



**CITY OF LANCASTER
CALIFORNIA**

CDBG

**CONSOLIDATED
ANNUAL PERFORMANCE
AND EVALUATION REPORT**

2005 PROGRAM YEAR

CITY OF LANCASTER

**CONSOLIDATED ANNUAL PERFORMANCE
AND EVALUATION REPORT
2005 PROGRAM YEAR**

The 2005 Consolidated Annual Performance and Evaluation Report (CAPER) is the first annual performance report of the City of Lancaster's new five-year, 2005-2010 Consolidated Plan. During this five-year period, the Plan will focus project priorities on housing rehabilitation and construction, neighborhood revitalization/blight reduction efforts, infrastructure improvements, and special needs/homeless populations. It is the intent of the City of Lancaster that it will not hinder the Consolidated Plan implementation by action or willful inaction. This CAPER report describes the progress made from July 1, 2005 to June 30, 2006, in attaining the City's goals as outlined in the City's Consolidated Plan.

During the 2005 Program Year, the City of Lancaster allocated its CDBG funds on project priorities that included housing rehabilitation, revitalization/blight reduction efforts, and public services related to housing. Total funding allocations consisted of \$1,555,374 in new entitlement funds. An outline of projects and funding allocations for the 2005 program year is provided as Exhibit 1.

First priority consideration in CDBG project funding was given to Section 108 loan obligations. Using remaining funds, projects were then considered where the most serious neighborhood health and safety problems existed. As a result, the City focused its remaining federal resources in FY 2005 on a high priority goal outlined in the City's Consolidated Plan; namely, the provision of providing decent housing for renters within the targeted revitalization area designated as the North Downtown Revitalization/Transit Village Project (NDTVP).

The City's primary housing goals continued to be those of furthering the provision of affordable, safe, healthy, and livable housing to its residents as well as providing safe neighborhoods. This included providing affordable housing to extremely low-income, low-income, and moderate-income persons who experience housing cost burdens, live in deteriorated units, or require certain special services to maintain a satisfactory lifestyle. To meet these needs, the City of Lancaster partnered with developers to offer additional affordable housing opportunities for residents as well as providing various housing programs/activities for City residents.

The following are accomplishments for the goals/priorities outlined in the City of Lancaster's 2005 Action Plan in conjunction with the City's five-year Consolidated Plan and Strategy.

A separate matrix outlining Goals and Accomplishments for the 2005 Program Year is also provided as Exhibit 2.

**I ASSESSMENT OF STRATEGIC PLAN GOALS AND OBJECTIVES -
WORSE CASE NEEDS**

A. Maintaining and/or Increasing Affordable Housing

The following is a review of goals and objectives for the five-year Consolidated Plan as well as accomplishments for the 2005 Program Year aimed at maintaining and/or increasing affordable housing:

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

a. Objective B1: Implement a Rental Housing Rehabilitation Program in the North Downtown Revitalization/Transit Village Project (NDTVP) area.

5-Year Goal: Provide financial assistance of approximately \$875,000 to rehabilitate approximately 40 qualified rental units over five years.

2005 Accomplishment/Action: This project was funded in the 2005 Program Year in the amount of \$867,308 as part of the City's housing preservation efforts in the NDTVP; however, owners did not begin to apply for participation in the program until the end of the program year. Because of this delay, rehabilitation efforts will not begin until the 2006 program year. As a result, the program and its funding were carried over for completion during the 2006 Program Year. For the location of this project, see Exhibit 3.

b. Objective B2: Continue the Home Ownership Mortgage Loan Program

This program provides 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 substantially refurbished housing units and new housing units to meet the needs of these targeted income groups for purchase of affordable housing.

The Lancaster Redevelopment Agency provides no-interest loans to qualifying applicants to purchase new mobile homes or refurbished mobile homes. The loan requires the applicant to contribute 2 percent towards the down payment of the unit and have the funds necessary for the first and last months rent on the unit space.

The Homeownership Mortgage Loan Program is funded using the Lancaster Redevelopment Agency Housing Division's 20% housing set-aside funds in addition to state HOME revolving funds.

5-Year Goal: The five-year goal is to provide approximately \$450,000 to this program and assist approximately 100 low-income households obtain decent, affordable housing.

Annual Goal: Provide 8 new units and 12 refurbished mobile home units per year to extremely low- and low-income families.

2005 Accomplishment/Action: A total of 6 households were assisted with refurbished/resold units at a total cost of \$807,743 and 2 households purchased new mobile homes at a total cost of \$151,545.

2. **GOAL/PRIORITY 2: Construction of affordable housing meeting the special needs of the elderly population**

a. **Objective B3: Continue construction of senior citizen independent living residences.**

The City of Lancaster's goal is to provide affordable housing to meet the special needs of the elderly population whose household incomes do not exceed the moderate-income levels.

5-Year Goal: Construction of senior housing.

Annual Goal: Continue to promote construction of senior citizen housing.

2005 Accomplishment/Action: On June 8, 2004, the Lancaster City Council approved the City's participation as a conduit for the issuance of Multi-family Housing Revenue Bonds in the amount of \$7,760,000 for the construction of the \$14 million, 140-unit Aurora Village II Senior Apartment project. Additional financing was provided by using a 4% low-income federal housing tax credit and from personal investment by the owner.

Construction was completed and the grand opening was held on June 29, 2006, on this senior community project located at 43945 12th Street West consisting of 140 units available to seniors over the age of 55. All units are offered at affordable rates and are 100% income restricted to senior citizens whose incomes are below 60% of the Los Angeles County median.

The Aurora Village II Senior Apartment project provides the City's low-income active senior population with an affordable and independent living opportunity they might not otherwise be able to obtain.

2005 Accomplishment/Action: Construction continued on a \$13 million, 150-unit residential/commercial mixed-use complex located on the corner of 10th Street West and Jackman Street within the North Downtown Revitalization/Transit Village Project area (Exhibit 3, and Exhibit 4, No. 17. This development will consist of 150 units of low/moderate-income senior housing along with approx 10,000 square feet of commercial/retail space. To facilitate the project, the City of Lancaster waived \$500,000 in development impact fees. Through this project, the City will receive credit for 150 inclusionary housing units. The developer, Urban Renewal, plans to have the project, known as Arbor Grove, completed by December 2006.

3. **GOAL/PRIORITY 5: Provide financial assistance to first-time homebuyers who do not exceed the moderate-income level.**

a. **Objective B2: Continue the Home Ownership Mortgage Loan Program**

2005 Accomplishment/Action: (see Priority 1, Objective B2, Page 2, for accomplishments)

Other Accomplishments Actions:

1. **"Saving for the American Dream" Program:** The "Saving for the American Dream" program is a collaborative effort between the City of Lancaster, the United Way of Greater Los Angeles (Antelope Valley Chapter), the Greater Antelope Valley Association of Realtors, and area banks to empower the working poor toward homeownership. This program provides matched savings and financial and homeownership education so families can save for a down payment on their first home.

National research confirms home ownership is one of the best ways to empower low-wage earners. Participants set savings goals and are provided with a 2:1 match incentive from United Way and may qualify for an additional 3:1 federal loan program if they are consistent with their savings. In two years or less, families earning about \$30,000 a year can set aside enough for a modest residence

and trade rent for mortgage payments and the pride of home ownership.

2005 Accomplishment/Action: During the 2005 Program Year, 74 new families enrolled in the savings program, and 20 new or existing participants dropped from the program. The reason most families dropped the program was because they found that their income was too low to participate successfully.

However, between July 1, 2005 and June 30, 2006, eight families completed their savings programs and purchased their first homes consisting of two condos and five homes (two separate participants, mother and daughter, purchased together).

Following the purchase of their homes, the families are provided additional support to encourage continuing to save in order to maintain their homes.

4. **GOAL/PRIORITY 6: Construction of affordable housing meeting the needs of the low to moderate-income population.**

a. **Objective B5: Complete construction and sale of single-family residences.**

The purpose of this objective is to provide affordable housing to meet the needs of low/moderate-income households, increase the home ownership base, and revitalize neighborhoods through the pride of home ownership.

5-Year Goal: Construction of single-family residences targeted to households whose income does not exceed 120% of the Los Angeles County median (LMI).

Annual Goal: Ongoing.

2005 Accomplishment/Action: Construction of 70 S/F Homes (Richmond American Homes): This project is located on the north side of Avenue K-8 at 13th Street East. The developer, Richmond American Homes, is under construction on a 70-lot, single-family residential subdivision. Of the 70 homes, 20% of the units, or 14 homes, will be restricted to moderate-income families whose incomes do not exceed 120% of the Los Angeles County median adjusted for family size.

2005 Accomplishment/Action: Construction of 73 S/F Homes (Larwin): This project is located near Avenue H-9 and Third Street East within the City's designated Northeast Gateway Corridors Plan area (bordered by 10th Street West, West Avenue H-8, Challenger Way, and Avenue I). The developer, Larwin Company, is under construction on 73 single-family homes 50% of which will be targeted to moderate-income, first-time home buyers who meet eligibility requirements. (See Northeast Gateway Corridors Vision Plan, Exhibit 5, No. 5)

Other Housing Accomplishments/Actions for the provision of housing for the low to moderate-income population:

2005 Accomplishment/Action: NDTVP 72 Unit M/F Housing (Jamboree): This project is located at 45114 Beech Avenue, within the North Downtown Revitalization/Transit Village Project area bounded by Avenue I, Kettering Avenue, Sierra Highway, and Fern Avenue. Jamboree Housing Corporation is constructing a 72-unit, multi-family housing complex to be known as Laurel Crest Apartments (Exhibit 3, and Exhibit 4, No. 14). All units, through deed restrictions, will remain affordable for low-income families for 55 years. This project is being financed through the issuance of approximately \$13 million of multi-family housing revenue bonds and \$3.5 million in State HOME funds.

B. Assisting the Homeless

The following is a review of goals and objectives for the five-year Consolidated Plan as well as accomplishments for the 2005 Program Year aimed at assisting the homeless:

1. GOAL/PRIORITY 4: Provide shelter and services to meet the needs of the homeless population and "at risk" populations.

a. Objective C1: Continue to support the Lancaster Community Shelter for the Homeless.

The Lancaster Community Shelter, the only homeless shelter in the Antelope Valley, offers temporary shelter, meals, health, and employment services to area homeless. Catholic Charities of Los Angeles has operated the shelter on behalf of the City since 1996. Catholic Charities has extensive knowledge and experience managing shelters and provides needed services to the Antelope Valley's homeless population.

5-Year Goal: To provide approximately \$200,000 in financial and staff assistance.

Annual Goal: Provide \$40,000 in financial and staff assistance to Catholic Charities for the maintenance/operation of the Lancaster Community Shelter.

2005 Accomplishment/Action: The City provided financial assistance in the amount of \$61,662 in addition to “in-kind” staff support to cover costs associated with maintenance of the shelter. Most of the financial support was to provide a new roof for the shelter.

2005 Accomplishment/Action During the 2005 Program Year, the Lancaster shelter served 553 individuals/families (565 family members) through its Year-Around Overnight Program and 113 individuals/family members through its Resident Housing Program and year-around overnight programs for a total of 666 individuals/families.

To provide services and maintain the shelter, Catholic Charities received funding from the City of Lancaster, federal allocations and grants, the Los Angeles County Housing Services Authority (LAHSA), contributions from individuals and businesses, the United Way, local fund raising efforts, and through the Federal Emergency Management Act (FEMA).

b. Objective C2: *Coordinate with other jurisdictions and area service providers in the Antelope Valley to address the regional perspective of homelessness.*

5-Year Goal: Work with local agencies 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 locations in order to provide public services to the homeless on a regional scale.

Annual Goal: Continue working with governmental, public, and non-profit agencies to provide assistance to families and individuals who are homeless or threatened with homelessness.

2005 Accomplishment/Action: During the 2005 Program Year, the City of Lancaster continued its regional efforts of meeting the ongoing needs of the homeless through the regional Antelope Valley Homeless Coalition. The Coalition remained focused on exploring transitional housing opportunities in the Antelope Valley as well as on identifying additional funding sources, partners, and property availability for future transitional housing, especially for families.

2005 Accomplishment/Action: Transitional family units have been a high priority for the City and area homeless service providers for many years. The Lancaster Community Shelter has only two family units and demands for family shelter far exceed the current capacity. In April 2006, the City of Lancaster, in cooperation with Catholic Charities, submitted a request for \$1 million in funding from the County of Los Angeles for the construction of 13 transitional housing units for families at the Lancaster Community shelter site (44611 Yucca Avenue, see Exhibit 3). Notice of award of this grant is expected in July 2006.

2005 Accomplishment/Action: In January 2005, the Los Angeles Homeless Services Authority (LAHSA) conducted the first-ever countywide census of the area's homeless as part of a U.S. Department of Housing and Urban Development mandated initiative to find ways to provide better services and to track progress of outreach programs for the homeless. The count included a street count of homeless individuals and families along with counts from area homeless shelters and institutions housing the homeless.

