availability of affordable housing for these special needs

populations and assist them in becoming more self-sufficient and economically independent.

The following are the priorities and objectives that will be used to address special needs groups within the five-year planning period:

Priority 1: Rehabilitation of owner- and/or renter-occupied residences for extremely low-to moderate-income households, elderly, and physically disabled.

The Rental Housing Rehabilitation – North Downtown Revitalization/Transit Village Project as outlined under Objective B1 of the Affordable Housing Strategies section will provide assistance to physically-disabled persons to attain greater access to their living environments. Funding can be provided for the removal of barriers and the installation of helpful devices in the homes of persons with physical disabilities.

Barring a reduction in federal funding, no obstacles should be encountered in implementing the program during the five-year period.

As increased funding becomes available, the City will consider additional programs to assist the special needs population.

Priority 3: Construction of congregate housing to meet the special needs of veterans.

Objective D1: Provide for the construction of a State Veterans' Home within the City.

On August 18, 1999, the Lancaster Redevelopment deeded over to the State of California a 20-acre parcel of land for the construction of a \$32 million, 400-bed State Veterans Home within the City of Lancaster. Infrastructure and roadway improvements at the site (\$4.9 million) have been completed and construction is expected to begin within this planning period. The Lancaster Redevelopment Agency will pay \$1.5 million in permits and fees for development of the project.

While the priority is to construct affordable housing to meet the needs of veterans, this project will also create over 230 new jobs for area residents.

This project will provide affordable accommodations to meet the special needs of the more than 12,000 veterans living in the Antelope Valley. Eligibility to participate in the program will be determined by the State Department of Veterans Affairs.

Since the City of Lancaster is scheduled to be the next site for the construction of a State Veterans' Home, no obstacles are anticipated unless the State cancels the construction of additional facilities. It is anticipated the 400-bed facility will open within five to seven years.

H. Priority Non-Housing Needs Strategies

The City of Lancaster realizes that in times of organizational downsizing and unemployment, it has a responsibility to its residents to create a positive economic

atmosphere in order to encourage employment opportunities in addition to providing improvements in the City's infrastructure and community facilities.

The City's non-housing needs strategies will work, in conjunction with the Lancaster Redevelopment Agency AB 1290 Compliance Program, to address the needs of low/moderate-income residents in the areas of public facility needs through the creation of new parks and neighborhood facilities; job creation and retention via infrastructure improvement; and public service needs through increased transportation and public safety facilities and programs.

The following are the priorities and objectives that will be used to address the City's most urgent non-housing needs:

Priority 7: Promote and stimulate job creation/retention activities for low/moderate-income residents through Economic Development activities.

Objective E1: Provide for the construction of infrastructure within the Fox Field Industrial Corridor.

Historically, the northwest quadrant of the City of Lancaster has been designated as light industrial and commercial. Until recently, little activity had occurred in the development of this industrial area primarily due to lack of infrastructure (streets, water, curb/gutter, storm drains, etc.) along with inadequate freeway access. The lack of adequate infrastructure has hindered continued economic development and job creation in the area.

The City is nearing the completion of the construction of infrastructure improvements within the Fox Field Industrial Corridor area. The infrastructure will provide deliverable sites to new light industrial users. It is expected that by the time the improvements are completed, the City will have allocated over \$17 million in state, federal, and local funds to assist with the improvements. By building additional infrastructure and developing the light industrial/commercial northwest quadrant of the City, 800 new jobs and the retention of 600 jobs will be targeted at low/moderate-income residents.

Low-income households in the immediate project area average over 55 percent. The City will work in partnership with other entities for funding as well as with State and local agencies and project contractors to provide low/moderate-income residents with job placement services, employment counseling, and outreach programs.

Barring a loss of funding, no obstacles should be encountered for the construction of this project.

Priority 8: Enhance the City's public facility needs through the expansion and development of new Parks, Recreational, and Neighborhood facilities.

Objective E2: Provide for the construction of additional City/Neighborhood parks.

During this program period, the City will complete the development of a new 10-acre City/neighborhood park within the old fairgrounds site located in census tract 9006.02 on the City's east side. The cost of this project is estimated to be \$2 million. Funding for the project is being provided by federal and/or state appropriations and grants.

In addition, the City will develop a 25-acre, \$4.6 million Community Park on property donated to the City. This future park, called Whit Carter Park, will be located at Sierra Highway between Avenue H and Avenue I, will provide additional park facilities to residents on the City's north side. When completed, this park will be the second largest park in the City of Lancaster. Funding for this project will be targeted from the City's Capital Improvements Program Budget and partial funding from proposition 12 funds.

The City will also construct an 8-acre public park in its downtown area as part of the City's Downtown Neighborhood Revitalization/Transit Village Plan. Funding for this project will come from CDBG funds as well as from the City's Capital Improvements Program Budget.

These projects will provide additional park sites to enhance the public facility needs of the City's residents. No obstacles are anticipated to restrict the completion of these projects.

Objective E3: Provide for the construction of adult and youth activity centers.

In cooperation with the Lancaster Redevelopment Agency and local businesses, one new activity centers will be constructed during this planning period.

A new 40,000 sq. ft. YMCA will be constructed during this Consolidated Plan period. This new facility will provide such amenities as exercise equipment, activity center for children, meeting rooms, healthy lifestyle center (basketball, racquetball, warm/cold pools), and a climbing wall for both adult and youth participants.

Priority 11: Provide for public service needs for the residents of Lancaster through enhanced transportation services.

Objective E4: Provide transportation services to all areas of the City of Lancaster.

As the City's population continues to grow, the demand for increased transportation services by the City's residents and increased capacity on the current system also grows. As a result, in cooperation with the Antelope Valley Transit Authority, the City shall periodically analyze the existing transit routes to assure all sectors of the City are being serviced. Of concern are those areas where new development is occurring and areas where new industrial developments are occurring.

Priority 12: Provide for neighborhood revitalization within blighted areas.

Objective F1: Provide for the acquisition of property in a targeted neighborhood-revitalization area where blighting conditions exist.

In cooperation with the Lancaster Redevelopment Agency, the City will continue to acquire property in a targeted, extremely low-to low-income, blighted area located within one square mile in the City's "Raysack" area. This area of town was one of the original developments of single-family residences and commercial property that over the years has become a source of blight in the heart of the downtown core. Long-range revitalization efforts for the area include acquisition, demolition, infrastructure repair, re-parcelization, and construction of single-family dwellings and neighborhood facilities. This neighborhood revitalization project will create a safe and healthier environment as well as a sense of pride for area residents.

Additionally, the City will continue to focus efforts on a North Downtown Revitalization/Transit Village project. The total project area covers a radius of approximately one-half square mile, or over 330 acres, in the heart of the downtown area. The core focus of the project's plan is a five block area bounded by Jackman Street, Beech Avenue, Kettering Street, and Fern Avenue. The primary effort in this neighborhood area is for the development of a new 10 to 12-acre park.

Additional efforts for the project area includes the development of retail and service businesses for residents along with residential rehabilitation of existing housing and construction of new housing for low-income seniors. In addition, the relocation of several social service organizations into a centralized area is also proposed.

I. Strategies for Removing Barriers to Affordable Housing

Constraints to housing development must be identified in planning for the development, maintenance, and improvement of housing. Many of these constraints cannot be mitigated by local government, particularly those related to the condition of the national economy. Some constraints, however, can be minimized in order to facilitate the provision of housing.

The major constraints imposed by government are decreasing federal and state commitments to housing. The emphasis placed by the federal and state governments on housing policies and funding has traditionally shifted with changing administrations and priorities. However, there has been a clear trend to de-emphasize federal and state housing programs over the past decade. During this time, federal funding for housing programs has been steadily reduced.

In the past, the most significant local constraints were those contained in the City's zoning and subdivision ordinances which have both been rewritten and streamlined to eliminate potential constraints. Prior to being revised, the City's Zoning Ordinance provided no deviation (without a variance) from parking standards for elderly units which could constrain the production of senior citizen housing. Amendments to the ordinance reduced this requirement to reflect actual need and usage.

An additional constrain was the requirement of a Conditional Use Permit (CUP) for all multiple-family projects of more than ten dwelling units. This requirement lengthened processing time and created the potential for loss of units if nearby residents complained that the project was too dense. The Zoning Ordinance was also amended to apply only to multiple-family projects exceeding ten units which abut or are separated from developed property by a local or collector street in the Rural Residential and Single-Family zones. This change significantly reduced the number of multiple-family projects requiring a CUP.

Another revision to the Zoning Ordinance was the introduction of a density bonus provision which provides an incentive to developers who set aside 20% of their housing units for low-income households and 10% for very low-income households. Under the density bonus provisions, the developer is permitted to exceed the maximum allowable residential density restrictions by 25 percent or receive an equivalent financial incentive. This should increase the availability of housing to low-income households in the City using private funds.

The City also amended its Subdivision Ordinance to incorporate an administrative parcel map section. This review is now performed entirely by staff which eliminates the requirement for a public hearing thereby reducing processing time.

As noted previously the Housing Analysis section of this document, in addition to these revisions the City has implemented procedures, such as permit streamlining and the Development Review Committee (DRC), that have reduced project review and processing time to the minimum necessary to allow adequate review and control of development in accordance with the adopted development standards. Processing times for most projects have been reduced by as much as 50 percent.

At this time, there are no identified City Policies, ordinances, resolutions, or procedures that inhibit the City's ability to implement affordable housing and housing assistance. The City officials, department heads, and community members are supportive of the affordable housing programs available to lower-income households. As a result, there are no negative effects to address. However, the City will continue to examine policies, ordinances, and procedures as they are introduced to identify and correct any future potential constraints.

J. Lead-Based Paint Hazard Strategies

The City has a relatively young housing stock with the majority having been constructed after 1980; therefore, there are fewer incidences of housing containing lead-based paint than in other areas of Los Angeles County. Data from the Los Angeles County Department of Health Services Childhood Lead Poisoning Prevention Program shows that for the period 2000-2004 there were only seven confirmed cases of lead poisoning among children within the City of Lancaster. This number is similar to the numbers for the 1995-2000 period when 7 cases were confirmed. As a result, lead-based paint does not appear to be a significant problem in Lancaster.

However, to ensure compliance with 24 CFR Parts 35 and 24 and CFR 570, the City will continue to test for lead-based paint following state and federal requirements before demolition. The Housing staff, Building and Safety Official, and City inspectors will continue to look for potential lead based paint problems when inspecting homes for the Housing Division. In addition, the Housing staff will continue to include disclosures on the hazards of lead-based paint in all contracts. The City will coordinate its efforts with the Los Angeles County Department of Public Health Lead Program by reporting to them all instances of structures containing lead based paint.

K. Anti-Poverty Strategy

The priorities and objectives outlined in various sections of the Strategy Plan component represent the City's five-year program for addressing the housing and economic needs of the community, particularly lower-income families and individuals, including those who are homeless or threatened with homelessness as well as those with special needs. As a result, many of the City's priorities and objectives are aimed at reducing, to the extent possible, the number of poverty level families and individuals taking into consideration the many factors over which the City has no control (e.g., reduction in funding resources, severe economic recessions, company downsizing, etc.).

The cumulative effects of the City and Redevelopment Agency's efforts result in the direct preservation and provision of housing. This is particularly true for those activities which preserve and produce housing units intended for lower-income families and individuals together with the coordinated programs undertaken with other public agencies, service providers, and private industry. These efforts will incrementally assist in the reduction of the number of poverty-level families through the provisions of housing and services and, along with the concentrated efforts of the City and the Redevelopment Agency to improve economic and development expansion, the opportunity for gainful employment will be increase and opened to targeted income groups.

XIV. MONITORING STANDARDS AND PROCEDURES

A. Project Monitoring

Monitoring of the City's contractors and subrecipient partners is not just a regulatory process or a fact-finding mission. Rather, it involves effective communication and cooperative, problem-solving relationships between the City and its contractors/subrecipients.

What is a Subrecipient?

A subrecipient is an organization receiving CDBG funds from the City of Lancaster.

The City's Redevelopment Agency Department monitors all CDBG programs. Each program requires a written agreement between the recipient and the subrecipient. The requirements demand that the agreement remain in effect throughout the period that the subrecipient has control over funds. In addition, regulations prescribe the provisions that the agreement must contain. These provisions include a statement of work (description of work, budget, and time schedule); records and reports, program income, uniform administrative requirements, other program requirements such as fair housing, labor, displacement, employment opportunities, lead-based paint, debarred contractors, conflict of interest, restrictions for certain resident aliens (as described in 24 CFR Part 49); provisions for Community Housing Development Organizations, religious entities, the Architectural Barriers Act, and the Americans with Disabilities Act.

1. Project Monitoring Process

When it awards a grant, the Department develops an individual monitoring schedule for each contractor/subrecipient that includes the following items:

- Desk monitoring.
- Performance reports.
- Annual onsite reviews.

These three items combine to provide a clear and timely picture of each contractor/subrecipient's progress. The following narrative explains each of these three items in more detail.

Desk Monitoring

Redevelopment Agency Department staff reviews copies of case files to ensure complete and accurate documentation regarding the following items:

- Client eligibility.

- Property eligibility.
- Appropriate funding levels for the activity.
- Compliance with all program requirements (i.e. environmental review).

Performance Reports

The City's Redevelopment Agency Department requires performance reports so it can assess a project's progress and better ensure timeliness. For capital projects and public service grants, reports are required on a quarterly basis. Housing program reports are obtained based upon specifics of the programs' operations.

Annual Onsite Reviews

City staff, as appropriate, also provide annual on-site reviews of a project so they can assess capabilities of staff and review case files.

These three items combine to provide a clear and timely picture of each sub-recipient's progress. For housing projects, the Redevelopment Agency Department has additional monitoring procedures that provide the following assurances:

- Ensure consistency with primary objective—not less than 70 percent of CDBG funds used during the program year must be for activities that benefit low- and moderate-income persons.
- Ensure each activity meets the criteria for one or more of the national objectives.
- Compliance with all other regulatory eligibility requirements for each activity.
- Compliance with the Consolidated Plan regulations regarding displacement.
- Compliance with all other applicable laws and program requirements.
- Ensure production and accountability.
- Evaluate organizational and project performance.

The City achieves success through:

- Pre-award screening, risk assessment, and orientation.
- Strong written agreements.
- Performance standards and program objectives.

- Defined monitoring visits for each subrecipient partner: quarterly, semi-annually, and/or annually.

Monitoring Staff

The Redevelopment Agency Department periodically reports on the progress of each project.

Redevelopment Agency Department staff has the following monitoring duties:

- Oversee the planning and budgeting process to ensure that projects and programs are consistent with the Consolidated Plan's identified high- and possibly medium-priority objectives and grant requirements. Staff will also provide technical guidance regarding Affirmative Marketing and Fair Housing practices.
- Provide technical guidance with each subrecipient partner regarding: program structure, income requirements, and document compliance. Staff will review the City's monthly expenditure reports. At a minimum, staff will perform quarterly drawdowns in HUD's Integrated Disbursement and Information System (IDIS) against the appropriate grant. For IDIS, staff will gather quarterly program statistical reports from the subrecipient partners and update all necessary fields from setup to completion of each project and activity. Regular updating and draws will ensure meeting the CDBG timeliness deadline. As needed, staff will perform environmental reviews and Davis Bacon monitoring.
- Review the invoices from each subrecipient and ensure timeliness with expenditures.
- Provide technical guidance regarding all housing construction, demolition, and rehabilitation projects ensuring the correct number of units, timeliness in build-out, and approval of payments. For new construction, ensure compliance with all applicable local codes, ordinances, and zoning ordinances at the time of project completion.
- Provide monitoring orientation with all subrecipient partners and establish monitoring visits. The monitoring orientation includes the timing for monitoring visits. Subrecipient partners without problems or significant findings receive annual or semi-annual monitoring visits, while new subrecipients and subrecipients with significant problems or complex projects receive quarterly visits.

Community Based Organizations

Community-Based organizations (CBOs) are funded for a wide variety of CDBG funded activities, especially public services. However, their experience and training in implementing these activities in compliance with applicable statutory and regulatory requirements vary widely.

In addition, some projects are a one-time City effort while others are ongoing activities. Based on this diversity, the City has determined that some of these projects can represent the highest potential for risk, while others represent a very low risk. Therefore, completed projects will be candidates for the full range of monitoring tools. Monitoring of CBOs has been augmented by mid-year technical assistance visits that are provided to every CBO in an effort to enhance programmatic compliance. Further, ongoing CBO projects receive annual on-site monitoring visits.

B. Consolidated Plan Monitoring

The Redevelopment Agency Department understands that monitoring the Consolidated Plan and the annual activities must be carried out regularly to ensure that statutory and regulatory requirements are met and that, where appropriate, information submitted to HUD is correct and complete.

To ensure that the City's CDBG program further meets the Consolidated Plan goals, the Redevelopment Agency Department incorporates the Consolidated Plan's strategies, objectives, and activities into its work plan. The Redevelopment Agency Department will measure its achievement of Consolidated Plan goals by the same standards used to evaluate all programs and activities.

The Redevelopment Agency Department will appraise its diverse operations and controls and determine whether: risks are identified and reduced; acceptable policies and procedures are followed; established standards are met; resources are used efficiently and economically; and, ultimately, its objectives are achieved.

The Redevelopment Agency Department prepares documentation and reports as required by HUD, including the Consolidated Annual Performance and Evaluation Report (CAPER). Using a citizen participation and consultation processes, the CAPER describes each year's performance regarding Consolidated Plan strategies, objectives, actions, and projects.

Monitoring Strategy

As the lead agency for the CDBG program, the Redevelopment Agency Department is refining monitoring procedures to ensure that projects have measurable outcomes. This refinement will allow assessment of progress toward the specified goals and objectives of the projects, as well as ensuring long-term compliance with all applicable program regulations and statutes. The Redevelopment Agency Department will publish any proposed significant changes to monitoring standards and procedures in a future Annual Action Plan so that citizens and grant recipients may comment on those changes.

XV. LEVERAGING

A. Federal Resources

Funds from the U.S. Department of Housing and Urban Development (HUD), which operates in excess of 100 programs and a variety of other Federal sources are available to address the Consolidated Plan's priority needs, such as grants and other revenues that provide funding to Lancaster or other organizations within the City.

1. Homeless Programs – The Continuum of Care

The Continuum of Care is a set of three competitive programs based on the law of the McKinney - Vento Homeless Assistance Act to address the problems of homelessness in a comprehensive manner in concert with other federal agencies.

a. Supportive Housing Program (SHP)

SHP helps develop housing and related supportive services for people moving from homelessness to independent living. Program funds help homeless people live in a stable place, increase their skills or income, and gain more control over the decisions that affect their lives. Eligible applicants include States, local governments, other government agencies (such as public housing agencies), private nonprofit organizations, and community mental health associations that are public nonprofit organizations. After HUD publishes a Notice of Funding Availability (NOFA) for Continuum of Care Homeless Assistance in the Federal Register, applicants must submit specific information about a proposed project, along with their Continuum of Care application. Each application must include a certification that the project is consistent with the Consolidated Plan of the jurisdiction where each proposed project is found.

b. Shelter Plus Care (S+C)

Shelter Plus Care (S+C) provides rental assistance that, when combined with social services, provides supportive housing for homeless people with disabilities and their families. The program allows for a variety of housing choices such as group homes or individual units, coupled with a range of supportive services (funded by other sources). Grantees must match the rental assistance with supportive services that are at least equal in value to the amount of HUD's rental assistance. States, local governments, and public housing agencies may apply for Shelter Plus Care grants.

c. **Single Room Occupancy Program (SRO)**

The Single Room Occupancy (SRO) Program provides Section 8 rental assistance for moderate rehabilitation of buildings with SRO units - single-room dwellings, designed for the use of an individual, that often do not contain food preparation or sanitary facilities. A public housing authority makes Section 8 rental assistance payments to the landlords for the homeless people who rent the rehabilitated units. SRO units are less expensive to rent than regular apartments, so they often serve as the only affordable housing option for many low-income individuals and homeless persons. Such units are in short supply, however, since they yield negligible profits for building owners. Public housing agencies and private nonprofit organizations may apply. Nonprofit organizations must subcontract with public housing agencies to administer the rental assistance.

2. Supportive Housing for the Elderly (Section 202):

This competitive Federal program funds nonprofit organizations to develop housing designed to accommodate the special needs of elderly persons and provide a range of services tailored to their needs. Assistance is in the form of capital advances and rental assistance. Recipients can use the funds for acquisition, rehabilitation, new construction, rental assistance, and supportive services. Private nonprofit sponsors apply directly to HUD in response to a Notice of Funding Availability (NOFA) published in the Federal Register each fiscal year. Applications must be submitted to the Los Angeles HUD field office. Awards are usually announced in September.

3. HUD Assisted Living Conversion Program

This program provides nonprofit owners of eligible developments with a grant to convert some or all of the dwelling units in the project into an assisted living home for the frail elderly. The state must license and regulate the assisted living home. This program provides funding for the physical costs of converting some or all of the units of an eligible development into an assisted living home, including the unit configuration, common and services space, and any necessary remodeling, consistent with HUD or state statute/regulations (whichever is more stringent). There must be sufficient community space to accommodate a central kitchen or dining facility, lounges, recreation, and other multiple-areas available to all residents of the project, or office/staff spaces. The owners either directly or through a third party must provide funding for the supportive services. Only private nonprofit owners of Section 202, Section 8 project-based housing developments that are designated primarily for occupancy by the elderly for at least five years are eligible for funding. A private nonprofit of an unused/underutilized commercial property is also eligible. For more information, contact the Los Angeles HUD Office at 213/894-8000.

4. Supportive Housing for Persons with Disabilities (Section 811):

This competitive Federal program funds nonprofit organizations to develop housing designed to accommodate the special needs of persons with disabilities. It also provides supportive services that address the individual health and other needs of such persons. Houses may be group homes, independent living facilities, or intermediate care facilities. Assistance is in the form of capital advances and rental assistance. A set-aside exists under this program for persons disabled due to HIV. Eligible applicants are private nonprofit organizations. Private nonprofit sponsors apply directly to HUD in response to a Notice of Funding Availability (NOFA) published in the Federal Register each fiscal year. Applications must be submitted to the Los Angeles HUD field office. Awards are usually announced in September.

5. Housing Opportunities for Persons with AIDS (HOPWA):

This program provides both entitlement and competitive grants for housing assistance and supportive services for low-income persons with AIDS and related diseases. It can be used for acquisition, rehabilitation, conversion, lease, repair of facilities, new construction, project-based or tenant-based rental assistance, planning, support services, operating costs, short-term payments (rent, mortgage, utility), and administrative expenses.