In January 2006, LAHSA released its findings in a 198-page report on the homeless population in Los Angeles County. The report showed that the number of homeless on any one night (point-in-time) in the Antelope Valley (Service Provider Area 1) was 3,544 and the annual projection for one year as 7,123. A map of SPA 1 and demographic breakdown of census data for both point-in-time and annual projections is provided in Exhibit 7.

This more accurate census information will increase public awareness of the number of homeless in the Antelope Valley and could result in more federal funding coming to help the homeless in the Antelope Valley with programs and services so desperately needed.

2005 Accomplishment/Action: On January 21, 2006 and April 22, 2006, Grace Resource Center held Antelope Valley Veterans Stand Down days. The goal of these one-day events is to undertake aggressive outreach efforts to those veterans living on streets and in shelters who would not otherwise seek assistance. The event offered a wide array of special programs and services specifically designed to help homeless veterans live as self-sufficiently and independently as possible. Some of the services offered included employment assistance; legal aid; counseling; clothing; food; blankets; transitional housing assistance; and clinical assessment and referral for medical treatment for physical and psychiatric disorders, including substance abuse.

c. **Objective C3: Support continued implementation and operation of a regional Homeless Solutions Access Center.**

5-Year Goal: Work with the Antelope Valley Homeless Coalition in support of the regional Homeless Solutions Access Center ("Access Center") that provides housing and related services to the homeless, "at risk" persons, mentally ill, disabled, and other special needs populations.

Annual Goal: Continue working with Antelope Valley Homeless Coalition and Access Center sponsor, Antelope Valley Domestic Violence Council, to provide assistance to families and individuals that are homeless or threatened with homelessness through the Homeless Solutions Access Center.

2005 Accomplishment/Action: During the program year, the Homeless Solutions Access Center provided services to 3,129 individuals.

A breakdown of the 3,129 individuals receiving services through the Access Center during the 2005 Program Year is as follows:

Singles	1,674
Single-Parent Families	295
Two-Parent Families - 60	120
Children	<u>1,040</u>
TOTAL	3,129

Of the 3,129 served, a total of 497 became Access clients. A breakdown of the 497 clients during the 2005 Program Year is as follows:

Singles	154
Single-Parent Families	85
Two-Parent Families	30
Children in Families	<u>228</u>
TOTAL	497

The Access Center is operated through a partnership of numerous governmental agencies and non-profit organizations. Other participants include the Veterans Administration, the St. Vincent DePaul Society, California State Employment Development Department, and Tarzana Treatment Center. The Center provides intake, assessment, and referral linkages between other homeless service providers and related agencies. As a result of these cooperative efforts, the Center and its partners are able to make better use of regions limited resources.

Exhibit 8 provides a matrix outlining the array of services provided and the agencies participating in supplying services at the Homeless Solutions Access Center.

C. Addressing Special Needs Groups

The following are program accomplishments aimed at addressing special needs groups:

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

a. **Objective B1: Implement the Rental Housing Rehabilitation Program in the North Downtown Revitalization/Transit Village Project Area.**

5-Year Goal: Provide financial assistance of approximately \$875,000 to rehabilitate approximately 40 qualified rental units over five years. In addition, funding can be provided for the removal of barriers and the installation of helpful devices in the homes of persons with physical disabilities.

2005 Accomplishment/Action: A rental rehabilitation project was funded in the 2005 Program Year in the amount of \$867,308; however, owners did not begin to apply for participation in the program until the end of the program year. Because of this delay, rehabilitation efforts will not begin until the 2006 program year. As a result, the program and its funding were carried over for completion during the 2006 Program Year. See Exhibit 3 for the proposed project location.

2. **GOAL/PRIORITY 3: Construction of congregate housing to meet the special needs of veterans.**

a. **Objective D1: Provide for the construction of State Veterans' Home within the City.**

The purpose of this project is to construct affordable housing to meet the needs of veterans. The proposed 60-bed facility will provide affordable accommodations to meet the special needs of veterans of all ages.

5-Year Goal: Continue efforts with the Department of Veteran's Affairs to complete construction of a 60-bed State Veteran's Home to serve this special needs group.

2005 Accomplishment/Action: In December 2005, the California Department of Veterans Affairs certified the final environmental impact report for veterans' homes in Lancaster, Ventura County, and West Los Angeles. Plans from the State call for construction of the Lancaster Veterans' Home to begin in summer 2007 with completion scheduled in December 2008.

The new facility, located on the northwest corner of 30th Street West and Avenue I (see Exhibit 3) will have 60 beds, reduced from the already downsized 110-bed facility previously slated to be built. An adult day-care health center will accommodate and additional 50 community residents who need medical care, but do not require an over-night stay.

Approximately 35% of the \$10-\$12 million cost will be provided by the state, with the remaining 65% coming from the U.S. Department of Veteran's Affairs. The City of Lancaster has contributed approximately \$1.75 million to the site through the completion of environmental studies, roads, and utility hookups necessary for construction to begin.

D. Addressing Non-Housing Needs

The following are program accomplishments aimed at addressing non- housing needs:

a. GOAL/PRIORITY 7: Promote and stimulate job creation activities for low/moderate-income residents through economic development activities.

1. Objective E1: Provide for the construction of infrastructure within the Fox Field Industrial Corridor.

5-Year Goal: Creation of 200 new jobs for low/moderate-income residents.

Annual Goal: Provide for economic development expansion and creation of 50 new jobs within the Fox Field industrial area.

2005 Accomplishment/Action: The Larwin Investment Company completed construction on 24 industrial spec buildings, totaling 220,000 square feet, within the Fox Field Industrial Corridor of the city (Exhibit 9). Located on 24-acres at 45th Street West and Avenue G, this \$24 million business park offers smaller industrial/office users the opportunity to own their own building. During this program year two companies located to this new business park; namely, SCE Gaskets who will create 25 new jobs and SCP Distributors, LLC who will create 15 new jobs.

2005 Accomplishment/Action: SYGMA, a subsidiary of SYSCO Corporation, the nation's largest food service supplier, decided to expand its original plans for a 110,000 square foot distribution facility in the Fox Field Industrial to a 239,000 square foot facility. The new facility is located on a 20-acre site at 47th Street West and Avenue G (Exhibit 9). The company created 219 new jobs this program year and, at full capacity, will employ 350 workers.

2005 Accomplishment/Action: Infrastructure related to the extension of sewer and gas lines and paving a portion of 30th Street West began this program year in support of the development of approximately 425,000 square feet of large commercial and industrial spec space in the Fox Field Industrial Corridor. The initial phase of this project will be for the construction of three 59,000 square foot buildings with the remaining buildings constructed over the next five years. This

development will be built on 40 acres on the northeast corner of Avenue G and 30th Street West. The infrastructure improvements will be paid for by the Redevelopment Agency Economic Development Department at a budgeted cost of \$1.6 million.

b. **GOAL/PRIORITY 8: Enhance the City's public facility needs through the expansion of the City's Parks and Recreation and neighborhood facilities.**

1. **Objective E2: Provide for the construction of additional City/Neighborhood parks.**

5-Year Goal: Complete 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 (Exhibit 4, No. 5).

Annual Goal: Continue development of neighborhood park(s).

(a) **East Side Park (Old Fairgrounds Site)**

This park complex located at Avenue I and Division Street (former fairgrounds), will also provide a youth baseball complex consisting of 13 ball fields of varying sizes to accommodate different levels of play. The baseball complex project is estimated to cost approximately \$10.5 million to complete. (See Northeast Gateway Old Fairgrounds Site, Exhibit 5).

2005 Accomplishment/Action: The contract for demolition of structures on the ball field/park and future housing development sites was awarded on June 14, 2005, in the amount of \$370,513 and completed in spring 2006.

2005 Accomplishment/Action: The contract for initial grading and site preparation for construction of the youth baseball fields was approved by the Lancaster City Council on July 12, 2005, in the amount of \$1,123,449 and completed in spring 2006.

(b) **NDTVP Downtown Neighborhood Park**

A multimillion-dollar centerpiece of the North Downtown Revitalization/Transit Village Project (NDTVP) is a proposed 12-acre municipal park, consisting of two baseball fields, two soccer fields, and four basketball courts, "plaza" gathering spaces, and a walking and jogging path around it. (See Exhibit 4, No. 5). The development of this park will be a multi-year

project, involving property acquisition, demolition, design and construction.

2005 Accomplishment/Action: Acquisition of properties located at 45021, 45047, and 45111 Date Avenue was approved by the Lancaster city Council on September 13, 2005, at a total purchase price of \$3,388,000. Funding for these acquisitions came from Urban Structure Fees, Park in Lieu Fees, and from the Lancaster Redevelopment Agency's 20 percent low and moderate-income housing fund designated for the North Downtown Revitalization/Transit Village Project area.

2005 Accomplishment/Action: Design work for construction of the Downtown Park began in fall 2005.

2. Objective E3: Provide for the construction of adult and youth activity centers.

This new \$8 million, 35,000 sq. ft YMCA center will offer an indoor pool, gymnasium with basketball courts, aerobics studio, and fitness area, as well as child care and teen centers. The center will be located in Lancaster City Park on the south side of the Stanley Kleiner Activity Center near 10th Street West and Avenue L-8.

Funding for the center will be provided through a combination of grants and community donations. Under an agreement with the City of Lancaster, the YMCA will lease the parkland for \$1 per year for 50 years. In exchange, the YMCA will provide partial or full fee waivers to families and individuals who could not otherwise afford to pay for the center's programs.

The construction portion of the project will employ approximately 250 people. Approximately 150 jobs will be created once the building is completed and operating and an estimated 600 volunteers will be involved in a variety of programs offered by the center such as children's swim lessons, after-school tutoring, and sports tournaments.

Depending on fund-raising efforts, it is anticipated that ground breaking will occur in 2007 and the new facility will open in 2008.

5-Year Goal: Construction of a new \$8 million, 35,000 sq. ft. YMCA facility

Annual Goal: Continue efforts toward construction of a new YMCA facility.

2005 Accomplishment/Action: To date, approximately \$4.95 million has been raised for construction of the new facility: property sales of \$1.5 million; \$2 million long-term loan, \$450,000 in state funds, and \$1 million in donations. Approximately \$3 million is still needed to begin construction.

c. **GOAL/PRIORITY 9: Provide for a safe and healthy environment through the construction and rehabilitation of City infrastructure.**

With rapid growth comes the on-going need for community infrastructure improvements. The City follows a Capital Improvement Plan (CIP) to meet those needs. Street and water/sewer improvements were listed as high priorities under "Community Development Needs" within the City's Five-Year Consolidated Plan.

The City uses a variety of financing methods to improve community infrastructure including Lancaster Redevelopment Agency funds, Gas Tax, Prop C, Drainage Maintenance District funds, and Developer Fees in addition to others. With these funding sources, the city will provide new infrastructure and repair and/or replace existing infrastructure in order to continue its provision of a safe and healthy environment for Lancaster residents. Priority will be give to those areas with the most distressed infrastructure.

Efforts will be made to use federal CDBG funding for qualifying improvements in low- and moderate-income areas whenever feasible.

d. **GOAL/PRIORITY 10: Provide for the public safety needs of Lancaster residents through enhanced crime awareness services.**

The residents of Lancaster place a high priority on public safety within their community. As a result, the City will continue to work closely with local agencies and citizens to maintain public safety programs to meet the needs of the community, committing over \$16 million annually to meet community safety needs. The City realizes that in a fast growing, very diverse community it needs to remain proactive in its approach to public safety.

e. **GOAL/PRIORITY 11: Provide for public service needs for residents of Lancaster through enhanced transportation services.**

1. **Objective E-4: Provide transportation services to all areas of the City of Lancaster through the City's transit provider, the Antelope Valley Transit Authority (AVTA)**

5-Year Goal: To periodically analyze AVTA's existing transit routes to assure all sectors of the City are being served primarily in areas where new industrial development is occurring.

Annual Goal: Monitor AVTA transportation activities and projects within the City of Lancaster.

2005 Accomplishment/Action: During the 2005 Program Year, the City of Lancaster allocated over \$1.28 million to the Antelope Valley Transit Authority (AVTA) to provide local transit, commuter, and para-transit services within the Antelope Valley and to residents commuting to jobs outside the area.

2005 Accomplishment/Action: Performance standards were adopted by the AVTA Board implementing measures and standards for frequency of bus stops, headways, maximum loads, and amenities at bus stop locations.

f. **GOAL/PRIORITY 12: Provide for neighborhood revitalization within blighted areas.**

1. **Objective F1: Provide for the acquisition of property in a targeted neighborhood revitalization area where blighting conditions exist.**

5-Year Goal: Complete property acquisition and demolition in targeted neighborhood revitalization areas and begin construction and/or rehabilitation of housing.

Targeted revitalization areas:

- North Downtown Revitalization/Transit Village Project Area
- Northeast Gateway Corridor
- Lowtree Project Area

Annual Goal: Continue property acquisition, demolition, and construction/rehabilitation efforts in the targeted revitalization areas.