6. HUD Service Coordinators in Multi-Family Housing:

The purpose of this Service Coordinator program is to allow non-profit multifamily housing owners to assist elderly individuals and people with disabilities living in HUD-assisted housing and in the surrounding area to obtain needed supportive services from the community, in order to enable them to continue living as independently as possible in their own homes. Eligible programs include HUD Sec. 202, 221/236, and Section 8: Project-based assistance. The number of units in the property and a 1:5 staffing ratio determines the maximum grant. Service Coordinator grants are awarded competitively each year, with priority going to Assisted Living Conversion Program sites. For more information, contact the Los Angeles HUD Office.

7. Emergency Food and Shelter Program:

The Emergency Food and Shelter Program, formerly known as FEMA, is another source of Federal formula funds that are awarded annually to local jurisdictions to aid the homeless and near homeless. With the exception of major shelter development, the eligible activities for this program are essentially the same as ESG (i.e. essential services, shelter operating support and homeless prevention.) Funds are generally distributed through local United Way.

8. Low-Income Housing Preservation Program:

This competitive program provides financial incentives to retain subsidized housing projects when Federal assistance is expiring. The owner may apply for incentives or sell to another entity that will maintain low-income affordability restrictions.

9. VA Homeless Providers Grant and Per Diem

The Veteran's Administration's Homeless Providers Grant and Per Diem Program is offered annually, as funding permits, by the Department of Veterans Affairs Health Care for Homeless Veterans Programs to fund community agencies providing services to homeless veterans. The purpose is to promote the development and provision of supportive housing and/or supportive services with the goal of helping homeless veterans achieve residential stability, increase their skill levels and/or income, and obtain greater self-determination. Only programs with supportive housing (up to 24 months) or service centers (offering services such as case management, education, crisis intervention, counseling, etc.) are eligible for these funds. The program has two levels of funding: the Grant portion and the Per Diem portion. Currently grants of up to 65 percent of the project are awarded for the construction, acquisition, or renovation of facilities or to purchase vans to provide outreach and services to veterans. The program may provide partial operating funds for programs through per diem payments. Priority in awarding the Per Diem funds goes to the recipients of Grants. Non-Grant programs may qualify if they meet these criteria: (1) at least 75 percent of those receiving supportive services are veterans, and (2) provide supportive housing or a homeless service center.

10. Lead-Based Paint Abatement Program:

This program provides competitive grants to State and local governments for the development of cost effective community strategies for lead-based paint abatement. Recipients may use the funds for rehabilitation, planning and operating costs. Funding match is required for this program.

11. Surplus Housing to Assist the Homeless:

This program leases suitable Federal properties, rent free, to organizations serving the homeless. The organizations must pay operating and any rehabilitation and/or renovation costs.

12. Section 108 Loan Guarantee (Section 108):

Through Section 108, HUD guarantees notes issued by units of general local government. Funds finance economic revitalization and development activities that include housing and rehabilitation of privately owned buildings for residential purposes; expansion of for-profit businesses; financing and

rehabilitation of low-income and public housing; acquisition, construction, or rehabilitation of neighbor-hood and community facilities; site improvement on community-owned land leased to a developer for a commercial or industrial development project; site development; purchase of land or buildings for economic development; and infrastructure development that includes street reconstruction and/or sewer system repairs.

13. Community Services Block Grant (CSBG):

This program can fund activities to implement anti-poverty activities such as housing counseling, emergency assistance and other supportive services.

14. Youthbuild:

This program provides assistance for activities and services to assist economically disadvantaged youth to obtain education and employment skills and to expand the supply of permanent affordable housing. It may be used for planning grants or implementation grants that may be used for architectural and engineering work, acquisition, rehabilitation, construction, relocation, administrative costs, and education and job training services. Activities may also include counseling, leadership skill development, support services, wages, stipends and benefits to participants, operating expenses, replacement reserves, legal fees, and training and technical assistance for the applicant.

15. Community Outreach Partnership Center (COPC) Program:

This HUD program provides funding for universities to become more involved in community development activities.

16. Department of Energy:

The U.S. Department of Energy provides funds to carry out weatherization and energy assistance programs for low-income homeowners and tenants.

17. Brownfields Economic Development Initiative (BEDI) Grants:

BEDI grants target Economic Development Initiative funds to brownfields projects. BEDI grants are made to local governments for use in supporting brownfield redevelopment activities and projects financed in whole or in part with Section 108 loan guarantees.

18. Economic Development Initiative (EDI):

The Economic Development Initiative provides grants to be used in tandem with Section 108 guaranteed loans for economic revitalization projects. These grants will enhance the viability of such projects (through interest rate subsidies and

debt service/operating reserves) and increase the likelihood that the Section 108 loans can be repaid from project revenue.

19. HOPE VI (Public Housing Revitalization)

The HOPE VI (Public Housing Revitalization) Program was developed as a result of the National Commission on Severely Distressed Public Housing. The Commission recommended revitalization in three general areas: physical improvements, management improvements, and social and community services to address resident needs. Any public housing authority (PHA) that operates public housing units with severe problems-such as crime, maintenance, and safety problems is eligible to apply for HOPE VI. HOPE VI permits expenditures for the capital costs of demolition, construction, rehabilitation and other physical improvements, development of replacement housing, planning and technical assistance, and planning and implementation of self-sufficiency programs. It encourages PHAs to seek new partnerships with private entities to create mixed-finance and mixed-income affordable housing that is radically different from traditional public housing "projects." PHAs administer the program, and can use the grants in conjunction with modernization funds or other HUD funds, as well as municipal and State contribution, public and private loans, and low-income tax credit equity. While most of the funds are to be used for capital costs, a limited amount may be used for self-sufficiency programs. Appropriations are distributed through an annual national competition. PHAs respond to a Notice of Funding Availability (NOFA) published in the Federal Register by submitting an application to HUD. Each year's NOFA and application kit are automatically mailed to each eligible PHA upon publication.

20. Federal Tax Credit and Tax Exempt Programs

The U.S. Department of the Treasury and the Internal Revenue Service oversees several useful and important Federal housing and related programs. Most of these programs are administered by State agencies.

a. Low Income Housing Tax Credits

The Low Income Housing Tax Credit Program (LIHTC) is an Internal Revenue Service program (IRC Section 42) that provides federal income tax credits to owners of rental housing where a number of units are set-aside for low and moderate-income families. The California Tax Credit Allocation Committee (TCAC) administers the Federal, as well as a State, Low-Income Housing Tax Credit Program (see State programs for a discussion of the State Low-Income Housing Tax Credit Program. Under the Program, owners "sell" the tax credit to investors and use the proceeds to support the development cost of the project. Developments that are financed with the proceeds of tax-exempt bonds may also receive federal tax credit (See Tax-Exempt Private Activity Bond Program). In this

instance, the developer/owner of a tax-exempt development must apply to TCAC and must conform to the federal and state statutory and regulatory requirements, but there is no annual “cap” on the amount of credit that may be awarded by the state to such developments. The credit available is based on approximately 4% (instead of 9%) of the “qualified basis” of the development.

b. Tax-Exempt Private Activity Bond Program

The Tax Exempt Private Activity Bond Program is an Internal Revenue Service program (IRC Section 146) that permits the issuance of tax-exempt bonds to finance certain activities, including single- and multi-family housing development and rehabilitation. The California Debt Limit Allocation Committee (CDLAC) administers Tax Exempt Private Activity Bond Program in California.

c. Federal Rehabilitation Tax Credit (a/k/a Historic Tax Credit)

The Rehabilitation Tax Credit is a two-tiered program, because there are two tax credit rates based on the status or age of the buildings. The 20% credit is available for income-producing buildings that are considered certified historic structures (Historic Tax Credit). Federal historic tax credits are available for buildings listed in the *National Register of Historic Places* or located in certain historic districts that are substantially rehabilitated for income-producing purposes according to standards set by the Secretary of the Interior. The 10% credit is available for non-residential income producing buildings originally used before 1936, which are not certified historic structures. Consequently, the two credits are mutually exclusive.

i. **Federal New Markets Tax Credit (NMTC) Program**

The New Markets Tax Credit (NMTC) Program, which is administered by the U.S. Department of the Treasury’s Community Development Financial Institutions (CDFI), permits taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs). Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income communities. The credit provided to the investor totals 39% of the cost of the investment and is claimed over a seven-year credit allowance period. In each of the first three years, the investor receives a credit equal to five percent of the total amount paid for the stock or capital interest at the time of purchase. For the final four years, the value of the credit is six percent annually. Investors may not redeem their investments in CDEs prior to the conclusion of the seven-year period. NMTCs will be allocated annually by the Fund to CDEs under a competitive application process.

These CDEs will then sell the credits to taxable investors in exchange for stock or a capital interest in the CDEs. To qualify as a CDE, an entity must be a domestic corporation or partnership that: 1) has a mission of serving, or providing investment capital for, low-income communities or low-income persons; 2) maintains accountability to residents of low-income communities through their representation on a governing board of or advisory board to the entity; and 3) has been certified as a CDE by the CDFI Fund. The Fund is currently accepting applications from entities seeking CDE certification. A listing of current CDEs may be found at <http://www.cdfi.org/resource.asp>.

21. Public Works and Development Facilities Program:

Grants are provided to help distressed communities attract new industries, encourage business expansion, diversify local economies, and generate long-term, private-sector jobs. Projects funded include water and sewer facilities primarily serving industry and commerce, access roads to industrial parks or sites, port improvements, and business incubator facilities. A proposed project must be located within or provide a substantial direct benefit to an area in severe economic distress, that is, one that is experiencing high unemployment, low per capita income, or sudden economic changes such as those caused by a military base closure.

22. Rebuild America:

Rebuild America helps community and regional partnerships improve the energy efficiency of commercial and multifamily buildings. Partners may include government agencies, economic development organizations, energy services companies, financial institutions, utilities, private businesses, and nonprofit organizations. Rebuild America provides technical assistance and helps identify sources for financial assistance but does not provide funding or financing for building projects.

23. Technology Opportunity Program:

This program provides matching grants to nonprofit organizations such as schools, libraries, hospitals, public safety entities, and state and local governments. Grants fund projects that improve the quality of, and the public's access to, education, healthcare, public safety, and other community-based services. The grants are used to purchase computer equipment and software, train staff and users, and provide connections to the Internet. Funds also support evaluation and dissemination of project findings.

24. Housing Preservation Grant Program:

This program also makes available funds to repair housing. Non-profits receive grants and they in turn make funds available to homeowners that cannot afford to make needed repairs.

25. Multifamily Housing and Health Care Facilities Mortgage Insurance Programs:

The Federal Housing Administration (FHA), part of the U.S. Department of Housing and Urban Development (HUD), provides mortgage insurance programs that make capital available for, and facilitate the development of, multifamily rental housing and healthcare facilities. FHA insures loans that are originated by private, HUD-approved lenders. Project sponsors are responsible for finding a HUD-approved lender to write the loan and for submitting an application for commitment to the local HUD office.

26. Head Start/Early Head Start:

This program awards grants to local public and private nonprofit and for-profit agencies for comprehensive child development services for children and families. Intended primarily for low-income families, the program fosters the development of children and enables them to deal more effectively with both their present environment and later responsibilities in school and community life.

Programs and funds at the State level are available to address the Consolidated Plan's priority needs, such as grants and other revenues that provide funding to the City or other organizations within Lancaster.

B. State Public Resources

Programs and funds at the State level are available to address the Consolidated Plan's priority needs, such as grants and other revenues that provide funding to the City or other organizations within Lancaster.

1. California Department of Housing and Community Development Programs

a. Building Equity and Growth in Neighborhoods Program

The Building Equity and Growth in Neighborhoods Program (BEGIN) seeks to reduce local regulatory barriers to affordable ownership housing and to provide downpayment assistance loans to qualifying first-time low- and moderate-income buyers of homes in BEGIN projects. BEGIN provides grants to cities and counties to make deferred-payment second mortgage loans to qualified buyers of new homes, including manufactured

homes on permanent foundations, in projects with affordability enhanced by local regulatory incentives or barrier reductions.

b. CalHome Program

The CalHome Program, via grants to local public agencies and nonprofit developers, assists low and very-low income households to become or remain homeowners. CalHome provides grants to local public agencies or nonprofit corporations for first-time homebuyer downpayment assistance, home rehabilitation, including manufactured homes not on permanent foundations, acquisition and rehabilitation, homebuyer counseling, self-help mortgage assistance programs, or technical assistance for self-help homeownership. All funds to individual homeowners will be in the form of loans. CalHome also provides loans for real property acquisition, site development, predevelopment, construction period expenses of homeownership development projects, or permanent financing for mutual housing and cooperative developments. Project loans to developers may be forgiven as developers make deferred payment loans to individual homeowners. CALHOME assistance (indirect) to individual households will be in the form of deferred-payment loans, payable on sale or transfer of the homes, or when they cease to be owner-occupied, or at maturity. CalHome grant and loan applications are invited through the issuance of Notices of Funding Availability (NOFAs).

c. Emergency Housing and Assistance Program Operating Facility Grants

The Emergency Housing and Assistance Program Operating Facility Grants (EHAP) program provides facility operating grants to local government agencies and nonprofit corporations that shelter the homeless on an emergency or transitional basis. Funds are used for support services for emergency shelters, transitional housing projects, and supportive services for homeless individuals and families. Each county receives a formula grant allocation. Grants may be used to provide: 1) direct client housing, including facility operations and administration, residential rent assistance, leasing and renting of rooms for provision of temporary shelter, capital development activities of up to \$20,000 per site, and 2) administration of the award (limited to 5 percent).

d. Emergency Housing and Assistance Program Capital Development

The Emergency Housing and Assistance Program Capital Development (EHAPCD) program funds capital development activities for emergency shelters, transitional housing, and safe havens that provide shelter and supportive services for homeless individuals and families. Funds may be used to acquire, construct, convert, expand and/or rehabilitate emergency

shelter, transitional housing, and/or safe haven housing and administration of the award (limited to 5 percent).

e. Multifamily Housing Program

The Multifamily Housing Program (MHP) assists the new construction, rehabilitation and preservation of permanent and transitional rental housing for lower income households. Eligible applicants include local public entities, for-profit and nonprofit corporations, limited equity housing cooperatives, individuals, Indian reservations and rancherias, and limited partnerships in which an eligible applicant or an affiliate of an applicant is a general partner. Applicants or their principals must have successfully developed at least one affordable housing project. The 55 year deferred payment loans may be used for new construction, rehabilitation, or acquisition and rehabilitation of permanent or transitional rental housing, and the conversion of nonresidential structures to rental housing. Projects are not eligible if construction has commenced as of the application date, or if they are receiving 9% federal low income housing tax credits. MHP funds will be provided for post-construction permanent financing only. Eligible costs include the cost of child care, after-school care and social service facilities integrally linked to the assisted housing units; real property acquisition; refinancing to retain affordable rents; necessary onsite and offsite improvements; reasonable fees and consulting costs; and capitalized reserves.

f. Mobilehome Park Resident Ownership Program (MPROP)

The Mobilehome Park Resident Ownership Program (MPROP) provides financial assistance for the preservation of affordable mobilehome parks by conversion to ownership or control by resident organizations, nonprofit housing sponsors, or local public agencies. The program provides for 1) *Short-term conversion loans* at three percent simple annual interest for up to 3 years to enable a resident organization, nonprofit sponsor or local public agency to purchase a mobilehome park; 2) *Long-term blanket loans* at three percent simple annual interest for up to 30 years for long-term financing of a park purchase, or for a resident organization, nonprofit or local public agency that has purchased a park to help low-income residents finance the purchase of shares or spaces in the park; and 3) *Long-term individual loans* at three percent simple annual interest, to low-income residents of a mobilehome park that has been converted, to ensure housing affordability when the resident buys a cooperative interest, a share, a planned unit development space, or a condominium space in the park.

g. Predevelopment Loan Program (PDLP)

The Predevelopment Loan Program (PDLP) provides predevelopment capital to finance the start of low-income housing projects. Predevelopment loans are provided at three percent simple annual interest loans for up to two years. Maximum loan amount for purposes other than site option or site purchase is \$100,000. The maximum amount committed to any one borrower at any point in time is announced in each Notice of Funding Availability (NOFA). PDLP funds may be use construct, rehabilitate, convert or preserve assisted housing, including manufactured housing and mobilehome parks. Eligible project costs include, but are not limited to, site control, site acquisition for future low-income housing development, engineering studies, architectural plans, application fees, legal services, permits, bonding and site preparation. Priority will be given to developments, which are rural, located in the public transit corridors, or which preserve and acquire existing government-assisted rental housing at risk of conversion to market rents. Eligible applicants under the PDLP Program include local government agencies, nonprofit corporations, cooperative housing corporations, and limited partnerships or limited liability companies where all the general partners are nonprofit mutual or public benefit corporations. Applications are accepted and evaluated, and funds awarded, on a continuous basis as funds are available.

h. Preservation Interim Repositioning Program

The Preservation Interim Repositioning Program (PIRP) loan proceeds will be used to finance the acquisition of at-risk rental housing for the purpose of preserving affordability. California HCD has committed all available funds to Mercy Housing California, which expects to use them itself to acquire qualified properties. Potential property sellers should contact Mercy Housing.

i. Multifamily Housing Program (MHP)

The Multifamily Housing Program (MHP) assists the new construction, rehabilitation and preservation of permanent and transitional rental housing for lower income households. Eligible applicants include local public entities, for-profit and nonprofit corporations, limited equity housing cooperatives, individuals, Indian reservations and rancherias, and limited partnerships in which an eligible applicant or an affiliate of an applicant is a general partner. Applicants or their principals must have successfully developed at least one affordable housing project. The 55 year deferred payment loans may be used for new construction, rehabilitation, or acquisition and rehabilitation of permanent or transitional rental housing, and the conversion of nonresidential structures to rental housing. Projects are not eligible if construction has commenced as of the application date, or

if they are receiving 9% federal low income housing tax credits. MHP funds will be provided for post-construction permanent financing only. Eligible costs include the cost of child care, after-school care and social service facilities integrally linked to the assisted housing units; real property acquisition; refinancing to retain affordable rents; necessary onsite and offsite improvements; reasonable fees and consulting costs; and capitalized reserves.

j. Mobilehome Park Resident Ownership Program (MPROP)

The Mobilehome Park Resident Ownership Program (MPROP) provides financial assistance for the preservation of affordable mobilehome parks by conversion to ownership or control by resident organizations, nonprofit housing sponsors, or local public agencies. The program provides for 1) *Short-term conversion loans* at three percent simple annual interest for up to 3 years to enable a resident organization, nonprofit sponsor or local public agency to purchase a mobilehome park; 2) *Long-term blanket loans* at three percent simple annual interest for up to 30 years for long-term financing of a park purchase, or for a resident organization, nonprofit or local public agency that has purchased a park to help low-income residents finance the purchase of shares or spaces in the park; and 3) *Long-term individual loans* at three percent simple annual interest, to low-income residents of a mobilehome park that has been converted, to ensure housing affordability when the resident buys a cooperative interest, a share, a planned unit development space, or a condominium space in the park.

k. Exterior Accessibility Grants for Renters

The Exterior Accessibility Grants for Renters (EAGR) helps lower income rental tenants with disabilities make exterior modifications to their rental housing to make it accessible. The program provides grants to local government or nonprofit recipients, to make grants to lower income renters with disabilities. Grant funds may be used to make exterior modifications to entryways or common areas of rental housing structures or property to make the housing accessible to persons with disabilities. Applications are invited through issuance of Notices of Funding Availability (NOFAs).

l. Workforce Housing Reward Program

The Workforce Housing Reward Program (WHRP) provides financial incentives for their issuance of building permits for new housing affordable to very low or low-income households. Grant amounts are based on the numbers of bedrooms in units restricted for very low and low-income households for which final land use approval is issued during the 12-month reporting period. Qualifying rental units must be rent-restricted for at least 55 years. Ownership units must be initially sold to qualifying households at

affordable cost. Any public funds used to achieve affordability in ownership units must be recovered on resale and reused for affordable housing for at least 20 years. WHRP grants for very low income units will be greater than grants for low-income units. WHRP funds may be use for the construction or acquisition of capital assets such as traffic improvements, neighborhood parks, bike paths, libraries, school facilities, play areas, community centers, police or fire stations.

m. Joe Serna, Jr. Farmworker Housing Grant (JSJFWHG) Program

The Joe Serna, Jr. Farmworker Housing Grant (JSJFWHG) Program provides financing for the new construction, rehabilitation and acquisition of owner-occupied and rental units for agricultural workers, with a priority for lower income households. The JSJFWHG program provides: 1) homeowner grants for rehabilitation or new home construction and 2) rental rehabilitation and new construction grants. Grant and loan funds may be used for costs in the development of homeowner or rental housing for agricultural workers, including land acquisition, site development, construction, rehabilitation, design services, operating and replacement reserves, repayment of predevelopment loans, provision of access for the elderly or disabled, relocation, homeowner counseling, and other reasonable and necessary costs. JSJFWHG applicants may include local government agencies, nonprofit corporations, cooperative housing corporations, limited partnerships where all the general partners are nonprofit mutual or public benefit corporations, and federally recognized Indian tribes. Eligible beneficiaries of the grants are households with at least one person who derives, or prior to retirement or disability derived, a substantial portion of their income from agricultural employment.

2. California Housing Finance Agency Programs

The California Housing Finance Agency (CalHFA) operates several single-family, multi-family and special housing programs.

a. Single-Family Programs

CalFHA more than ten single-family programs providing mortgage loans, mortgage loans with downpayment assistance, and standalone downpayment assistance programs. A complete directory and description of each of their programs may be found at <http://www.calhfa.ca.gov/homeownership/programs/index.htm>.

b. Multifamily Programs

Multifamily Programs provide permanent financing for the acquisition, rehabilitation, and preservation or new construction of rental housing that

includes affordable rents for low and moderate-income families and individuals. CalHFA multi-family programs include:

The Permanent Financing Program provides permanent loan financing for new multifamily construction projects and existing affordable housing multifamily projects.

The Special Needs Financing Program offers low interest rate financing for the development of rental housing to serve a broad range of special needs tenants in need of supportive services.

The Tax-Exempt Bridge Financing Program offers tax-exempt bridge loans for projects receiving 4% tax credits at an amount necessary to ensure the award of tax credits.

The Preservation Acquisition Program is designed to preserve at-risk affordable housing developments by providing low-cost acquisition financing. The fund is comprised of monies authorized by Proposition 46 (“Bond Funds”) and funds from CalHFA (“Agency Funds”). Assisted housing developments eligible for Program include: Section 8 assisted, BMIR 221 (d)(3), Section 236, Section 202, Programs under Rent Supplement Assistance, Section 515, and Section 42 of the Internal Tax Revenue Code.

The 202 Refinance Program offers owners of existing Section 202 developments the opportunity to refinance their direct HUD loans through CalHFA under more favorable terms and conditions. Owners must agree to maintain affordable occupancy restrictions, comply with HUD requirements, and undertake appropriate rehabilitation of the property.