**(a) North Downtown Revitalization/Transit Village Project Area
(see Exhibit 4)**

This project will rejuvenate the downtown residential neighborhoods, enhance commercial development, as well as create a centralized area for public service and transportation needs. The total project area will cover approximately 103 acres around the Metrolink rail station on Sierra Highway to the east, 10th Street West to the west and Avenue I and Lancaster Boulevard to the north and south. The core focus of the project's plan is a five-block area bounded by Jackman Street, Beech Avenue, Kettering Street, and Fern Avenue.

Phase I of this multi-year, multi-million dollar project involves the acquisition and demolition of blighted properties within the targeted area. Long-range efforts for the project area include the development and expansion of new housing opportunities and the revitalization of some of Lancaster's historical neighborhoods. The project, once completed, will include 387 housing units, including a combination of rental and ownership of which 349 will be multi-family units and 38 single-family homes. In addition, there will be retail and service businesses available for area residents along with construction of new housing for low-income seniors.

The North Downtown Revitalization/Transit Village project also proposes to improve the aesthetic character of downtown Lancaster by introducing consistent landscaping and streetscape design elements throughout the area.

The area will include the relocation and expansion of both the Antelope Valley Children's Center and the Antelope Valley Mental Health Association. By relocating close to a centralized transit center and other existent service providers, the Mental Health Association and the Children's Center will be better able to support Antelope Valley residents in providing closer comprehensive services.

A map depicting the long-range plan for the North Downtown Revitalization/Transit Village Project area is shown in Exhibit 4. This map also outlines the long-range housing efforts planned for the North Downtown area. Also in Exhibit 4 is a map showing the overall vision plan, including public amenities, for the downtown area.

In addition to the accomplishments outlined in Goal/Priority 2 and Goal/Priority 6, related to construction of affordable housing for seniors and the low/moderate-income population, the following additional accomplishments related to the North Downtown Revitalization/Transit Village Project were accomplished during this program year:

2005 Accomplishment/Action: Additional properties were acquired for the purpose of assimilating land for the construction of a public park in the North Downtown Neighborhood Revitalization area at a total cost of \$3,388,000 (Exhibit 4, No. 5). Funding for these acquisitions came from Urban Structure Fees, Park in Lieu Fees, and from the Lancaster Redevelopment Agency's 20 percent low and moderate-income housing fund.

2005 Accomplishment/Action: Design work for construction of the Downtown Park began in fall 2005.

2005 Accomplishment/Action: The new Children's Center of the Antelope Valley held its Grand Opening on June 22, 2006. The new \$2.5 million, 115,445 square foot facility is located on the corner of Fern Avenue and Jackman Street within the North Downtown Neighborhood Revitalization area (Exhibit 4, No. 11).

Funding for the new center came, in part, from a \$1.5 million Section 108 loan from the U.S. Department of Housing and Urban Development facilitated by the City as well as more than \$1 million in fundraising and a \$250,000 grant from the Ahmanson Foundation.

Completion of the new facility helps the Center fulfill its mission of serving the needs of abused and neglected children and their families. The new facility provides the opportunity to provide additional services at a more convenient location for clients.

2005 Accomplishment/Action: Groundbreaking ceremonies were held on June 29, 2006 for the construction of the new 20,000 square foot Mental Health Association (MHA) facility along with a 100-unit, "Poppyfield Estate" apartment complex. The new MHA facility will be located at the southwest corner of Sierra Highway and Jackman Street with the apartment complex at the southeast corner of Beech Avenue and Jackman Street

within the North Downtown Revitalization/Transit Village project area (Exhibit 4, No. 12).

In exchange for the City land, the partnership will be required to maintain the mental-health facility as an outpatient, non-residential, non-day-care facility for 55 years. The City will also require that 35 of the apartments be made available to individuals with mental illness as referred by the Mental Health Association and that rent on all of the apartments comply with government definitions of “affordable” for 55 years. Completion of the project is projected by summer 2007.

(b) Northeast Gateway Corridors Plan (NGCP)

The primary objectives of the NGCP are to:

- (1) Enhance the aesthetics of Avenue I, Sierra Highway, Division Street, and other major streets;
- (2) Redevelop specific housing areas;
- (3) Improve the stability of existing neighborhoods;
- (4) Provide subdivision and site planning design guidance for infill development; and
- (5) Create the implementation tools and environmental clearance needed to realize this “vision” plan.

A significant component of the removal of blight and revitalization of the NGCP is the construction of affordable housing for families of various ages and incomes in the community. One objective of the NGCP is to provide affordable housing between Third St. East and Fifth Street East and between East Avenue I and Avenue H-13 by acquiring and demolishing blighted, dilapidated properties and working with a developer to construct housing in the area. The NGCP is generally bounded by West Avenue H-8, 10th Street West, Challenger Way, and Avenue I (Exhibit 5).

In order to implement the NGCP, the Lancaster Redevelopment Agency Housing Division presented a Relocation Plan that was adopted by the City Council on February 8, 2005. As required by state law, a copy of the Relocation Plan was also forwarded to the California Department of Housing and Community Development.

2005 Accomplishment/Action: On September 27, 2005, the Lancaster Redevelopment Agency approved the acquisition of two properties on Sierra Highway where the construction of single-family residences will occur within the NGCP.

The plan for the “old fairgrounds,” between Avenues I and H-8 and Division Street and approximately Third Street East, was to develop a livable community with the combination of education, recreation, and affordable housing.

2005 Accomplishment/Action: Accomplishments for this area were noted previously on Pages 13 and 14, “(a) East Side Park,” related to the community park facility and on Page 6, “Construction of 73 single/family homes.”

2005 Accomplishment/Action: As part of an education expansion effort, four new advanced degree programs were added to the curriculum of the Lancaster University Center located at the “old fairgrounds” site for the 2005-2006 school year. The new programs offered included a bachelor’s degree in business administration, master’s degree in English, and a master’s degree in social work, and a doctorate in educational administration. These programs allow local residents to work and obtain advanced degrees without having to travel many miles out the area to four-year universities.

2005 Accomplishment/Action: Work began on a 4,000 square foot, \$800,000 engineering laboratory, which will enhance the local engineering program. Since the Antelope Valley has a large aerospace industry, it is important for the community to train and grow local engineers.

(c) Lowtree Neighborhood Project (LNP)

The purpose of the Lowtree Neighborhood Project is to:

- (1) Eliminate blight and develop a strategy and implementation plan to enhance the aesthetics of the area;
- (2) Redevelop specific housing challenges;
- (3) Improve the stability of existing neighborhoods;
- (4) Provide subdivision and site planning design guidance for development; and
- (5) Ensure adequate infrastructure to enhance the livability of the Lowtree Neighborhood.

The LNP area is considered south of West Avenue J, east of 15th Street West, north of West Avenue J-8, and west of 12th Street West (Exhibit 6).

It cannot be determined with certainty what the future growth of the area will be, since it is based on several local and global economic factors. As a result, two visions for the LNP area will be developed: one with a stronger retail development component and another with a stronger residential development component.

2005 Accomplishment/Action: On September 27, 2005, the Lancaster City Council granted concurrence on the Lowtree Neighborhood Vision Plan developed by RBF Consulting (Exhibit 6).

g. GOAL/PRIORITY 13: Promote the State Enterprise Zone Program for the creation of new jobs for LMI residents.

The State Enterprise Zone Program is a tax incentive program offered to local and relocating businesses located within a designated area of the City. Businesses located in the “zone” area can receive state hiring credits of over \$31,000 (over five years) for employees hired who meet Workforce Investment Act or other designated employment criteria. Each employee voucher represents a person that was previously unemployed. This Antelope Valley Enterprise Zone is a multi-jurisdictional awarded through the cooperative efforts of the City of Lancaster, City of Palmdale, and Los Angeles County.

5-year Goal: Create 1,000 new jobs through the Antelope Valley Enterprise Zone Program (AVEZ) for local and relocating businesses.

Annual Goal: Voucher 200 job seekers through the AVEZ Program

2005 Accomplishment/Action: The City continued to promote its State Enterprise Zone and assist local and relocating businesses in applying for hiring tax credits. During the 2005 Program Year, 983 employee vouchers were issued to local businesses through the Antelope Valley Enterprise Zone Program.

II AFFIRMATIVELY FURTHERING FAIR HOUSING

A. Analysis of Impediments to Fair Housing

In April 2002, the Empirical Research Group, UCLA, completed an update to the Analysis of Impediments to Fair Housing (AI) for the City of Lancaster. While many of the positive attributes of the City's fair housing efforts remained; no jurisdiction is perfect, and the following recommendations to improve and/or enhance fair housing within the City of Lancaster were offered:

1. Develop joint fair housing strategies with the City of Palmdale and the City's fair housing service provider who now also provides services for Palmdale.
2. Conduct investigations and testing within the new developments on the City's southwest border, since conditions in this area inevitably have a powerful influence on the fair housing environment of the City.
3. Undertake special outreach efforts aimed at the Asian community to better understand possible fair housing needs of this ethnic group.
4. Conduct seminars with the lending community regarding minority applicants.
5. Examine zoning and land use practices to ensure fair housing for disabled persons and those individuals living in group homes.
6. Broaden the fair housing provider's mission to include the "sales" market.
7. Consider an increase in fair housing funding to provide for the supplemental activities and services outlined in the report.
8. Set standards for the fair housing provider regarding performance in outreach, investigation volume, testing volume, and substantive resolutions of fair housing complaints.

The City of Lancaster's Impediments to Fair Housing study documented that the City of Lancaster provides an extensive array of housing services, dealing aggressively with the housing problems of a rapidly growing city. It also noted that the City's housing programs have many beneficiaries in all racial groups and that there is consistency and fairness in access to the City's programs. Moreover, the study pointed at that a large majority of Lancaster's residents have been supportive of the City's growing diversity and have contributed to the general atmosphere of racial tolerance.

2005 Accomplishment/Action: The City of Lancaster entered into a Sub-Recipient Agreement for fair housing services with the Housing Rights Center ("HRC") for the period July 1, 2005 through June 30, 2006, incorporating recommendations offered in the City's updated AI study through the Fair Housing Implementation Plan (Exhibit 12). The total cost for fair housing services for this program year was \$22,050.

2005 Accomplishment/Action: An updated AI study will be conducted during the 2006 program year.

B. Fair Housing Services

This program covers costs associated with providing fair housing services to all Lancaster residents. Services include training; counseling; monitoring; testing; mediation; printed materials (English, Spanish, and Chinese); on-site, walk-in information/counseling clinics; and telephone/message accessibility.

The following recommendations were offered to improve fair housing within the City of Lancaster in the updated Analysis of Impediments to Fair Housing (AI) report. Also addressed is the action taken during the 2005 Program Year to address each concern outlined in the current report or a plan for action in the upcoming program year. It should be noted that with budget and staff constraints for both the City and the Housing Rights Center, not all recommendations may have been addressed in this program year.

The City of Lancaster Impediments to Fair Housing Implementation Plan is outlined in Exhibit 12.

1. **Recommendation:** Develop joint fair housing strategies with the City of Palmdale and the City's fair housing service provider who also provides services for Palmdale.

Actions Taken/Plans:

- a. To ensure cost and program effectiveness as well as accountability of the program, the Cities of Lancaster and Palmdale, along with the Housing Rights Center ("HRC"), continued providing on-site fair housing clinics to the residents of both cities. This cooperative effort allows residents of either city the opportunity to meet with a fair housing attorney if they should happen to miss the fair housing office hours held in their particular city.

- b. The Housing Rights Center also conducted and participated in various joint outreach activities such as fair housing advertisements in local media, presentations to social service agencies, and attendance at various coalition meetings. Exhibit 10 outlines the Housing Rights Center's accomplishments for the 2005 Program Year.)
 - c. On April 21, 2006, the Housing Rights Center held its 7th Annual Housing Rights Summit. The purpose of this summit was to discuss housing and civil rights issues for the purpose of providing education, initiating dialogue between coalitions, and stimulating innovative ideas/solutions for fair housing issues.
2. **Recommendation:** Conduct investigations and testing with the new developments on the City's southwest border, since conditions in this area inevitably have a powerful influence on the fair housing environment of the City.

Actions Taken/Plans:

- a. The HRC Investigation Department held one tester training during the 2005 program year. HRC was able to train seven new testers to help in housing discrimination investigations.
- b. The Housing Rights Center ("HRC") conducted 12 audit tests were undertaken to measure marital status discrimination (discrimination based on marital status - e.g. single, married, unmarried couples, widow, etc.) in Lancaster during the 2005 Program Year. None of the tests indicated evidence of discrimination; however, one test indicated possible discrimination based on source of income.