The Construction Loan Program is designed to provide construction loans at commercially competitive rates and terms to developments approved for CalHFA permanent financing that are otherwise subject to State prevailing wage requirements.

c. **Special Programs**

The Small Business Development Loan Program is designed to assist small developers whose projects would not otherwise be funded through conventional sources given the developer's experience, capital, project size and/or location. This program provides up to \$300,000, on a 50% reimbursement basis, for soft costs incurred in connection with a development that will be financed by CalHFA.

The HELP Program offers a 3% interest rate loan to local government agencies for their locally determined affordable housing activities and priorities. HELP Program funds must be used to directly produce affordable

housing units, however, there is virtually unlimited flexibility for the local agency to determine the specific housing activity and use of the funds in providing for the acquisition, development, rehabilitation, or preservation of affordable rental or ownership housing.

3. California Office of the Treasurer Programs

The Officer of the Treasurer oversees several important program initiatives available to address the Consolidated Plan's priority needs.

a. Low Income Housing Tax Credits

As previously noted (See *Federal Programs. Tax Credit and Tax Exempt Bond Programs*), the California Tax Credit Allocation Committee (TCAC) administers a Federal and State Low-Income Housing Tax Credit Program. The **Federal Program** is an Internal Revenue Service program (Section 42) that provides federal income tax credits to owners of rental housing where a number of units are set-aside for low and moderate-income families. Owners "sell" the credit to investors and use the funds to support the development cost of the project. Developments that are financed with the proceeds of tax-exempt bonds may also receive federal tax credit (See Tax-Exempt Private Activity Bond Program). In this instance, the developer/owner of a tax-exempt development must apply to TCAC and must conform to the federal and state statutory and regulatory requirements, but there is no annual "cap" on the amount of credit that may be awarded by the state to such developments. The credit available is based on approximately 4% (instead of 9%) of the "qualified basis" of the development.

Recognizing the high cost of developing housing in California, the State legislature authorized a state low income housing tax credit program ("**State Program**") to augment the Federal Program. The State credit is only available to a project which has previously received, or is concurrently receiving, an allocation of federal credits. The state program does not stand alone, but instead, supplements the federal tax credit program. California's tax credit program was structured to mirror the federal program with certain exceptions. In addition to the state credit only being available to projects that also receive a federal credit, other major differences include:

- TCAC gives priority for state credit allocations to projects not located in a designated high cost area and those using HOME funds to finance eligible costs.
- The applicable percentage to be applied to the qualified basis for determining the amount of state credits is 30% for projects which are not federally subsidized, and 13% for projects which are federally subsidized, in contrast to 9% and 4% for the federal credit.

- State credits are not available for acquisition costs, except for already assisted projects that qualify as "at-risk" of being converted to market rate.
- The State program has a rate of return limitation. Any surplus revenues generated above the limitation must be used to reduce rents.

Additional information and regulations for both the Federal and State Programs may be found at <http://www.treasurer.ca.gov/ctcac>.

b. Tax-Exempt Private Activity Bond Program

The California Debt Limit Allocation Committee (CDLAC) administers the tax-exempt private activity bond program available annually for California. Federal and state revenues are not utilized in this program. The maximum issuance amount, which is set by the Federal government, for calendar year 2004 was over \$2.8 billion. The bonds issued are purchased by the private sector and the repayment is not an obligation of the state or of the federal government. Agencies and organizations authorized to issue tax-exempt private activity bonds or mortgage credit certificates must receive an allocation from CDLAC. For additional information on the bond allocation process, visit <http://www.treasurer.ca.gov/cdlac>.

Three of the six programs tax-exempt private activity bond programs may be used for housing activities. The three housing programs are:

Qualified Residential Rental Project Program

State and local governmental agencies and joint powers authorities can issue tax-exempt housing revenue bonds. These bonds assist developers of multifamily rental housing units to acquire land and construct new units or purchase and rehabilitate existing units. The tax-exempt bonds lower the interest rate paid by the developers. The developers in turn produce market rate and affordable rental housing for low and very low-income households by reducing rental rates to these individuals and families. Projects that receive an award of bond authority have the right to apply for non-competitive 4% tax credits. See Low Income Housing Tax Credits.

Bond authority for Rental Projects is awarded in three allocation rounds and to three sub-pools: the General Pool (Projects having more than 50% of total units designated as Restricted Rental Units); the Mixed Income Pool (Projects having 50% or fewer of total units designated as Restricted Rental Units); and the Rural Project Pool (Projects located in a rural area as defined by California Health and Safety Code Section 50199.21 but shall not include a Mixed Income Project).

Single-Family Housing Program

State and local governmental agencies and joint powers authorities can issue tax-exempt mortgage revenue bonds (MRBs) or mortgage credit certificates (MCCs) to assist first-time homebuyers to purchase homes. These agencies and authorities may issue MRBs, the proceeds of which back below market interest rate mortgages. As an alternative to issuing MRBs, state and local governmental agencies and joint powers authorities may issue MCCs. Homebuyers use the MCC to reduce their federal tax liability by applying the credit to their net tax due. Homebuyers may purchase single-family homes, either freestanding detached, condominiums or townhouses. Program participants must meet program income limits and must purchase a home that falls within the program's purchase price limitations.

Extra Credit Home Purchase Program

State and local governmental agencies and joint powers authorities can issue tax-exempt mortgage revenue bonds (MRBs) or mortgage credit certificates (MCCs) to assist teachers, principals and other credentialed school staff purchase homes. These agencies and authorities may issue MRBs, the proceeds of which back below market interest rate mortgages. As an alternative to issuing MRBs, state and local governmental agencies and joint powers authorities may issue MCCs. Homebuyers use the MCC to reduce their federal tax liability by applying the credit to their net tax due. Homebuyers may purchase single-family homes, freestanding detached homes, condominiums or townhouses. Participants must be employed at a low-performing school (a California K-12 public school that is ranked in the bottom 50% of all the schools based on the most recent Academic Performance Index (API), i.e. schools receiving an API Statewide Ranking of 1, 2, 3, 4 or 5) and make a commitment to work at a low performing school for at least three years. In addition, Program participants must meet program income limits and must purchase a home that falls within the program's purchase price limitations.

C. Local Public Resources

Local funds and programs are also available to address the Consolidated Plan's priority needs.

1. City of Lancaster Programs

The City of Lancaster housing division strives to meet the needs of our low- to moderate-income residents with a variety of assistance programs. The division also works closely with non-profit developers to develop, acquire and/or rehabilitate affordable rental units in the redevelopment project areas.

Other programs offered by the City and/or Lancaster Redevelopment Agency include:

Home Purchase Programs

The Mortgage Credit Certification (MCC) program provides a federal income tax credit that assists buyers in qualifying for a mortgage.

The *Access and Cal Gold* Programs are Second Loan Downpayment Assistance Programs offered by the Independent Cities Lease Finance Authority and administered by National Homebuyers Fund.

Mobile Home Parks

The Agency sponsors a program to assist low-income residents to purchase mobile homes in Brierwood and Desert Sands Estates. The Program is designed to assist lower income households by furnishing interest-free loans to purchase mobile homes that are owned by the Lancaster Redevelopment Agency and placed in mobile home parks owned by the City. Program loans are available to families whose total household income is 80% or less of the Los Angeles County Median Income Levels (as adjusted by family size) and who demonstrate good credit, income and rental histories.

2. Housing Authority of the County of Los Angeles

The Housing Authority of the County of Los Angeles (HACoLA) is a public housing authority with jurisdiction throughout the unincorporated county and within the participating cities. Its purpose is to administer federal funds for public housing projects and government assisted housing units such as the Section 8 Rental Subsidy and Family Self-Sufficiency programs. HACoLA is staffed by the Los Angeles County Community Development Commission and is governed by the Housing Authority Board of Commissioners. Lancaster has an inter-agency agreement with HACoLA.

3. Los Angeles Homeless Services Authority (LAHSA)

On December 17, 1993, the County of Los Angeles and the City of Los Angeles entered into a joint exercise of powers agreement to create the Los Angeles Homeless Services Authority (LAHSA) to provide coordinated homeless services. Programs initially assigned to LAHSA by the County and City of Los Angeles include the ESG Program and the Cold/Wet Weather Emergency Shelter Program, funded in part with CDBG funds, as well as other homeless services programs already being provided by the County and City.

Subsequently, on November 15, 1994, the County approved entering into a grant agreement with the City and HUD to implement the Los Angeles Area Homeless Initiative pursuant to the "HUD Demonstration Act of 1993." The

County and City have designated LAHSA to administer the Homeless Initiative. All of these Homeless Programs and funds will be coordinated by LAHSA. The funds will be apportioned in the County and City according to need and in keeping with the Continuum of Care, described in Section 4.2.2 of the Consolidated Plan.

4. Pacific Housing and Finance Agency

Lancaster is a member of the Pacific Housing and Finance Agency (PHFA), which sponsors the Public Lease-Purchase Home Ownership Program in the member cities. Through its Public Lease-Purchase program, PHFA offers moderate-income home buyers offers a mortgage for 100% of the purchase price of the home with no closing costs. During the lease period the home is owned by a non-profit governmental agency

5. Southern California Home Financing Authority (SCHFA)

SCHFA is a joint powers authority between Los Angeles and Orange Counties formed in June 1988 to issue tax-exempt mortgage revenue bonds for low and moderate income First Time Homebuyers. The program is administered by the Community Development Commission of The County of Los Angeles and County Executive Office of the County of Los Angeles on behalf of the SCHFA. The Authority has helped thousands of individuals and families.

D. Private Resources

Funds from private sources are also available to address the Consolidated Plan's priority needs from partners such as private lenders, nonprofit organizations, and citizens.

1. Federal Home Loan Bank Affordable Housing Program (AHP):

The Affordable Housing Program is designed to finance housing for low and moderate- income families. The Federal Home Loan Bank System makes the funds available by setting aside a percentage of net earnings as subsidy. Federal Home Loan Banks are sources of wholesale credit and lend only to financial institutions that are member stockholders of the Federal Home Loan Bank. Nonprofits, local governments, community development corporations, individuals, and others seeking the funding should establish a relationship with a member institution. Housing developers can use the funds in a variety of ways to fund new construction, purchase and/or rehabilitation of owner-occupied and rental housing for very low-, low-, and moderate-income households. Funds are available to member institutions as below market rate loans or direct loans. Generally, recipients are required to match direct grants with an equal contribution of funds from other sources. Application deadlines are April and October each year.

2. Community Reinvestment Act Programs:

Special programs promoted by local financial institutions designed to assist low- and moderate-income buyers and/or target low and moderate-income neighborhoods.

3. United Way:

The United Way provides funding to local social service organizations, many of which are involved in housing or supportive services.

4. Private Contributions:

Many nonprofit organizations rely heavily on private contributions. In addition to cash, contributions may include donated labor and materials. Habitat for Humanity is one nonprofit organization that receives sponsorships that include donated labor and materials.



**CITY OF LANCASTER – CDBG PROGRAM
NEEDS ASSESSMENT SURVEY**

Resident's Survey

The City of Lancaster receives approximately \$1.640 million in federal funds from the U.S. Department of Housing and Urban Development (HUD) each year. The Community Development Block Grant (CDBG) funds are used for housing and community development projects. The City of Lancaster wants you to have a voice in how the City invests this money. Please assist us by filling out this survey.

1) Consider the needs in your community and how they can be improved. 2) Rate the need level for each of the following items and circle the one that best applies with the number 1 being the lowest need and 4 being the highest need.

Using the range from 1 - 4, 1 indicates the lowest need, 4 indicates the highest need.

Community Facilities	Lowest			Highest	Community Services	Lowest			Highest
Senior Centers	1	2	3	4	Senior Activities	1	2	3	4
Youth Centers	1	2	3	4	Youth Activities	1	2	3	4
Child Care Centers	1	2	3	4	Child Care Services	1	2	3	4
Park and Recreational Facilities	1	2	3	4	Transportation Services	1	2	3	4
Health Care Facilities	1	2	3	4	Anti-Crime Programs	1	2	3	4
Community Centers	1	2	3	4	Health Services	1	2	3	4
Fire Stations & Equipment	1	2	3	4	Mental Health Services	1	2	3	4
Libraries	1	2	3	4	Legal Services	1	2	3	4
Infrastructure	Lowest			Highest	Neighborhood Services	Lowest			Highest
Drainage Improvement	1	2	3	4	Tree Planting	1	2	3	4
Water/Sewer Improvement	1	2	3	4	Trash & Debris Removal	1	2	3	4
Street/Alley Improvement	1	2	3	4	Graffiti Removal	1	2	3	4
Street Lighting	1	2	3	4	Code Enforcement	1	2	3	4
Sidewalk Improvements	1	2	3	4	Parking Facilities	1	2	3	4
					Cleanup of Abandoned Lots and Buildings	1	2	3	4
Special Needs Services	Lowest			Highest	Businesses & Jobs	Lowest			Highest
Centers/Services for Disabled	1	2	3	4	Start Up Business Assistance	1	2	3	4
Accessibility Improvements	1	2	3	4	Small Business Loans	1	2	3	4
Domestic Violence Services	1	2	3	4	Job Creation/Retention	1	2	3	4
Substance Abuse Services	1	2	3	4	Employment Training	1	2	3	4
Homeless Shelters/Services	1	2	3	4	Commercial/Industrial Rehabilitation	1	2	3	4
HIV/AIDS Centers & Services	1	2	3	4	Facade Improvements	1	2	3	4
Neglected/Abused Children Centers and Services	1	2	3	4	Business Mentoring	1	2	3	4

Housing	Lowest			Highest
Residential Rehabilitation	1	2	3	4
Homeownership Assistance	1	2	3	4
Housing for Disabled	1	2	3	4
Senior Housing	1	2	3	4
Single Family Housing	1	2	3	4
Large Family Housing	1	2	3	4
Affordable Rental Housing	1	2	3	4
Fair Housing	1	2	3	4
Lead-Based Paint Test/Abatement	1	2	3	4
Residential Historic Preservation	1	2	3	4
Non-Residential Historic Preservation	1	2	3	4
Energy Efficient Improvements	1	2	3	4

Please write in any additional needs that you feel are important and are not listed above:

PART II – As part of this planning process, the City of Lancaster must also analyze factors that limit fair housing choice in the City of Lancaster. Your own experiences will contribute to the efforts to research obstacles such as the nature and extent of housing discrimination in the City.

This information will be used to assist in developing strategies to overcome impediments to fair housing choice. This survey is for informational gathering purposes only.

- Do you believe housing discrimination is an issue in your neighborhood? Yes No
- Have you ever experienced discrimination in housing? Yes No
(If **Yes**, please proceed to Questions 3, 4, and 5)
- Who do you believe discriminated against you?
 Landlord/property manager Real estate agent
 Mortgage lender Mortgage insurer
- On what basis do you believe you were discriminated against? (Check all that apply)
 Race Color National Origin Religion Gender
 Familial Status (single-parent with children, family with children or expecting a child)
 Disability (either you or someone close to you)
- If you believe you have been discriminated against, have you reported the incident? Yes No
If No – WHY? don't know where to report afraid of retaliation
 too much trouble don't believe it makes any difference

If you feel you may have been discriminated against, please contact the Housing Rights Center at (213) 387-8400 or toll free at (800) 477-5977.

Once you have completed the survey, please return the document to the City of Lancaster, Redevelopment Agency Department at 44933 N. Fern Avenue, Lancaster CA 93534. If you have any questions regarding this survey or need additional information please call (661)723-6128.

Thank you for your assistance!



**CIUDAD DE LANCASTER – PROGRAMA DE CDBG
ENCUESTA DE NECESIDADES**

Encuesta Para Residentes

La Ciudad de Lancaster recibe aproximadamente \$1.64 millones anualmente en fondos federales del Departamento de Vivienda y Desarrollo Urbano (HUD). Los Fondos Gratuitos Global para el Desarrollo Comunitario [Community Development Block Grant (CDBG)] se pueden utilizar para desarrollos comunitarios y vivienda. El Ayuntamiento de la Ciudad de Lancaster quiere que Usted tenga la oportunidad de opinar en como el Ayuntamiento podría invertir este dinero. Por favor ayúdenos y complete esta encuesta.

1) Considere las necesidades en su comunidad y como se pueden mejorar. 2) Marque el nivel de necesidad para cada uno de los siguientes objetivos y circule el número más apropiado.

Utilice los números del 1 a 4 (1 indica la necesidad menor y el número 4 indica la necesidad mayor).

Centros Comunitarios	Menor				Mayor				Servicios Comunitarios	Menor				Mayor			
Centros Para Personas de la 3ra. Edad	1	2	3	4					Actividades Para Personas de la 3ra. Edad	1	2	3	4				
Centros Para Jóvenes	1	2	3	4					Actividades Para Jóvenes	1	2	3	4				
Guarderías Infantiles	1	2	3	4					Servicios Para Cuidado de Niños	1	2	3	4				
Parques y Sitios de Recreo	1	2	3	4					Servicios de Transportación	1	2	3	4				
Sitios Para Cuidado de la Salud	1	2	3	4					Programas Contra el Crimen	1	2	3	4				
Centros Comunitarios	1	2	3	4					Servicios de Salud	1	2	3	4				
Estaciones de Bomberos y Equipo	1	2	3	4					Servicios de Salud Mental	1	2	3	4				
Bibliotecas	1	2	3	4					Servicios de Asesoría Legal	1	2	3	4				
Estación de Policía	1	2	3	4													
Presidencia Municipal	1	2	3	4													
Infraestructura	Menor				Mayor				Servicios Vecindarios	Menor				Mayor			
Mejoramiento de Drenajes	1	2	3	4					Instalación de Arboles	1	2	3	4				
Mejoramiento de Agua/Alcantarillados	1	2	3	4					Limpieza de Basura	1	2	3	4				
Mejoramiento de Calle/Callejones	1	2	3	4					Limpieza de Grafito	1	2	3	4				
Alumbrado Público	1	2	3	4					Imponer el cumplimiento de los Códigos Municipales	1	2	3	4				
Mejoramiento de Aceras	1	2	3	4					Sitios de Estacionamiento	1	2	3	4				
									Limpieza de Lotes Valdíos y Edificios Abandonados	1	2	3	4				
Servicios Para Necesidades Especiales	Menor				Mayor				Negocios y Trabajos	Menor				Mayor			
									Ayuda Para Negocios Nuevos	1	2	3	4				
Centros/Servicios Para Discapacitados	1	2	3	4					Préstamos Para Negocios Pequeños	1	2	3	4				
Mejoramiento de Accesibilidad	1	2	3	4					Creación/Retención de Trabajos	1	2	3	4				
Servicios Para Violencia Doméstica	1	2	3	4					Entrenamiento Para Empleos	1	2	3	4				
Servicios Para Abuso de Drogas	1	2	3	4					Rehabilitación Comercial/Industrial	1	2	3	4				
Servicios Para Personar Sin Hogar	1	2	3	4					Mejoramiento de Fachada	1	2	3	4				
Centros/Servicios Para VIH/SIDA	1	2	3	4					Asesoría Para Negocios	1	2	3	4				
Centros/Servicios Para Niños Desamparados/Abusados	1	2	3	4													

(reverso)

Vivienda	Menor			Mayor
Rehabilitación Residencial	1	2	3	4
Ayuda Para Dueños Primerizos	1	2	3	4
Vivienda Para Discapacitados	1	2	3	4
Vivienda Para Personas de la 3ra. Edad	1	2	3	4
Vivienda Para Familias	1	2	3	4
Vivienda Para Familias Grandes	1	2	3	4
Vivienda Para Renta (rentas razonables)	1	2	3	4
Vivienda Justa	1	2	3	4
Pruebas Para el Plomo en la Pintura	1	2	3	4
Preservación de Residencias Históricas	1	2	3	4
Preservación de Sitios Históricos	1	2	3	4
Mejoramientos en el consumo de Energía	1	2	3	4

Por favor indique alguna otra necesidad que Ud. crea que no fue mencionada:

SEGUNDA PARTE – Como parte del proceso de planificación, el Ayuntamiento de la ciudad de Lancaster tiene que analizar los factores que limitan el derecho de escoger vivienda justa dentro de la ciudad de Lancaster. Sus propias experiencias contribuirán a los esfuerzos para reconocer los obstáculos tales como el tipo y severidad de discriminación de vivienda en esta región.

Esta información se usará para desarrollar estrategias para sobrevenir los impedimentos del derecho de escoger vivienda justa. Esta encuesta se usará para obtener información únicamente.

- ¿Cree Usted que la discriminación de vivienda es un problema en su vecindad? Sí No
- ¿Ha tenido Usted una experiencia de discriminación de vivienda? Sí No
(Si marcó **Sí**, proceda a las Preguntas 3, 4, and 5)
- ¿Quién cree que lo discriminó?
 Propietario/Manejador de Propiedad Agente de Bienes Y Raíces
 Prestamista de Hipoteca Agente de Seguro de Hipoteca
- ¿Por cuál razón cree Usted que lo discriminaron? Indique todos los que correspondan.
 Raza Color Origen Nacional Religión Sexo
 Situación de Familia (padre único con niños, familia con niños o familia esperando niño)
 Incapacidad (Usted o alguien cerca a Usted)
- Si Usted cree que lo han discriminado, ¿lo ha reportado? Sí No
Si No – ¿Por qué no? no sabe a donde reportar temor de venganza
 mucho trabajo no cree que hará diferencia
 Si Usted siente que lo han discriminado, por favor lláme a Housing Rights Center al (213)387-8400 o sin cobro al (800) 477-5977.

Una vez que haya terminado la encuesta, por favor regrese este documento al Ayuntamiento de la Ciudad de Lancaster, Departamento de Redesarrollo, 44933 N. Fern Avenue, Lancaster CA 93534. Si tiene preguntas referente a esta encuesta ó necesita información adicional, lláme al (661) 723-6128.

¡GRACIAS!

**NOTICE OF PUBLIC REVIEW
FOR THE CITY OF LANCASTER
DRAFT FIVE-YEAR CONSOLIDATED PLAN (2005-2009),
AND ONE-YEAR ACTION PLAN (2005-2006)**

NOTICE IS HEREBY GIVEN that the City of Lancaster has prepared its draft Five-Year Consolidated Plan (2005-2009) and One-Year Action Plan (2005-2006). The publication of this notice is the beginning of the 30-day public review period required under Federal Regulation 21 CFR 91.105 (b) (2). The public review and written comment period begins Friday, March 25, 2005 and runs through Monday, April 25, 2005.

NOTICE IS HEREBY FURTHER GIVEN that the Five-Year Consolidated Plan and One-year Action Plan will be presented to the City Council for approval on following date:

DATE: Tuesday, April 26, 2005
TIME: 6:00 PM
LOCATION: City Council Chambers, 44933 N. Fern Avenue, Lancaster, CA

At this meeting, the City Council will receive public comment on the draft Five-Year Consolidated Plan (2005-2009) and One-Year Action Plan (2005-2006) that is to be submitted to the U.S. Department of Housing and Urban Development (HUD).