NOTE: Audit testing is used to gain a general sense of the levels of discrimination existing in a community as well as to uncover particular problem areas that may require further testing and/or investigations. Because the Housing Rights Center holds monthly fair housing clinics locally for residents, has a toll-free number for contacting the fair housing agency, and provides citywide outreach to landlords and managers, testing has been conducted on a complaint-driven basis in the past. Even with adequate trained testers available in the Antelope Valley, this process will remain in affect and continue to be monitored as part of the City's fair housing program.

3. **Recommendation:** Undertake special outreach efforts aimed at the Asian community to better understand possible fair housing needs of this ethnic group.

Actions Taken/Plans:

- a. As a part of its outreach to the Asian community in Lancaster, the HRC has provided the City with Asian language fair housing information materials and also distributed this information to community organizations and service providers.
- b. The HRC conducted the 7th Annual Housing Rights Summit on April 21, 2006, to examine socio-political, cultural, ethnic, and economic elements that have influenced housing and civil rights. Although the seminar was not specifically related to addressing the Asian community, the Asian demographic trends relative to housing were discussed.

4. **Recommendation:** Conduct seminars with the lending community regarding minority applicants.

Action Taken/Plan: HRC conducted a mailing to 53 lenders and lending institutions that service the cities of Lancaster and Palmdale. The mailing included a letter introducing HRC and its services and offered a free fair lending training to each institution.

5. **Recommendation:** Examine zoning and land use practices to ensure fair housing for disabled persons and those individuals living in group homes.

Action Taken/Plan: While the City consistently reviews its zoning and land use practices, the Housing Rights Center will review new zoning laws and ordinances the City initiates related to housing in order to ensure fair housing practices.

6. **Recommendation:** Broaden the fair housing provider's mission to include the "sales" market.

Action Taken/Plan: Through the Housing Rights Center's monthly walk-in clinics, Lancaster residents have the opportunity to receive one-on-one counseling and information for any housing-related concerns including those related to the "sales" market. As part of the City's next Request for Proposal for fair housing services, a brochure on fair housing for homebuyers will be requested.

7. **Recommendation:** Consider an increase in fair housing funding to provide for the supplemental activities and services outlined in the AI report.

Action Taken/Plan: As previously noted, budget constraints and staffing have played a significant role in providing all the resources necessary to institute all recommendations offered in the updated AI report. Over the last Consolidated Plan cycle, the City of Lancaster has incrementally increased its fair housing budget in order to provide the monetary resources needed to address as many of the AI recommendations as possible. The CDBG allocation for Fair Housing Services will again increase from \$22,050 in the 2005 Program Year to \$23,152 for the 2006 Program Year.

8. **Recommendation:** Set standards for the fair housing provider regarding performance in outreach, investigation volume, testing volume, and substantive resolutions of fair housing complaints.

Action Taken/Plan: The Lancaster City Council approved a Sub-Recipient Agreement for the 2005 program year. As part of the Sub-Recipient Agreement, the Housing Rights Center was required to meet the Impediments to Fair Housing Implementation Plan (Exhibit 12).

C. Fair Housing Demographic Activity for the 2005 Program Year

2005 Accomplishment/Action: Over the course of the 2005 Program Year, the Housing Rights Center provided services to a total of 523 Lancaster clients, a 29.9% increase from last year, through a variety of programs at a cost of \$22,050. This total consisted of 467 general housing contacts and 56 discrimination contacts of which 38 were inquiries and 18 became cases (see Housing Rights Center Program Summary Report, Exhibit 11).

Provided on the following page are the demographics for those clients who received services from the Housing Rights Center during the 2005 Program Year. An in-depth, demographic quarterly review is provided in the Housing Rights Center Program Summary in Exhibit 11.

FAIR HOUSING DEMOGRAPHICS
2005 Program Year

<u>Ethnicity</u>	<u>Total</u>	
Mexican/Chicano	91	(17%)
Not Hispanic/Latino	413	(79%)
Other Hispanic/Latino	19	(4%)
	523	100%
<u>Race</u>	<u>Total</u>	
American Indian or Alaskan Indian	15	(2.8%)
American Indian/Alaskan and Black	7	(1.3%)
American Indian/Alaskan and White	78	(14.9%)
Asian	2	(0.3%)
Black/African American	178	(34%)
Black/African American and White	1	(0.1%)
Pacific Islander	1	(0.1%)
White	195	(37.2%)
Other	46	(9.3%)
	523	100%
<u>Income</u>	<u>Total</u>	
Above Moderate	15	(2.9%)
Moderate	47	(9%)
Low	135	(25.8%)
Extremely Low	326	(62.3%)
	523	100%
<u>Special Groups</u>	<u>Total</u>	
Female Headed Households	73	(13.9%)
Seniors	44	(8.4%)
Disabled	106	(20.3%)
Government Subsidized	23	(4.4%)
	246	47%

City of Lancaster CAPER
2005 Program Year

Activity for the 2005 Program Year increased approximately 28 percent from the previous year. As evidenced by the consistent increased in direct service activity during the 2005 Program Year, the Lancaster community continues to become more aware of the availability of fair housing services through active fair housing outreach efforts.

2005 Accomplishment/Action: The Housing Rights Center distributed 1,004 pieces of literature to social service agencies, community centers, and housing industry professionals through the City of Lancaster during the program year. All printed materials were available in English, Spanish and Chinese. In addition to this information being provided to service agencies throughout the City, it was also made available in the Housing Department lobby area within Lancaster City Hall.

2005 Accomplishment/Action: HRC conducted monthly fair housing walk-in clinics at Lancaster City Hall to provide Lancaster residents and community members the opportunity to meet personally with a fair housing representative to receive one-on-one counseling or to obtain information regarding a housing-related concern. A toll-free telephone line also remained available throughout the year during regular daytime office hours, providing a contact person for residents to call with fair housing issues.

III AFFORDABLE HOUSING

When funding annual housing programs, the City focuses its resources on those groups or areas experiencing the most severe housing problems.

One of the City's primary housing goals is 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 City of Lancaster has available, adequate, and affordable housing due to the large amount of new housing offered at a lower cost compared to other areas in Southern California. In fact, local real estate statistics showed that the median home selling price (both new and resale) in the City of Lancaster was \$325,00 in February 2006 as compared with the median selling price in neighboring Palmdale of \$375,000, statewide \$535,470, and Los Angeles County at \$499,000. Even with affordable housing, the City does have some lower-income households who experience cost burdens and are forced to live in older housing with problems; some units to the degree of being considered substandard especially within the City's mobile home parks.

The City's intent is to provide housing programs that help prevent the deterioration as well as maintain the supply of affordable housing to these lower-income groups. In addition, the City's housing programs focus on meeting the needs of extremely low-, low-, and moderate-income households citywide.

During FY 2006 housing assistance, services, and new construction were provided to extremely low and low-income owner households and renters in the City through programs funded from federal, state, and private funding sources.

The programs provided during FY 2005 included:

- A. **The Home Ownership Mortgage Loan Program** funded, in part, by State HOME program revolving funds and Redevelopment Agency 20% set-aside housing funds;
- B. **The Lancaster Community Shelter** funded through a HUD Emergency Shelter grant, the Los Angeles Homeless Services Authority (LAHSA), United Way, individual and business contributions, and the Lancaster Redevelopment Agency 20% set aside housing fund; and
- C. **The Section 8 Housing Assistance Program** funded through the Los Angeles County Community Development Commission.

City of Lancaster CAPER
2005 Program Year

For FY 2005, it was the City of Lancaster's goal to continue coordination efforts with both public and private service agencies in order to establish programs necessary to meet the community's affordable housing needs. The following outlines goals and accomplishments for the 2005 Program Year:

1. **Goal:** Continue efforts with the Department of Veteran's Affairs to provide a 60-bed State Veteran's Home to serve this special needs group.

2005 Accomplishment/Action: In December 2005, the California Department of Veterans Affairs certified the final environmental impact report for veterans' homes in Lancaster, Ventura County, and West Los Angeles. Plans from the State call for construction of the Lancaster Veterans' Home to begin in summer 2007 with completion scheduled in December 2008.

The new facility, located on the northwest corner of 30th Street West and Avenue I (see Exhibit 3) will have 60 beds, reduced from the already downsized 110-bed facility previously slated to be built. An adult day-care health center will accommodate and additional 50 community residents who need medical care, but do not require an over-night stay.

Approximately 35% of the \$10-\$12 million cost will be provided by the state, with the remaining 65% coming from the U.S. Department of Veteran's Affairs. The City of Lancaster has contributed approximately \$1.75 million to the site through the completion of environmental studies, roads, and utility hookups necessary for construction to begin.

2. **Goal:** Provide new or substantially refurbished housing units to extremely low- and low-income households through the Home Ownership Mortgage Loan Program.

2005 Accomplishment/Action: A total of 6 households were assisted with refurbished/resold units at a total cost of \$807,743 and 2 households purchased new mobile homes at a total cost of \$151,545.

3. **Goal:** Construction of affordable housing meeting the special needs of the elderly population.

2005 Accomplishment/Action: Construction continued on a 150-unit mixed-use Arbor Grove senior complex located on the corner of 10th Street West and Jackman Street within the North Downtown Revitalization/Transit Village Project area (Exhibit 4, No. 17). This development will consist of 150 units of low/moderate-income senior housing along with approximately 10,000 square feet of commercial space. The developer, Urban Renewal, plans to have the project, known as Arbor Grove, completed by December 2006.

2005 Accomplishment/Action: Construction was completed on the 140-unit Aurora Village II Senior Apartment project located at 43945 12th Street West. All units will be available to seniors over the age of 55 and will be 100 percent income restricted to senior citizens whose incomes are below 60% of the Los Angeles County median.

2005 Accomplishment/Action: Extensive rehabilitation efforts were completed on a 40-unit senior housing complex located 716 Kettering Street within the North Downtown Revitalization/Transit Village Project area.

2005 Accomplishment/Action: Richmond American Homes, is under construction on a 70-lot, single-family residential subdivision located on the north side of Avenue K-8 at 13th Street East. Of the 70 homes, 20% of the units, or 14 homes, will be restricted to moderate-income families whose incomes do not exceed 120% of the Los Angeles County median adjusted for family size.

2005 Accomplishment/Action: Jamboree Housing Corporation began construction on a 72-unit, Laurel Crest Apartment complex located at 45114 Beech Avenue, within the North Downtown Revitalization/Transit Village Project area bounded by Avenue I, Kettering Avenue, Sierra Highway, and Fern Avenue (see Exhibit 3 and Exhibit 4, No. 14). Through deed restrictions, all units will remain affordable for low-income families for 55 years. This project is being financed through the issuance of approximately \$13 million of multi-family housing revenue bonds and \$3.5 million in State HOME funds.

2005 Accomplishment/Action: The Larwin Company, is under construction on 73 single-family homes 50% of which will be targeted to moderate-income, first-time home buyers who meet eligibility requirements. This project is located near Avenue H-9 and Third Street East within the City's designated Northeast Gateway Corridors revitalization project area bordered by 10th Street West, West Avenue H-8, Challenger Way, and Avenue I (Exhibit 5).

4. **Goal:** Housing Assistance to meet the needs of the homeless or "at risk" populations.

2005 Accomplishment: The following is a breakdown of income categories and persons/families, including homeless and involuntarily displaced persons, assisted with affordable housing and/or housing rehabilitation for the 2005 Program Year:

AFFORDABLE HOUSING ASSISTANCE	
Extremely low/low-income (0-30%) - renter/owner households (rehab)	6
Extremely low/low income (31-50%) - owner households (purchase - HOME)	2
Extremely low/low income – owner households (American Dream)	8
Los Angeles County Section 8 Housing Assistance (L.A. County data)	1,986
Homeless Housing Assistance (Lancaster Community Shelter)	666
Emergency Shelter & Services (AV Domestic Violence Council)	346
Mental Health Association Housing Assistance Program (HAP)	254
Transitional Housing (Penny Lane, Gay & Lesbian Adolescent Social Services, Inc.)	22

5. **Goal:** Continue to offer fair housing services for the residents of Lancaster.

2005 Accomplishment/Action: During the 2005 Program Year, the Housing Rights Center provided services to a total of 523 Lancaster clients, a 27.8% increase over last year, through a variety of programs at a total cost of \$22,050 in CDBG funding. This total included 326 (62%) extremely low-income, 135 (26%) low-income, 47 (9%) moderate-income, and 15 (3%) above moderate-income residents.

The statistical breakdown shows that of these 523 clients, the majority, 195 (37.2%) were White and 178 (34%) were Black/African American. This is a reversal from the 2004 program year where the majority (40.1%) of clients was Black/African American. Additionally, the majority of clients receiving services, 461 persons (88.1%) were extremely low- or low-income residents, up 2% from the previous year.

Of the 246 classified as "special groups," 73 (13.9%), were female-headed households, 44 (8.4%) were senior households, and 106 (20.3%) were households headed by disabled persons.

A comprehensive Housing Rights Center Program Summary of services and demographic information for the 2005 Program Year is outlined in Exhibit 11.

IV CONTINUUM OF CARE

To address the homeless issue and the City's overall continuum of care needs, the City of Lancaster has facilities and services available to the homeless as well as those individuals/families that are involuntarily displaced from their homes either temporarily or permanently. These services include temporary shelter, meals, clothing, cold weather programs, emergency shelter, transitional living programs as well as education, outreach, legal, employment, transportation, and counseling support services.

The number of public and private organizations located in Lancaster that serve the homeless makes 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. In fact, the local service providers reported a continued increase in the number of clients during FY 2005 due to an influx of homeless from not only the southern California area but also outside the state. As a result, homelessness continues to be viewed as a regional concern addressed through the cooperation of many organizations both public and private throughout the Antelope Valley

The City has remained proactive in its approach to the Continuum of Care process and has identified five objectives to be addressed as this process continues to evolve and grow with the community.

- Support efforts to enhance services and facilities to serve the needs of homeless individuals and families with an emphasis on implementing the Continuum of Care approach of outreach/intake/assessment, emergency shelter and service, transitional housing and supportive services, permanent housing and supportive services, and prevention.
- Support agencies in their quest to secure stable sources of operating funding for existing facilities and services.
- Support services to prevent persons "at-risk" from becoming homeless.
- Define and strengthen the role of coordinating agencies in planning, fund-raising, and community education.
- Support coordination between service providers to improve service delivery and to address gaps in the Continuum of Care.

The latest distribution of homeless residents by Service Planning Area (SPA) reported by the Los Angeles County Homeless Service Authority (LAHSA) indicates there are approximately 15,993 homeless persons in the Antelope Valley Region (SPA 1). Like other areas throughout the Los Angeles area and the state, homelessness is a growing concern and the numbers of homeless, especially families, continue to increase.

Even though the City of Lancaster is under the “umbrella” of the Los Angeles Homeless Services Authority’s Continuum of Care, there are separate goals for addressing the needs of the homeless and the special needs of persons that are not homeless but require supportive housing and services that the City of Lancaster undertakes.

Following are the City’s accomplishments for the 2005 Program Year relative to providing a continuum of care for its residents in conjunction with the programs offered through the Los Angeles Homeless Services Authority:

- A. **Goal:** Provide shelter and services to meet the needs of the homeless population and "at risk" populations.

2005 Accomplishment/Action: During the 2005 Program Year, the Lancaster shelter served 553 individuals/families (565 family members) through its Year-Around Overnight Program and 113 individuals/family members through its Resident Housing Program and year-around overnight programs for a total of 666 individuals/families.

The large numbers of homeless, especially families, continues to be attributed, in part, to the movement of new homeless individuals into the area from out of state and the Los Angeles basin. The increase in the number of families that have become homeless is attributed, in large part, to current economic conditions. Some families are losing their homes due to increasing rents along with existing rental units being sold. Other families cannot find housing due to low wages and the increasing cost of living.

A demographic/ethnicity matrix of the 553 individuals receiving services through the Year-Around Overnight Program during this program year is as follows:

Male:	389 (70%)	Ethnicity: Hispanic	65 (11.8%)
Female:	164 (30%)	African American	212 (38.3%)
		White	254 (45.9%)
Age: 5-9	0 (0%)	Asian	6 (1.1%)
10-14	0 (0%)	Native American	4 (0.7%)
15-19	14 (2.5%)	Other	12 (2.2%)
20-34	182 (32.9%)		
35-64	343 (62%)		
65-74	12 (2.2%)		
75-84	1 (0.2%)		
85+	1 (0.2%)		

City of Lancaster CAPER
2005 Program Year

A demographic/ethnicity matrix of the 113 individuals/families receiving services through the Resident Housing Program during this program year is as follows:

Male:	80 (71%)	Ethnicity: Hispanic	13 (11.5%)
Female:	33 (29%)	African American	38 (33.6%)
		White	61 (54%)
Age: 5-9	0 (0%)	Asian	1 (0.9%)
10-14	0 (0%)	Native American	0 (0%)
15-19	2 (1.8%)	Other	0 (0%)
20-34	34 (30.1%)		
35-64	77 (68.1%)		
65-74	0 (0%)		
75-84	0 (0%)		
85+	0 (0%)		

Of the 666 individuals/families who received services, 664 (99.7%), were identified as disabled and a total of 662 (99.4%) were homeless. Of the individuals served, a total of 288 (43.2%) were receiving public assistance of some form while 377 (56.6%) of those served were not receiving any type of public assistance. One individual did not provide this information. A total of 286 (43%) had a high school education; a total of 205 (30.8%) were students or individuals who had less than a high school education; 149 (22.4%) had some college; and a total of 25 (3.8%) were college graduates. Again, one individual did not provide this information.

To provide services and maintain the shelter, Catholic Charities received funding from the City of Lancaster, federal allocations and grants, the Los Angeles County Housing Services Authority (LAHSA), contributions from individuals and businesses, the United Way, local fund raising efforts, and through the Federal Emergency Management Act (FEMA).

- B. Goal:** Coordinate with other public and service agencies in developing a Continuum of Care Strategy for the homeless to identify both the available services within the community and the services that are lacking in meeting the needs of the homeless population.

2005 Accomplishment/Action: During the 2005 Program Year, the Antelope Valley Homeless Coalition, consisting of local non-profit housing and service agencies along with city and county governmental representatives, continued to explore transitional housing opportunities through the implementation of

additional homeless services similar to those offered through the successful Bakersfield Homeless Center.

2005 Accomplishment/Action: The following is a breakdown of persons/families, including homeless and involuntarily displaced persons, assisted with housing during the 2005 Program Year:

ASSISTED HOUSING	
Los Angeles County Section 8 Housing Assistance	1,986
Homeless Housing Assistance (Lancaster Community Shelter)	666
Housing Assistance Program, Transitional Aged Youth, and Adult Integrated Services (Mental Health Association)	470
Emergency Shelter and Services (AV Domestic Violence Council)	346
Transitional Housing for Emancipated Foster Youth (Penny Lane Centers; Gay & Lesbian Adolescent Social Services, Inc.)	22
Emergency Shelter and Services - Winter Shelter Program (Catholic Charities)	30

2005 Accomplishment Action: Submittal of Grant for \$1 million from the County of Los Angeles for the construction of 13 additional transitional housing units for the Lancaster Community Shelter

2005 Accomplishment/Action: On January 21, 2006 and April 22, 2006, Grace Resource Center held Antelope Valley Veterans Stand Down days. The goal of these one-day events was to undertake aggressive outreach efforts to those veterans living on streets and in shelters who would not otherwise seek assistance. The event offered a wide array of special programs and services specifically designed to help homeless veterans live as self-sufficiently and independently as possible. Some of the services offered included employment assistance; legal aid; counseling; clothing; food; blankets; transitional housing assistance; and clinical assessment and referral for medical treatment for physical and psychiatric disorders, including substance abuse.

2005 Accomplishment/Action: During the program year, the Homeless Solutions Access Center provided services to 3,219 individuals including 1,040 children.

The Homeless Solutions Access Center is operated through a partnership of government agencies and non-profit organizations under the leadership of the Antelope Valley Domestic Violence Council. The Center provides intake,

assessment, and referral linkages between other homeless service providers and related agencies; provides better services to those people in need; and makes better use of limited regional resources.

A matrix outlining the array of services provided and the agencies participating in supplying services at the Homeless Solutions Access Center is shown in Exhibit 8.

2005 Accomplishment/Action: The following presents agencies providing housing services in the Lancaster/Antelope Valley area:

1. The Lancaster Community Shelter is operated by Catholic Charities of Los Angeles. The Shelter provides 10 beds specifically for emergency shelter, with a maximum 30-day length of stay. During cold weather, 40-50 individuals, including two families, can be sheltered for a period of up to 4-1/2 months. In addition, during severe weather, the Shelter provides hotel vouchers for up to three nights for families with children. Other emergency services provided, in conjunction with emergency shelter, include food, restroom facilities, showers, clothing, medical screening, and follow-up case management. All the facilities at the Shelter are handicap accessible.
2. In addition to other supportive services, the Salvation Army, Our Lady of Charity of St. Vincent DePaul, and Grace Resource Center provide vouchers for three to five-night stays in hotels/motels for individuals seeking emergency shelter. It should be noted, however, that the ability to provide hotel/motel vouchers is often based on a limited availability and also depends on the amount of funding available to accommodate this service.
3. Through the Antelope Valley Council on Domestic Violence, two facilities provide emergency shelter to meet the emergency housing needs of a special population; those men, women, and children looking to escape abusive and/or potentially life-threatening situations.

Oshun Village Family Services and Valley Oasis Shelter both provide domestic violence housing that is handicap accessible. Oshun Village Family Services operates a 26-bed facility providing emergency shelter to battered women and children for a maximum stay of 30 days. Along with emergency housing, residents receive a wide range of supportive services such as food, clothing, and medical services advocacy. The sister shelter and core program of the Antelope Valley Domestic Violence Council is the Valley Oasis Shelter. Offering a six-day stay for domestic violence victims and their children, Valley Oasis offers emergency shelter and support that includes food, clothing, and introduction to the Valley Oasis House Transitional Living Program.

4. Several agencies provide transitional housing/supportive services to meet the emergency housing needs of special or sub-populations such as the mentally ill, substance abuse individuals, or domestic violence victims.

In addition, the Antelope Valley has several transitional housing/supportive services providers. Transitional housing/supportive services are usually in the form of specially designed housing facilities for sub-populations such as:

- Domestic Violence Shelters
- Sober Living Centers/Homes
- HIV/AIDS Supportive Housing
- Severely Mentally Ill Facilities
- Displaced Youth Housing
- Developmentally Disabled Centers/Homes
- Senior Citizen Care Center/Communities

- a. **Domestic Violence Shelters:** Antelope Valley Oasis House, Valley Oasis Shelter, and Oshun Village Family Services. Lengths of stays range from thirty days to six months. On-site advocacy services, as well as legal and supportive counseling services, are available.

- b. **Sober Living Centers/Homes:** Get-It Together Sober Living Home, Live Again Recovery Home, Bridges, Inc., Serenity House, and the Transition House “Working With Others” Sober Living Center provide sober living environments for recovering alcoholics and drug addicts with a supportive, controlled atmosphere to overcome their chemical dependencies while temporarily living on-site. Service providers such as Alcoholics Anonymous, Antelope Valley Council on Alcohol and Drug Dependency, Family Resource Foundation, The High Road, and Tarzana Treatment Center also provide substance abuse supportive services including referrals to sober living facilities.

- c. **HIV/AIDS Supportive Housing:** The Catalyst Foundation for AIDS Awareness, Antelope Valley Friendship Center, Antelope Valley Hope Center, and the Antelope Valley Hope Foundation facilitate supportive shelter for individuals living with the HIV virus.

- d. **Severe Mental Illness Facilities:** The Independent Living Center of Southern California provides referrals for mentally ill individuals

seeking affordable and accessible living accommodations within the community. The Mental Health Association of Los Angeles County and the Los Angeles County Department of Mental Health facilitate the movement of mentally ill patients into facilities where they will receive proper care and attention. The Sun Plus Adult Day Care Center provides on-site monitoring and supervision of adults with various mental illnesses.

- e. **Displaced Youth Housing:** To ensure that displaced youth are moved from the streets into transitional housing situations, organizations such as Walden Family Services, Antelope Valley Youth and Family Services, Masada Home Foster Family Agency, Murrell's Farm and Residential Boys Home, County of Los Angeles Department of Children and Family Services (DCFS), GLASS, Penny Lane, Tarzana Treatment Center, and the Antelope Valley Hope Foundation work to place homeless youth and emancipated foster youth in independent living facilities or with families removing children from "at-risk," homeless situations.
- f. **Developmentally Disabled Centers/Homes:** Individuals afflicted with developmental disabilities are afforded various supportive services at such locations as the Antelope Valley Foundation for the Developmentally Disabled, the Daystar Training Activity Center, Easter Seals, Daystar Adult Development Center, Life Steps Foundation, and the Phoenix Behavior Activity Center.
- g. **Senior Citizen Care Centers/Communities:** The need to provide affordable senior housing for the elderly has promoted the addition of three facilities that furnish seniors with transitional/supportive housing that are restricted to this particular special-needs population. Sierra Retirement Village, Max Keller Senior Apartments, and the new Prestige Assisted Living facility specialize in the supportive, independent living of senior citizens. Senior care providers such as Sun Plus Home Health, St. Jude Home Health, and Mayflower Gardens Convalescent Hospital offer nursing services related to health conditions and recovery for seniors.

- C. **Goal:** To assist/support non-profit agencies with funding opportunities.

2005 Accomplishment/Action: The City of Lancaster supported "Certification of Consistency with the Consolidated Plan" approvals and "Preference Points Certification" for five programs sponsored by the following non-profit organizations as part of the regional Continuum of Care (Exhibit 13):

1. **The Antelope Valley Domestic Violence Council ("Steppin' Into The Light and "Oasis House"** - through the Los Angeles Housing Services Authority and the Department of Housing and Community Development Program funds, to provide a transitional housing programs, "Steppin' Into The Light," and "Oasis House" designed to assist individuals and families who have become homeless or "at risk" due to domestic violence known as Oasis House.