BACKGROUND

The Consolidated Plan is a grant application to the Department of Housing and Urban Development (HUD). The plan establishes a framework of housing and community development priorities for Lancaster, aides in identifying and sets the foundation for projects and programs to help local low- and moderate-income communities solve their problems, meet their needs, and achieve their goals. The Action Plan then appropriates the funding to specific programs and projects for a given year. Each year, the City of Lancaster has participated in the Community Development Block Grant (CDBG) Program. The City of Lancaster anticipates receiving \$1,555,374 for FY 2005-2006 under the CDBG program. The Action Plan will appropriate the funding to specific programs and projects for a given year. The City anticipates receiving approximately \$8 million in federal funds over the next 5 years.

PUBLIC COMMENT

Copies of the latest drafts of this document will be available for public review at the following locations:

**The Lancaster Public Library, 601 West Lancaster Blvd. Lancaster
The City Clerk's office, Lancaster City Hall, 44933 North Fern Avenue, Lancaster
Lancaster Redevelopment Agency, 44933 North Fern Avenue, Lancaster**

The public is invited to submit written comments on the housing, community and economic development needs and proposed projects as articulated in the draft Consolidated Plan and One-Year Action Plan. All comments relatives to the draft Five-Year Consolidated Plan (2005-2009) and One-Year Action Plan (2005-2006) are to be submitted to the Lancaster Redevelopment Agency Department no later than April 25, 2005.

Questions and written comments regarding the draft Five-Year Consolidated Plan and One-Year Action Plan may be addressed to Cheryl Rose, CDBG Administrator, 44933 North Fern Avenue, Lancaster, CA 93534-2461. You may also call (661) 723-6128 with any questions concerning the above drafts.

Acronyms

AP	Action Plan
CAPER	Consolidated Annual Performance Evaluation Report
CBD	Central Business District
CBDO	Community Based Development Organization
CD	Community Development Department
CDBG	Community Development Block Grant
CDC	Community Development Corporation
CHDO	Community Housing Development Organization
CIP	Capital Improvement Projects
CPD	Community Planning and Development (part of HUD)
CUP	Conditional Use Permit
DAP	Disabled Access Program (CDBG program activity)
DHHS	Department of Health and Human Services
DOJ	Department of Justice
DU's	Dwelling Units
ESG	Emergency Shelter Grant
EZ/EC	Empowerment Zone/Enterprise Community
FHA	Federal Housing Administration (part of HUD)
FY	Fiscal Year
HOME	HOME Investment Partnership Program
HOPWA	Housing Opportunities for Persons with AIDS
HUD	U.S. Department of Housing and Urban Development
IDIS	Integrated Disbursement and Information System (HUD's Financial Mgt. System)
LUP	Land Use Permit
NIMBY	Not-In-My-Back-Yard
NOFA	Notice of Funds Available
NRSA	Neighborhood Revitalization Strategy Area
PLI	Public Lands and Institutions
PY	Program Year
RFP	Request for Proposals
RFQ	Request for Qualifications
RTS	Research and Technical Services Division (MOA)
TBRA	Tenant Based Rental Assistance (HOME program activity)
TIP	Transportation Improvement Plan
WD	Workforce Development

GLOSSARY OF TERMS

Accessibility All new construction of covered multifamily buildings must include certain features of accessible and adaptable design. Units covered are all those in buildings with four or more units and one or more elevators, and all ground floor units in buildings without elevators.

Action Plan The Action Plan includes the following: An application for federal funds under HUD's formula grant programs (CDBG, ESG, HOME); Identification of federal and other resources expected to be used to address the priority needs and specific objectives in the strategic plan; Activities to be undertaken including the following; Activities to address Homeless and other special needs (persons with mental, physical or developmental disabilities, battered and abused spouses, victims of domestic violence, etc.); Activities to address other Actions (affordable housing, lead-based paint hazards, poverty reduction, public housing improvements, etc); and lastly; A description of the areas targeted given the rationale for the priorities for allocating investment geographically.

Affordable Housing That housing within the community which is decent and safe, either newly constructed or rehabilitated, that is occupied by and affordable to households whose income is very low, low, or moderate. Such housing may be ownership or rental, single family or multifamily, short-term or permanent. Achieving affordable housing often requires financial assistance from various public and private sources and agencies.

Agency Any department, agency, City, authority, administration, board, or other independent establishment in the executive branch of the government, including any corporation wholly or partly owned by the United States that is an independent instrumentality of the United States, not including the municipal government of the District of Columbia.

Area Benefit - Benefits all residents in a particular area, where at least 51% are LMI. Area must be primarily residential. Area benefit activities include street/sidewalk improvements, water/sewer lines, neighborhood facilities, and façade improvements in neighborhood commercial districts.

Assisted Household or Person For the purpose of identification of priority needs and specific objectives, an assisted household or person is one that will receive benefits through the investment of Federal funds, either alone or in conjunction with the investment of other public or private funds. (The program funds providing the benefit(s) may be from any funding year or combined funding years.) A renter is benefited if the household or person takes occupancy of affordable housing that is newly acquired (standard housing), newly rehabilitated, or newly constructed, and/or receives rental assistance through new budget authority. An existing homeowner is benefited if the home's rehabilitation is completed. A first-time homebuyer is benefited if a home is purchased during the year. Households or persons who will benefit from more than one program (e.g. a renter who receives rental assistance while occupying newly rehabilitated housing) must be counted only once. To be included, the household's housing unit must, at a minimum, satisfy the HUD Section 8 Housing Quality Standards (see, e.g. 24 CFR 882.109).

Brownsfield Economic Development Initiative (BEDI) Grant Program BEDI is designed to help cities redevelop abandoned, idled, or underutilized industrial and commercial properties and facilities where expansion or redevelopment is complicated by real or perceived environmental contamination e.g., brownfields. BEDI accomplishes this by providing funding to local governments to be used in conjunction with Section 108 loan guarantees to finance redevelopment of brownfields sites. BEDI-funded projects must meet one of the CDBG program's national objectives.

CDBG National Objectives

- 70% of CDBG expenditures must be used for activities that benefit low and moderate-income persons.
- Elimination of slum and blight

Community Based Development Organization (CBDO) Generally nonprofit organizations that undertake specific CDBG funded activities. Can not be a government entity. May be a subrecipient.

Certification A written assertion based on supporting evidence that must be kept available for inspection by HUD, by the Inspector General of HUD, and by the public. The assertion shall be deemed to be accurate unless HUD determines otherwise, after inspecting the evidence and providing due notice and opportunity for comment.

Community Development Block Grant Program (CDBG) A Community Development Block Grant is a federal grant to states, counties or cities. It is used for housing and community development including housing construction and rehabilitation, economic development, and public services which benefit low- and moderate- income people. Grant funds can also be used to fund activities which eliminate slums and blight or meet urgent needs.

City The City is the lead agency for purposes of the Consolidated Plan, and administration of the City's federal entitlement funding, namely CDBG, HOME and ESG program funds.

Community and Housing Development Organization (CHDO) A federally defined type of nonprofit housing provider that must receive a minimum of 15 percent of all Federal HOME Investment Partnership funds. The primary difference between CHDO and other nonprofits is the level of low-income residents' participation on the Board of Directors.

Comprehensive Grant Program (CGP) HUD grant program via an annual formula to large public housing authorities to modernize public housing units.

Consolidated Annual Performance and Evaluation Performance Report (CAPER) The CAPER allows HUD, local officials, and the public to evaluate the grantees' overall performance, including whether activities and strategies undertaken during the preceding year actually made an impact on the goals and needs identified in the Consolidated Plan.

Consolidated Plan The Consolidated Plan services four separate, but integrated functions. The Consolidated Plan is: a planning document for the jurisdiction which builds on a participatory process with County residents; an application for federal funds under HUD's formula grant programs which are: CDBG, HOME, ESG, HOPWA; a five-year strategy to be followed in carrying out HUD programs; and lastly, an action plan describing individuals activities to be implemented.

Cost Burden The extent to which gross housing costs, including utility costs, exceeds 30 percent of gross income, based on data available from the U.S. Census Bureau.

Economic Development Initiative (EDI) Grant Program EDI is designed to enable local governments to enhance both the security of loans guaranteed through HUD's Section 108 Loan Guarantee Program and the feasibility of the economic development and revitalization projects that Section 108 guarantees finance. EDI accomplishes this by providing grants to local governments to be used in conjunction with Section 108 loan guarantees. A locality may use the grant to provide additional security for the loan (for example, as a loss reserve), thereby reducing the exposure of its CDBG funds (which by law must be pledged as security for the loan guarantees). A locality may also use the EDI grant to pay for costs associated with the project, thereby enhancing the feasibility of the 108-assisted portion of the project. EDI-funded projects must meet one of the CDBG program's national objectives.

Emergency Shelter Grant (ESG) Emergency Shelter Grant Program is a federally funded program designed to help, improve and maintain the quality of existing emergency shelters for the homeless. ESG helps emergency shelters meet the costs of operating emergency shelters and of providing certain essential social services to homeless individuals so that these persons have access to a safe and sanitary shelter, and to the supportive services and other kinds of assistance they need to improve their situations. The program is also intended to prevent the increase of homelessness through the funding of preventive programs and activities.

Emergency Shelter Any facility with overnight sleeping accommodations, the primary purpose of which is to provide temporary shelter for the homeless in general or for specific populations of the homeless.

Entitlement An underlying formula governing the allocation of Block Grant funds to eligible recipients. Entitlement grants are provided to larger urban cities (i.e. population greater than 50,000) and larger urban counties (greater than 200,000).

Federal National Mortgage Association (Fannie Mae) A federally chartered, stockholder owned corporation which supports the secondary market for both conventional mortgages and mortgages insured by the FHA and guaranteed by VA.

Financing Functions necessary to provide the financial resources to fund government operations and federal assistance including the functions of taxation, fee and revenue generation, public debt, deposit funds, and intra governmental collections.

First-time Homebuyer An individual or family who has not owned a home during the three year period preceding the assisted purchase of a home that must be occupied as the principal residence of the homebuyer. Any individual who is a displaced homemaker or a single parent may not be excluded from consideration as a first-time homebuyer on the basis that the individual, while a homemaker or married, owned a home with his or her spouse or resided in a home owned by the spouse.

Fiscal Year Any yearly accounting period, regardless of its relationship to a calendar year.

FTE-Full Time Equivalent One FTE is 2,080 hours of paid employment. The number of FTEs is derived by summing the total number of hours (for which included categories of employees) are paid by the appropriate categories of employees and dividing by 2,080 hours (one work year). Appropriate categories include, but are not limited to, overtime hours, hours for full-time permanent employees, temporary employees, and intermittent employees who may not have been paid for an entire reporting period.

Grant A federal grant may be defined as a form of assistance authorized by statute in which a federal agency (grantor) transfers something of value to a party (the grantee) usually, but not always, outside the federal government, for a purpose, undertaking, or activity of the grantee which the government has chosen to assist, to be carried out without substantial involvement on the part of the federal government. The "thing of value" is usually money, but may, depending on the program legislation, also include property or services. The grantee, again depending on the program legislation, may be a state or local government, a nonprofit organization, or a private individual or business entity.

HOME The Home Investment Partnership Program, which is authorized by Title II of the National Affordable Housing Act. This federally funded program is designed to expand the housing, for very low-income people. And, to make new construction, rehabilitation, substantial rehabilitation, and acquisition of such housing feasible, through partnerships among the federal government, states and units of general local government, private industry, and nonprofit organizations able to utilize effectively all available resources.

HOME Funds Funds made available under the HOME Program through allocations and reallocations, plus all repayments and interest or other return on the investment of these funds.

Homeless Family Family that includes at least one parent or guardian and one child under the age of 18, a homeless pregnant woman, or a homeless person in the process of securing legal custody of a person under the age of 18.