These transitional housing programs will provide supportive services consisting of a comprehensive system of case management, advocacy, child care, transportation, job development, counseling, support services, life-skill building, and assistance in finding permanent housing. These projects address the shortage of transitional housing with supportive services for this special population group in the Antelope Valley.

2. **The Antelope Valley Domestic Violence Council** - through the Los Angeles Housing Services Authority and the Department of Housing and Community Development Program funds, to provide 24-hour emergency shelter services for domestic violence victims and their children. This program will provide 24-hour emergency shelter for individuals who have become homeless due to domestic violence for up to 60 days.
3. **The Antelope Valley Domestic Violence Council (Homeless Solutions Access Center)** - through the Los Angeles Housing Services Authority and the Department of Housing and Community Development Program funds, to provide funding for the operation of the Homeless Solutions Access Center. The Center provides services to the general homeless population. Services include intake, assessment, case management, showers, laundry, housing vouchers, and referral linkages to other area service providers when required for special services, i.e. mental illness.
4. **The Mental Health Association (Housing Assistance Program)** - through the Los Angeles Homeless Services Authority (LAHSA) Continuum of Care for U. S. Department of Housing and Urban Development Supportive Housing Program funds in support of continuing the Mental Health Association Housing Assistance Program (HAP). This program provides service to homeless mentally ill in the form of case management, money management, psychiatry, employment support, housing, and personal services (i.e. laundry, showers, etc.)

D. Goal: Continue providing financial support to the Lancaster Community Shelter.

2005 Accomplishment/Action: The City provided financial assistance in the amount of \$61,662 in addition to “in-kind” staff support to cover costs associated with maintenance of the shelter. Most of the financial support was to provide a new roof for the shelter.

In addition to City funds, Catholic Charities received funding from federal allocations and grants, the Los Angeles County Housing Services Authority (LAHSA), contributions from individuals and businesses, the United Way, local fund raising efforts, and through the Federal Emergency Management Act (FEMA).

V **OTHER ACTIONS**

A. Obstacles to Meeting Under-Served Needs

The only obstacles consistently present in meeting under-served needs are in the areas of funding and staff availability. With the state continuing to look at ways to find additional funding, redevelopment agencies continue to feel the “crunch” on available funding for both economic development and housing programs.

During the 2005 Program Year, the City saw assessed valuations increase dramatically and growth continue to reach unprecedented numbers. For cities over 100,000 the City of Lancaster was ranked the 14th fastest-growing city in America. Among California cities Lancaster ranked sixth in the list of fastest growing. The City of Lancaster is working to put itself in a position to meet the challenges faced by a “high growth city,” in meeting the needs of its residents – both old and new.

1. **Housing Needs:** As in previous years, priority-housing needs were determined based on income group and factors such as available resources, staff capacity, timing, and local political and community interest. While many of Lancaster’s housing programs continued, funding for additional targeted programs (i.e. Emergency Repair Program) remained unavailable due in large part to the housing priorities that required large portions of the housing budget, such as the targeted revitalization areas of the North Downtown Revitalization/Transit Village Project, Lowtree Project, and the Northeast Gateway Corridor.

2005 Accomplishment/Action: During the 2005 Program Year, the Lancaster Housing Needs Assessment Report was completed. This report was contracted to provide the City data to assist in identifying areas in need of housing and other revitalization services, as well as those neighborhood and/or areas with the most potential for improvement. (Exhibit 14)

2. **Employment Services:** One of the unmet needs identified through a past Study on Homelessness in the Antelope Valley was the provision of employment services. The City of Lancaster, in cooperation with other public, private, and non-profit agencies, continued to assist the employment needs of its unemployed population through the Work Source California Antelope Valley One-Stop Career Center.

2005 Accomplishment/Action: In addition to providing general employment, assessment, and training services, the Work Source California Antelope Valley One-Stop Career Center also provides employee vouchering services for the City’s State Enterprise Zone Program. The State Enterprise Zone Program is a tax incentive program offered to local businesses located within a designated area of the City. Businesses located in the “zone” area can

receive state hiring credits of over \$31,000 (over five years) for employees hired who meet Workforce Investment Act or other designated employment criteria. Each employee voucher represents a person that was previously unemployed.

During the 2005 Program Year 983 employee vouchers were issued to local businesses through the Antelope Valley Enterprise Zone Program.

3. **Employment Training Needs:** In overcoming an obstacle to assist the area's unemployed residents, the Work Source California Antelope Valley One-Stop Career Center continued to provide training necessary for program participants to obtain employment. The One-Stop Center provides tools needed to enhance each participant's success in obtaining and retaining a job and, as a result, reducing the number of potential poverty level individuals and families within the community.

In addition, Antelope Valley Community College continued to offer new and established businesses multi-faceted, customized training to meet the needs of both the employees and the business. Training offered includes technical, life-skills, and management training.

B. Foster and Maintain Affordable Housing

In determining annual housing programs for the 2005 Program Year, the City focused its available resources on those groups experiencing the most severe housing problems. Housing programs funded were those that would provide as much assistance as possible to those targeted groups.

2005 Accomplishment/Action: During the 2005 Program Year, the City of Lancaster continued to foster and maintain affordable housing for very low- and low-income residents through its citywide Homeownership Mortgage Loan Program.

A total of 6 households were assisted with refurbished/resold units at a total cost of \$807,743 and 2 households purchased new mobile homes at a total cost of \$151,545.

2005 Accomplishment/Action: Rehabilitation was completed on a 40-unit senior housing complex located at 716 Kettering Street in the North Downtown Neighborhood Revitalization/Transit Village project area. This project was undertaken in conjunction with the construction of the 76-unit senior complex completed during the 2004 program year. Partial funding for this project was provided by a loan of \$475,000 in state HOME funds from the City.

2005 Accomplishment/Action: Over 1,986 families were provided housing in the Lancaster area under the Los Angeles County's Section 8 Rental Subsidy Program. This program, administered through the Los Angeles County Community Development Commission Housing Authority, helps lower-income residents maintain safe and healthy housing while working to reach self-sufficiency.

2005 Accomplishment/Actions: Other housing projects aimed at providing affordable housing have been listed as housing accomplishments in previous housing sections of this report.

C. Eliminate Barriers to Affordable Housing

In planning for the development, maintenance, and improvement of housing, barriers to the construction of affordable housing must be identified. Local government cannot mitigate many of these constraints, particularly those related to the value of land and the cost of housing. However, while many constraints cannot be eliminated, such as the lack of funding availability, there are those barriers that can be minimized in order to facilitate the provision of housing.

1. **Housing Needs Assessment:** During the 2004 Program Year, the Redevelopment Agency's Housing Division hired a consultant to conduct a comprehensive Housing Needs Assessment. That report was completed in spring 2006 and presented to the Lancaster City Council. The report identifies those areas within the city with the greatest housing needs. With this "tool," the City will be in a better position to budget its resources in those areas of the City with the greatest need. (Exhibit 14)
2. **Density Bonus Incentive:** The City of Lancaster continued to make available a density bonus provision providing incentives to developers who set aside 20% of their housing units for low-income households and 10% for very low-income households. Under this provision, the developer may exceed the maximum allowable residential density restrictions by 25% or receive an equivalent financial incentive. This provision provides an incentive to developers to increase the availability of housing to low-income households in the City through the use of private funds.
 - **City Ordinance No. 816:** The City of Lancaster continued to allow for density bonuses and other incentives and concessions to affordable housing developments under certain conditions. Under Ordinance No. 816, the City of Lancaster allows developers of condominium projects to be eligible for density bonuses and also allows the Director of Community Development to independently approve a second dwelling unit request, on lots of 10,000 sq. ft size or greater, if the request meets all development standards in lieu of the developer going through the previous Conditional Use Permit process. The

ordinance also stipulates that in compliance with Americans with Disabilities Act provisions, “paths of travel” through residential neighborhoods must remain unobstructed.

- **City Ordinance No. 827:** City Ordinance No. 827, provides a provision to allow the opportunity for developers to build mixed-use developments through a director’s review process. This designation allows the construction of multiple family projects combined with commercial developments within the City’s Central Business District area.
3. **2030 General Plan Update:** During the 2005 program year, the City of Lancaster began the General Plan Update to the year 2030. The General Plan is a “constitution” for long-term development and the foundation upon which all land use decisions are based. The General Plan addresses numerous issues including quality of life, community design, public health and safety, housing, transportation and circulation, municipal services, and economic vitality.

D. Overcome Gaps in Institutional Structures and Enhance Coordination

The primary components of the institutional structure remain the Lancaster Redevelopment Agency and the City of Lancaster. While a few outside organizations provide support to the City’s housing efforts, the bulk of the financial assistance and other efforts are provided by the identified agencies. There are, however, a number of non-profit and other charitable organizations throughout the community that provide various housing programs previously discussed within the “Affordable Housing” and "Continuum of Care" sections of this report.

The solvency of the Lancaster Redevelopment Agency and the City has been, and will continue to be, the major strength of the delivery system. Both agencies have a long history of commitment to the provision of community housing needs. This commitment is evidenced by the long-range and on-going housing and revitalization programs/efforts the City has initiated and maintained; by the goals, objectives, policies, and action programs outlined in the City's Consolidated Plan and Strategy, the City’s General Plan, and in the redevelopment plans adopted for the various redevelopment project areas throughout the City.

Under these plans, it is the intent of the City and the Redevelopment Agency, through the maximum use of financial and human resources, to create incentives for private investment within the City and Redevelopment project areas. Creative economic development incentive packages, long-range infrastructure planning and development, revitalization efforts, and private investment have already provided measurable benefits to local residents.

1. Economic Development – Public/Private Partnerships

- a. **Fox Field Industrial Corridor:** Following the completion of infrastructure improvements on both Avenue G and Avenue H within the Fox Field Industrial Corridor, the following companies relocated and/or expand existing businesses in the area creating new job opportunities for local residents during the 2005 program year:
- 1) The Larwin Investment Company completed construction on 24 industrial spec buildings, totaling 220,000 square feet, within the Fox Field Industrial Corridor of the city. Located on 24-acres at 45th Street West and Avenue G, this \$24 million business park offers smaller industrial/office users the opportunity to own their own building. During this program year two companies located to this new business park; namely, SCE Gaskets who will create 25 new jobs and SCP Distributors, LLC who will create 15 new jobs.
 - 2) SYGMA, a subsidiary of SYSCO Corporation, the nation's largest food service supplier, decided to expand its original plans for a 110,000 square foot distribution facility in the Fox Field Industrial to a 239,000 square foot facility. The new facility is located on a 20-acre site at 47th Street West and Avenue G. The company created 219 new jobs this program year and, at full capacity, will employ 350 workers.

According to the Fox Field specific plan, the corridor will be able to support approximately 18,700 jobs in 20 years when it is completed.

These public/private partnerships will continue to provide for the reduction of blight; the stimulation of industrial, commercial, residential, and public development; an increased local employment base; and the enhancement of opportunities for the provision of lower-income housing. All of these factors support the major statutory goals of the Consolidated Plan which are to expand economic opportunities, provide decent housing, and provide a suitable living environment for the City's residents.

2. Non-Profit Agency Support

Any gaps or weaknesses in the delivery system for FY 2005 were primarily related to fluctuations in the level of economic and development growth that occurred within the community. These conditions directly affected the delivery systems of both the City and non-profit agencies in their ability to provide all the programs needed in the community.

Although the City of Lancaster could not offer monetary support to many of its local non-profit agencies, it still recognizes the importance of coordinating its efforts with other agencies in order to accomplish the programs necessary to meet community and service needs.

- a. During the 2005 program year, groundbreaking ceremonies were held for the construction of the new 20,000 square foot Mental Health Association (MHA) facility along with a 100-unit, "Poppyfield Estate" apartment complex. The new MHA facility will be located at the southwest corner of Sierra Highway and Jackman Street with the apartment complex at the southeast corner of Beech Avenue and Jackman Street within the North Downtown Revitalization/Transit Village project area (Exhibit 4, No. 12).

The relocation of this facility into this target area will better serve Antelope Valley residents by being located close to a centralized transit center and other service providers that work closely with the Mental Health Association. Funding for the property acquisition comes from \$1.45 million federal Section 108 Loan Guarantee acquired by the City.

- b. Construction was completed on the Children's Center of the Antelope Valley's \$2.4 million, 115,445 square foot facility located on the corner of Fern Avenue and Jackman Street within the North Downtown Neighborhood Revitalization area (Exhibit 4, No. 11). The City of Lancaster contributed \$332,850 towards acquiring the site and contributed and additional \$1.5 million towards construction of the facility through federal Section 108 Loan funding.

Completion of the new facility helps the Center fulfill its mission of serving the needs of abused and neglected children and their families. The new facility provides the opportunity to provide additional services at a more convenient location for clients.

- c. Also in FY 2005, the City of Lancaster continued to support the efforts of the Lancaster Homeless Shelter through both monetary and "in kind" contributions to the Center's operations.

3. Coordination of Public and Private Resources

The City and the Lancaster Redevelopment Agency also participated in several programs that required the involvement of various public and private resources.

- a. **Aurora Village II Senior Apartment Project:** During the 2005 program year, The Aurora Village II 140-unit Senior Apartment Complex held its grand opening. This project was made possible, in part, by the City of Lancaster's participation as a conduit for the issuance of Multifamily Housing Revenue Bonds in the amount of \$7,760,000. This project, located at 43945 West 12th Street, offers units at affordable rates and all units are 100% income restricted. Financing for the project was provided using a 4% low-income housing tax credit as well as the bond proceeds.

The Aurora Village II Senior Apartment project will provide the City's low-income active senior population with an affordable and independent living opportunity they might not otherwise be able to obtain.

- b. **Senior Apartment Rehabilitation:** Rehabilitation was completed on a 40-unit senior housing complex located at 716 Kettering Street in the North Downtown Neighborhood Revitalization/Transit Village project area. This project is being undertaken in conjunction with the construction of the 76-unit senior complex completed during the 2004 program year. Funding for this project was provided by a loan of \$475,000 in state HOME funds from the City.
- c. **Lancaster University Center:** As part of an education expansion effort, four new advanced degree programs were added to the curriculum of the Lancaster University Center located at the "old fairgrounds" site for the 2005-2006 school year. The new programs offered included a bachelor's degree in business administration, master's degree in English, and a master's degree in social work, and a doctorate in educational administration. These programs allow local residents to work and obtain advanced degrees without having to travel many miles out the area to four-year universities.

Work also began on a 4,000 square foot, \$800,000 engineering laboratory, which will enhance the local engineering program. Since the Antelope Valley has a large aerospace industry, it is important for the community to train and grow local engineers.

4. **Public Safety**

The residents of Lancaster place a high priority on public safety within their community. As a result, the City worked closely with local agencies and citizens to maintain public safety programs to meet the needs of the community, committing approximately \$16.4 million in FY 2005 of both grant and general fund monies to meet community safety needs. We realize that in a fast growing, very diverse community we need to be proactive in our approach to public safety.

During FY 2005, the City of Lancaster maintained its contract with the Los Angeles County Sheriff's Department for law enforcement services at a cost of approximately \$16 million. The City of Lancaster is one of the largest contracts for general law enforcement patrol and traffic patrol in the Sheriff's contract system.

Also during FY 2005, the City of Lancaster also hired 15 additional Community Services Officers. The goal is to have the Community Services Officers take routine reports and free up deputy time to be proactive against crime.

a. The following public safety programs were offered during the 2005 program year in conjunction with the Los Angeles Sheriff's Department:

- 1) **LAN-CAP** - Lancaster Community Appreciation Project (LAN-CAP) is the result of a cooperative partnership between the City of Lancaster, the Los Angeles County Sheriff's Department, and the Los Angeles County District Attorney's Office. The goal of this program is to improve the quality of life for the residents of Lancaster through focused crime prevention. This multi-faceted crime reduction program provides additional deputies that can support local rental property owners and applicants and, thereby, create a greater likelihood of a crime-free rental operation. This program provides the services of deputies (LAN-CAP team) to only rental operators (apartment complexes and rental homes of two or more units) in order to focus on the increased violations that are taking place in targeted locations.
- 2) **Gang Violence Suppression** - The Gang Violence Suppression (GVS) Program remains a strong partnership involving the Los Angeles County Sheriff's Department, Los Angeles County Probation Department, Los Angeles County District Attorney, Antelope Valley Unified High School District, Lancaster School District (elementary and junior high schools), and the United Community Action Network (UCAN).

During the 2005 Program Year, grant funding and in-kind matching funds were received in the amount of \$500,000 from the state, City of Lancaster, and the County of Los Angeles for the GVS program. This program now encompasses the entire Antelope Valley. With its success it has become a program that is very productive throughout the Antelope Valley.

- 3) **Office of Traffic Safety Grant - The** City of Lancaster received three additional grants during this period from the Office of Traffic Safety (OTS). Two programs funded through these grant funds were for the California Seat Belt Compliance Campaign Program. The grants provided funding for Sheriff Traffic deputies to complete both pre and post seat belt observation surveys for documentation. Between the two surveys, the deputies set up check points to inspect vehicles for seat belt violations. This program was very successful and, in the future, may be added to the City's year-around traffic operations.

The third program was the Sobriety Checkpoint Program. This program uses traffic checkpoints for Sheriff Deputies to check for sobriety violations. The purpose of the program is to reduce the number of victims killed and injured in alcohol-related crashes.

- 4) **Police Explorers and Volunteers on Patrol**
Police Explorers and other station volunteers performed thousands of hours of paperwork and routine field assignments in order to free deputies for important field assignments. The City also continued a special patrol detail to ensure shoppers' safety and confidence during the traditional holiday shopping period between Thanksgiving and the New Year (Holiday Shopping Patrol). This program has been very effective in reducing crime in shopping centers and is extremely popular and well received by the merchants and shoppers.

The Volunteers on Patrol (VOP) Program puts citizen volunteers in Sheriff's vehicles to patrol and enforce parking violations (handicapped parking, red curb violations, etc) throughout the City and also report on criminal activity. Explorers are very effective and productive during special events and traffic closures.

- 5) **Los Angeles County Sheriff Department**
In addition to traditional law enforcement services, the City also contracts with the Los Angeles County Sheriff's Department for gang and drug intervention teams, community relations, and "neighborhood and business watch." Along with these programs, the City sponsors such other award winning, successful community programs as Target Oriented Policing (TOP), Teen Court, and the Crime Tip Hotline. All of these programs continue to support the reduction of crime within the City of Lancaster.

- b. The following is a list of public safety programs budgeted in FY 2005:

Community Safety Budget	\$16,000,000
Community Oriented Policing (COPS)	187,214
Justice Assistance Grant (JAG)	83,772
Targeted Oriented Policing (TOP)(Stings/Special Events)	100,000
Voice on Patrol (VOP)	15,000
Neighborhood/Business Watch	10,000
Hate Crime Hotline	5,000
Crime Tip Hotline	5,000
Sheriff's Booster	500
TOTAL	\$16,406,508

- c. To support the efforts of the groups in closing funding gaps the City assisted the following three agencies in applying for supplemental grant funding through "Preference Point Certification," in order to support and enhance various community service programs:

- 1) **Los Angeles County District Attorney's office for "Stalking and Threat Assessment Team" (STAT)** - This program vertically prosecutes criminal cases involving stalking and terrorist threats at all court locations throughout Los Angeles County, including the Antelope Valley. STAT works closely with the Los Angeles Police Department's Threat Management Unit, the Los Angeles County Sheriff's Stalking Unit and all municipal police departments in the county to aggressively investigate and prosecute stalking cases.
- 2) **Los Angeles County Sheriff's Department for the Antelope Valley Gang Violence Suppression Program** - This program is composed of representatives from the Lancaster Sheriff Stations' gang detail, the Los Angeles County District Attorney's Office, the Los Angeles County Probation Department, Antelope Valley Union High School District, and the United Community Action Network (a non-profit youth services organization). The mission of the project is to both suppress gang violence and intervene in the lives of younger gang members.
- 3) **The Antelope Valley Domestic Violence Council** - through the Los Angeles Housing Services Authority and the Department of Housing and Community Development Program funds, to provide 24-hour emergency shelter services for domestic violence victims and their children. This program will provide 24-hour emergency shelter for individuals who have become homeless due to domestic violence for up to 60 days.

E. Improve Public Housing and Resident Initiatives

As a tool to support housing and resident initiatives, the Lancaster Housing Authority continued to own and manage selected mobile home parks within the community. Its mission is to protect and maintain the City's affordable housing stock; stabilize and limit current rents and future rent increases (handled through a citizen-selected rent arbitration board); and provide well-managed and well-maintained mobile home parks.

To support the goals of the Housing Authority, the City assisted eight families through its Home Ownership Mortgage Loan Program for low-income, first-time home buyers, providing loans to homebuyers for the purchase of mobile homes that have been substantially rehabilitated and placed in city-owned mobile home parks.

As mentioned previously in this report, the City of Lancaster and the Lancaster Redevelopment Agency were able to use various funding sources, incentive programs, and grant programs to work with private developers/contractors to provide new, affordable housing for low/moderate-income residents as well as housing for senior citizens.

F. Evaluate and Reduce Lead-Based Paint Hazards

The City of Lancaster has a relatively young housing stock with the majority of homes constructed after 1980. As a result, lead-based paint has not been identified as a significant problem in Lancaster.

However, to ensure compliance with regulations related to lead-based paint, the City of Lancaster mandates the following procedures:

1. Properties are tested for lead-based paint before demolition work is undertaken to assure proper disposal; and
2. City Housing staff and Building and Safety staff look for potential lead-based paint problems when inspecting homes; and
3. City Housing staff include disclosures on the hazards of lead-based paint in all contracts; and
4. City staff coordinates their efforts with the Los Angeles County Department of Public Health through the policy of reporting all instances of structures containing lead-based paint.

During the period of July 1, 2005 to June 30, 2006, two elevated blood levels (EBL's) were reported to the County of Los Angeles Department of Health Services down from the six reports in the 2004 program year. Of these two EBL's, none resulted in a case. These reports came from the following census tracts within the City of Lancaster:

<u>Census Tract</u>	<u>Reports</u>	<u>Cases</u>	<u>Blood Lead Level</u>
9001.01	1	0	10
9006.06	1	0	12

Reported Number of Screenings: 1,036

G. Compliance with Program and Comprehensive Planning Requirements

1. To ensure compliance with program and comprehensive planning requirements, City staff attended HUD-sponsored training seminars and workshops related to Action Plan development and the Integrated Disbursement Inventory System (IDIS). Housing staff also attend workshops related to obtaining state HOME funds.
2. City staff also completed all HUD-related reports for the 2005 Program Year in a timely manner using HUD reporting requirements and software.
3. City staff continued to monitor and evaluate progress toward achieving the goals and objectives presented in the City's five-year Consolidated Plan. Staff also continued their comprehensive monitoring plan with the City's fair housing provider, reviewing specific quarterly goals. These goals and accomplishments are discussed in detail under Section II, "Affirmatively Further Fair Housing," in this report.
4. The following processes were utilized to monitor the City's progress in meeting goals for the current year as well as those goals and objectives outlined in the City's five-year Consolidated Plan:
 - a. Reports documenting the progress of the current fiscal year's projects and/or activities.
 - b. Timetables for projects/activities.
 - c. Monthly reports from the City's Finance Department itemizing all expenditures.
 - d. Drawdown and carry-over amounts for all CDBG, HOME, and Redevelopment Agency projects/activities.
 - e. Review of quarterly summary reports from the fair housing service provider.

- f. Weekly staff meetings to ensure program manageability and accountability.
5. An on-site monitoring review/audit of the City's CDBG program was conducted August 2-4, 2006. The following concerns and finding resulted from this audit.
- a. Concern: Eligibility, national objective, and records to be maintained for the North Downtown/Transit Village Project (Completed)
 - b. Finding: Subrecipient Agreement for fair housing services (Approved March 28, 2006)
 - c. Concern: Citizen Participation Plan Update (Approved February 14, 2006)

Documentation related to these concerns and finding was submitted to the City's HUD representative.

H. Reduce the Number of Persons Living Below the Poverty Level

The goals and objectives found in the Strategic Plan of the City's Consolidated Plan outline the City's plan for addressing the housing and economic needs of the community during this five-year period. The Plan particularly addresses the needs of lower-income individuals and families including those who are homeless or threatened with homelessness as well as individuals with special needs.

The City's 2005 Action Plan, along with the Redevelopment Agency's housing programs, were aimed at reducing, to the extent possible, the number of poverty level families and individuals. The Action Plan also took into consideration the many factors over which the City and Agency have no control (i.e. funding resources, economic conditions, business staffing reductions, state budget, etc.)

The housing programs funded in FY 2005 once again continued to preserve and produce housing units intended for low/moderate-income families and individuals as outlined in Section III, "Affordable Housing.

In addition, as outlined in Section IV, "Continuum of Care," focus was placed on identifying and meeting the service needs of the homeless and needy populations.

Also, as noted in Section V.A., "Obstacles to Meeting Under-Served Needs," the City of Lancaster, in cooperation with other public and private agencies, was able to assist the employment needs of its unemployed population, including the homeless and under-employed residents, through the continued support of the Work Source Antelope Valley One-Stop Career Center. This Center provides one-stop access to assessment, training, and employment services for all individuals seeking employment as well as providing services such as recruitment support and applicant testing for area businesses.