Homeless Individual An unaccompanied youth (18 years or younger) or an adult (18 years or older) without children who is homeless (not imprisoned or otherwise detained pursuant to an Act of Congress or a State law), including the following:

- 1) An individual who lacks a fixed, regular, and adequate nighttime residence; and
- 2) An individual who has a primary nighttime residence that is:
 - i) A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
 - ii) An institution that provides a temporary residence for individuals intended to be

- institutionalized; or
- iii) A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

Homeless Subpopulation Include but are not limited to the following categories of homeless persons: severely mentally ill only, alcohol/drug addicted only, severely mentally ill and alcohol/drug addicted, fleeing domestic violence, youth and persons with HIV/AIDS.

HOPWA Housing Opportunities for People With AIDS is a federal program designed to provide States and localities with resources and incentives to devise long-term comprehensive strategies for meeting the housing needs of persons with acquired immunodeficiency syndrome (AIDS) or related diseases and their families. The program authorizes entitlement grants and competitively awarded grants for housing assistance and services.

Household Household means all the persons who occupy a housing unit. The occupants may be single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Housing and Urban Development (HUD) Created as part of President Lyndon B. Johnson's War on Poverty, the Department of Housing and Urban Development (HUD) was established as a Cabinet Department by the Department of Housing and Urban Development Act (42 U.S.C. 3532-3537), effective November 9, 1965. It consolidated a number of other older federal agencies. The Department of Housing and Urban Development is the Federal agency responsible for national policy and programs that: address America's housing needs; improve and develop the Nation's communities; and enforce fair housing laws. HUD's mission is helping create a decent home and suitable living environment for all Americans. It has given America's cities a strong national voice at the Cabinet level.

HUD Income Levels Income levels serve as eligibility criteria for households participating in federally funded programs.

Extremely Low Income Family whose income is between 0 and 30 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Low Income Low-income families whose income does not exceed 50 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 50 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Middle Income Family whose is between 80 percent and 95 percent of the median area income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 95 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Moderate Income Family whose income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Jurisdiction A State or unit of general local government.

Large Family Family of five or more persons.

Lead-based paint hazards Any condition that causes exposure to lead from lead-contaminated dust, lead-contaminated soil, lead-contaminated pain that is deteriorated or present in accessible surfaces, friction surfaces, or impact surfaces that would result in adverse human health effects as established by the appropriate Federal agency.

Letter of Credit Line of credit to a grant recipient established at a time of approval of application.

Liability Assets owed for items received, services received, assets acquired, construction performed (regardless of whether invoices have been received), an amount received but not yet earned, or other expenses incurred.

Limited Clientele Benefit Benefit a limited number of people as long as at least 51% are LMI. Benefit is generally presumed to be principally L/M (abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS and migrant farm workers). Limited Clientele must be documented with income verification or be of such nature and in such location that it can be concluded that the clients are LMI.

Micro-enterprise A business that has 5 or fewer employees, one or more of whom owns the enterprise.

Neighborhood Revitalization Strategy Area

- Scattered site housing activities that the aggregate meets the LMI of 51%.
- Direct Homeownership assistance must meet the LMI 100%.

Overcrowded For purposes of describing relative housing needs, a housing unit containing more than one person per room, as defined by U.S. Census Bureau, for which the Census Bureau makes data available.

Person with a Disability A person who is determined to:

- 1) Have a physical, mental or emotional impairment that:
 - i) Is expected to be of long-continued and indefinite duration;
 - ii) Substantially impedes his or her ability to live independently; and
 - iii) Is of such a nature that the ability could be improved by more suitable housing conditions;
- Or
- 2) Have a developmental disability, as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001-6007); or
- 3) Be the surviving member or members of any family that had been living in an assisted unit with the deceased member of the family who had a disability at the time of his or her death.

Private Non-profit Organization A secular or religious organization described in section 501 (c) of the Internal Revenue Code of 1988 which: (a) is exempt from taxation under subtitle A of the Code; (b) has an accounting system and a voluntary board; and (c) practices nondiscrimination in the provision of assistance.

Program An organized set of activities directed toward a common purpose or goal that an agency undertakes or proposes to carry out its responsibilities.

Program Income Program income is the gross income received by the recipient and its subrecipients* directly generated from the use of CDBG funds. For those program income generating activities that are only partially assisted with CDBG funds, such income is prorated to reflect percentage of CDBG funds that were used. Reference 24 CFR 570.500(a).

Examples: (Note: This list is NOT exclusive and therefore other types of funds may also constitute CDBG program income.)

- proceeds from the disposition by sale or long-term lease (15 years or more) of real property purchased or improved with CDBG funds.
- proceeds from the disposition of equipment bought with CDBG funds.
- gross income from the use or rental of real property that has been constructed or improved with CDBG funds and that is owned (in whole or in part) by the recipient or subrecipient. Costs incidental to the generation of the income are deducted from the gross income.
- payments of principal and interest on loans made using CDBG funds.
- proceeds from the sale of loans made with CDBG funds.
- proceeds from the sale of obligations secured by loans made with CDBG funds.
- any interest earned on funds held in a revolving fund account.
- any interest earned on program income pending its disposition.
- funds collected through special assessments that are made against properties owned and occupied by non-low and moderate- income households where the assessments have been made to recover some or all of the CDBG portion of a public improvement.

Reference: 570.500(a)(1)

Program income does not include the following examples.

- interest earned on grant advances from the U.S. Treasury. Any interest earned on grant advances is required to be returned to the U.S. Treasury.

- proceeds from fund-raising activities carried out by subrecipients that are receiving CDBG assistance to implement eligible activities.
- funds collected through special assessments that have been made to recover the non-CDBG portion of a public improvement.
- proceeds from the disposition by the grantee of real property that has been acquired or improved with CDBG funds when the disposition occurs after grant closeout for entitlement grantees.
- proceeds from the disposition of real property that has been acquired or improved with CDBG funds where the disposition occurs within a five year period (or more if so determined by the grantee) after the expiration of the agreement between the grantee and subrecipient for that specific agreement where the CDBG funds were provided for the acquisition or improvement of the subject property.

Note: This list is not all-inclusive.

**Subrecipient means a public or private nonprofit agency, authority, or organization or an authorized for-profit entity receiving CDBG funds from the recipient or another subrecipient to undertake activities eligible for such assistance. The term excludes an entity receiving CDBG funds from the recipient unless the grantee explicitly designates it as a subrecipient. The term includes a public agency designated by a unit of general local government to receive a loan guarantee, but does not include contractors providing supplies, equipment, construction, or services subject to the procurement requirements as applicable.*

Project A planned undertaking of something to be accomplished, produced, or constructed, having a finite beginning and finite end. Examples are a construction project or a research and development project.

Rehabilitation Labor, materials, tools, and other costs of improving buildings, including repair directed toward an accumulation of deferred maintenance; replacement of principal fixtures and components of existing buildings; installation of security devices; and improvement through alterations or incidental additions to, or enhancement of, existing buildings, including improvements to increase the efficient use of energy in buildings, and structural changes necessary to make the structure accessible for persons with physical handicaps.

Rehabilitation also includes the conversion of a building to an emergency shelter for the homeless, where the cost of conversion and any rehabilitation costs do not exceed 75 percent of the value of the building before conversion. Rehabilitation must meet local government safety and sanitation standards. For projects of 15 or more units where rehabilitation costs are 75 percent or more of the replacement cost of the building, that project must meet the accessibility requirement of Section 504 of the Rehabilitation Act of 1973; or where rehabilitation costs are less than 75 percent of the replacement cost of the building, that project must meet the requirements of 24 CFR 8.23b.

Rental Assistance Rental assistance payments provided as either project-based rental assistance or tenant-based rental assistance. Otherwise known as the Section 8 Rental Assistance Payments Program and variations thereof.

Renovation Rehabilitation that involves costs of 75 percent or less of the value of the building before rehabilitation.

Request for Proposals (RFP) A RFP is the instrument used to solicit proposals/offers for proposed contracts using the negotiated procurement method.

Section 108 Loan Guarantee Program The Section 108 Loan Guarantee Program involves a federal guarantee on local debt allowed under Section 108 of the Housing and Community Development Act of 1974, as amended. This section of the Act allows public entities, such as the County of Los Angeles, to issue promissory notes through HUD to raise money for eligible large-scale community and economic development activities. HUD guarantees these notes, which are sold on the private market in return for a grantee's pledge of its future CDBG funds and other security for the purpose of debt repayment. Section 108 activities must satisfy CDBG eligibility and national objective criteria as well as Section 108 regulations and guidelines.

Senior A person who is at least 55 years of age. For senior housing activities, a senior is a person who is at least 62 years of age. (Seniors and "elderly" are terms that are often interchangeable.)

Severely Disabled Persons are considered severely disabled if they:

- Use a wheelchair or another special aid for 6 months or longer
- Are unable to perform one or more functional activities (seeing, hearing, having one's speech understood, lifting and carrying, walking up a flight of stairs and walking), needed assistance with activities of daily living (getting around inside the home, getting in or out of bed or a chair, bathing, dressing, eating and toileting) or instrumental activities or daily living (going outside the home, keeping track of money or bills, preparing meals, doing light housework, and using the telephone)
- Are prevented from working at a job or doing housework
- Have a selected condition including: autism, cerebral palsy, Alzheimer's disease, senility or dementia or mental retardation
- Are under 65 years of age and are covered by Medicare or receive Supplemental Security Income (SSI)

Shelter Plus Care A federally funded McKinney Act Program designed to provide affordable housing opportunities to individuals with mental and/or physical disabilities.

SRO (Single Room Occupancy) A unit for occupancy by one person, which need not but may contain food preparation or sanitary facilities, or both.

State Any State of the United States and the Commonwealth of Puerto Rico.

Subsidy Generally, a payment or benefit made where the benefit exceeds the cost to the beneficiary.

Subrecipient An entity that assists the Municipality to implement and administer its programs. A subrecipient is generally a nonprofit organization.

Substantial Rehabilitation Rehabilitation of residential property at an average cost for the project in excess of \$25,000 per dwelling unit.

Supportive Housing Services provided to residents of supportive housing for the purpose of facilitating the independence of residents. Some examples are case management, medical or psychological counseling and supervision, childcare, transportation, and job training.

Supportive Housing Program (SHP) The Supportive Housing Program promotes the development of supportive housing and supportive services, including innovative approaches that assist homeless persons in the transition from homelessness and enable them to live as independently as possible. SHP funds may be used to provide transitional housing, permanent housing for persons with disabilities, innovative supportive housing, supportive services, or safe havens for the homeless.

CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing -- The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential anti-displacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace -- It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about -
 - (a) The dangers of drug abuse in the workplace;
 - (b) The grantee's policy of maintaining a drug-free workplace;
 - (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -
 - (a) Abide by the terms of the statement; and
 - (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under

subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted -
 - (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

Anti-Lobbying -- To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

Authority of Jurisdiction -- The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

Robert La Sala

Date

City Manager
Title

Specific CDBG Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

Following a Plan -- It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
2. Overall Benefit. The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) 2004, 2005, 2006 (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;
3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K and R, of title 24;

Compliance with Laws -- It will comply with applicable laws.

Robert La Sala

Date

City Manager

Title

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

B. Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph five).
6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

44933 North Fern Avenue, Lancaster, CA 93534-2461

Check ___ if there are workplaces on file that are not identified here; The certification with regard to the drug-free workplace required by 24 CFR part 24, subpart F.

7. Definitions of terms in the Non-procurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C.812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

"Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of sub-recipients or subcontractors in covered workplaces).