The cumulative effects of the City of Lancaster and the Lancaster Redevelopment Agency's efforts have resulted in the direct preservation and provision of affordable housing for low-income families and individuals along with the coordinated housing and service programs undertaken with other agencies, service providers, and private industry. These efforts will continue to incrementally assist in the reduction of the number of poverty level families within the City of Lancaster and the Antelope Valley. In addition, through the provisions of housing and supportive services along with the concentrated efforts of the City and the Redevelopment Agency to encourage economic and development growth, the opportunity for gainful employment will continue to increase for targeted income groups.

VI LEVERAGING RESOURCES

In the City's Consolidated Plan, extremely low and low-income families as well as the elderly were identified as experiencing the most significant housing problems. With the implementation of the City's Consolidated Plan, although funding is limited, programs have been made available and partnerships have been created to assist these groups with their housing needs.

During the 2005 Program Year, the City provided financial assistance to eight low-income families in the amount of \$959,291 through the City's Home Ownership Mortgage Loan Program funded through State HOME Program revolving funds and 20% Redevelopment set-aside housing funds.

Also in FY 2005, the City of Lancaster again supported the operation and maintenance of the Lancaster Community Shelter facility with financial assistance in the amount of \$61,662 in addition to "in-kind" staff support. Funding was provided through Redevelopment Agency Housing 20% set aside funds. The Shelter served 666 individuals/families during the program year.

The City also assisted local non-profit agencies in applying for grant funding for five local programs so that these organizations could continue providing support services for the community.

In addition, the City provided funding support from two Section 108 Loan Guarantees to assist the Antelope Valley Mental Health Association and the Children's Center of the Antelope Valley in relocating and expanding their services within the North Downtown Revitalization/Transit Village Project area.

VII CITIZEN COMMENTS

A 14-day public review and comment period was made available (September 12-26, 2006). This review and comment period was published in the “Public Notice” section of the local newspaper on Tuesday, September 12, 2006, and posted at public sites throughout the city (Exhibit 15). No citizen comments were received during this review and comment period.

VIII SELF-EVALUATION

During the 2005 Program Year, the City of Lancaster continued to meet the needs of its citizens by developing and funding programs that met the City's approved Consolidated Plan's goals and objectives of providing safe and affordable housing, providing suitable living environments, expanding economic opportunities for low/moderate-income residents, and supporting continuum of care programs for the homeless and needy populations within the community.

The City was very active in leveraging resources through the award of Section 108 Loan Guarantees for the relocation and expansion of both the Antelope Valley Mental Health Association (\$1.45 million) and the Children's Center of the Antelope Valley (\$1.5 million). These two service agencies will provide expanded services within the City's North Downtown Revitalization/Transit Village Project area in proximity to other support services already located in the project area.

With the number of Section 108 Loans the City of Lancaster has been awarded, much of its CDBG entitlement funding each year is budgeted for the repayment of these loans. As a result, only about 50% of funding remains each year for eligible CDBG projects. Most of what is reported in this Consolidated Annual Performance and Evaluation Report is funded by the City and the Lancaster Redevelopment Agency.

While the City's highest priority goals remained on target and continue to make an impact on identified needs, as noted previously, there were a few goals, specifically related to the rehabilitation of rental properties which were delayed due to a delay in participation by property owners. This project will be carried over for completion in the 2006 program year.

The City of Lancaster completed its full reporting year using the HUD IDIS reporting and disbursement system. The City completed all reporting requirements using this system and tracked all disbursements, balanced expenditures, and monitored accomplishments using the IDIS reports.

IX ADDITIONAL NARRATIVE

A. Relationship between the use of CDBG funds to priorities, needs, goals, and specific objectives identified in the Consolidated Plan.

For the 2005 Program Year, the City of Lancaster focused its Community Development Block Grant (CDBG) resources on priorities outlined in the City's five-year Consolidated Plan and Strategy.

The priorities funded in FY 2005, resulting in a 97% benefit to low and moderate-income persons, included:

1. Consolidated Plan Goal/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*

CDBG Funding: A total of \$31,055 was budgeted to repay a \$320,000 Section 108 Loan Guarantee for additional infrastructure required for the Fox Field Industrial Corridor in order to enhance economic development in that area. At the end of the program year all budgeted funds were expended.

At the end of this program year, three additional employers relocated to the Fox Field Industrial area. In addition to the already existing Rite Aid Southwest Headquarters Regional Distribution Center, Michaels Stores Distribution Center, and Rexhall Industries, Inc., SCE Gaskets and SCP Distributors purchased industrial space developed by the Larwin Investment Company creating 40 new jobs. SYGMA, a subsidiary of SYSCO Corporation; the nation's largest food service supplier, completed a 239,000 square foot facility. SYGMA created 219 new jobs this program year and, at full capacity, will employ approximately 350 workers.

Without the infrastructure and improvements provided, in part, through this loan and other City and federal funding, these businesses would not have located in this industrial area, would not have been able to expand operations, and would not have created new jobs for low and moderate-income residents. As a result, the City has exceeded its expectations and goals presented in its application for Section 108 funds.

2. **Consolidated Plan Goal/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

(a) North Downtown Revitalization/Transit Village Project Area

CDBG Funding: A total of \$116,222 was allocated to the repayment of a \$1.45 million Section 108 Loan Guarantee secured for the purpose of acquiring properties needed for the relocation and expansion of the Antelope Valley Mental Health Association facility within the North Downtown Revitalization/Transit Village project area. All properties have been acquired, design has been completed, and groundbreaking ceremonies took place on June 29, 2006. At the end of the program year all budgeted funds for repayment of this loan were expended.

CDBG Funding: A total of \$127,031 was allocated to the repayment of a \$1.5 million Section 108 Loan Guarantee awarded for the purpose of constructing a new Antelope Valley Children's Center facility within the North Downtown Revitalization/Transit Village project area. The new facility's grand opening was held June 22, 2006. At the end of the program year all budgeted funds for repayment of this loan were expended.

3. **Specific Requirement of the CDBG Program - Affirmatively Furthering Fair Housing**

Objective: Continue to offer fair housing services for the residents of Lancaster

CDBG Funding: A total of \$22,050 was allocated to fund the Housing Rights Center (HRC) sub-recipient contract for the 2005 Program Year. Over the year, the HRC serviced a total of 523 Lancaster clients, a 28% increase over last year, through a variety of programs and services. A breakdown of programs, services and accomplishments is provided under Section II, "Affirmatively Furthering Fair Housing" beginning on Page 22 of this report and is offered in detail in Exhibit 10. At the end of the program year all budgeted funds were expended.

4. **Consolidated Plan Goal/Priority 6: Construction of affordable housing meeting the needs of the low to moderate-income population; Goal/Priority 7: Promote and stimulate job creation activities for low/moderate-income residents through economic development activities (construction of infrastructure); and Goal/Priority 8: Enhance the City's public facility needs through the expansion of the City's parks and Recreation and neighborhood facilities**

CDBG Funding: A total of \$286,708 was allocated to the repayment of a \$3.1 million Section 108 Loan Guarantee for purposes of providing public improvements within the Fox Field Industrial Corridor for economic development and continued job creation (\$500,000); property acquisition of the City's old state fairgrounds for the purpose of creating an affordable 73 single-family home development, commercial area, and park/baseball facility (\$1.3 million); and completion of a world-class soccer complex public facility on otherwise blighted property located on the east side of the City (\$1.3 million). At the end of the program year all budgeted funds for repayment of this loan were expended.

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

Objective B1: Implement a Rental Housing Rehabilitation Program in the North Downtown Revitalization/Transit Village Project area.

Provide financial assistance of approximately \$875,000 to rehabilitate approximately 40 qualified rental units over five years.

CDBG Funding: This project was funded in the 2005 Program Year in the amount of \$867,308; however, owners did not begin to apply for participation in the program until the end of the program year. Because of this delay, rehabilitation efforts will not begin until the 2006 program year. The program and CDBG funding were carried over for completion in the 2006 Program Year.

6. **Specific Requirement of the CDBG Program - Program Administration**

CDBG Funding: A total of \$105,000 was budgeted for the administration of the CDBG program to include project management, records management, completion of all required reports, consultant support, training, and financial administration. A total of \$117,674 was expended during this program year; however costs still remained below the 20 percent limit. Additional funding to cover the budget overage was

obtained through remaining unallocated CDBG funds. The \$12,674 shortfall in program administration funding did not meet the criteria of a "substantial" change requiring an amendment to the City's approved 2005-2006 Consolidated Plan Action Plan.

A comprehensive review of CDBG project funding for the 2005 Program Year is provided in Exhibit 1 and summarized on the U.S. Department of Housing and Urban Development CDBG Summary of Consolidated Plan Projects For Report Year 2005 (PR06) as Report B.

B. Nature of and reasons for changes in program objectives

During the 2005 Program Year, no changes to the program objectives in the City's approved Consolidated Plan were made. As a result, the City of Lancaster continued to meet the needs of its citizens by developing and funding programs that met the City's Consolidated Plan goals and objectives of providing safe and affordable housing, providing suitable living environments, expanding economic opportunities for low/moderate-income residents, and supporting continuum of care programs for the homeless and needy populations within the community.

If the City has any future changes to its program objectives during the coming year, those changes will be processed through the HUD Community Planning Department following CDBG program requirements and procedures.

C. Assessment of effort in carrying out planned actions described in grantee action plan

The City of Lancaster pursued all the resources, and more, that were outlined in its 2005 Action Plan in order to meet the City's objectives and fund as many projects as possible. Along with using State HOME program income to meet current housing needs for low-income residents, the City was awarded additional funding through state and federal transportation grants, and state and federal public safety grants in addition to utilizing Section 108 Loan Guarantee funding.

The only budgeted project not started as planned in the 2005 program year, was the Rental Rehabilitation Program within the North Downtown Revitalization/Transit Village Project area.

As noted previously, property owners did not begin to apply for participation in the program until the end of the program year. Because of this delay, rehabilitation efforts will not begin until the 2006 program year. The program and CDBG funding will be carried over for completion in the 2006 Program Year.

D. Grantee funds were used exclusively for the three national objectives

All projects/programs undertaken by the City of Lancaster during this program year clearly met one of the three national objectives of (1) benefiting low and moderate-income persons; (2) addressing slums or blight; or (3) meeting a particularly urgent community development need.

E. Activities for the program year involving acquisition, rehabilitation, or demolition of occupied real property

Although budgeted, the City of Lancaster did not complete any rehabilitation projects during the 2005 Program Year using CDBG funds. Also no CDBG funds were used in acquisition or demolition of occupied real property during this program year.

However, three properties were acquired for the purpose of assimilating land for the construction of a public park in the North Downtown Neighborhood Revitalization area at a total cost of \$3,388,000 (Exhibit 4, No. 5). Funding for these acquisitions came from Urban Structure Fees, Park in Lieu Fees, and from the Lancaster Redevelopment Agency's 20 percent low and moderate-income housing fund.

F. Economic development activities undertaken where jobs were made available to low or moderate-income persons but not taken by them.

1. All jobs created through the City and Redevelopment Agency activities are made available to low or moderate-income persons. However, it is not known whether the jobs created within the Fox Field Industrial Corridor were taken by LMI residents.
 - SCE Gaskets relocated to the Fox Field Industrial Corridor creating 25 new jobs.
 - SCP Distributors, LLC relocated to the Fox Field Industrial Corridor creating 15 new jobs.
 - SYGMA, a subsidiary of SYSCO corporation, the nation's largest food service supplier, relocated to the Fox Field Industrial Corridor creating 219 new jobs during this program year and, at full capacity, will employ 350 local workers.

2. **State Enterprise Zone Tax Credit:** Because of the hiring tax credits offered through the City of Lancaster's State Enterprise Zone, local employers receive over \$31,000 in tax credits (over five years) for every qualifying employee hired. Qualifying employees are those individuals that meet Workforce Investment Act (WIA) criteria for obtaining job placement assistance services. This program has been extremely successful since its inception in February 1997.

During this program year, 983 employees were hired through the Enterprise Zone program.

- G. **Limited Clientele Presumptive Benefit:** The City of Lancaster did not undertake any CDBG projects or programs in the 2005 Program Year that related to the limited clientele category.
- H. **Program Income:** The City did not receive any program income from CDBG activities.
- I. **HUD-Approved Neighborhood Revitalization Strategy:** The City of Lancaster does not have a HUD-approved neighborhood revitalization strategy; however, census tract 9008.06 within the North Downtown Revitalization/Transit Village Project has been federally defined as a "Qualified Census Tract" for additional federally funding.

The City of Lancaster has designated three areas within the city as revitalization areas:

1. North Downtown Revitalization/Transit Village Project (NDTVP)
2. Northeast Gateway corridors Plan (NGCP)
3. Lowtree Neighborhood Project (LNP)

- J. **EZ or EC Designation:** The City of Lancaster is not federally designated as an EZ or EC.
- K. **Certifications for Consistency:** Certifications related to affirmatively further fair housing, anti-displacement and relocation plan, drug free workplace, anti-lobbying, authority of jurisdiction, consistency with plan, Section 3, and specific CDBG certifications related to citizen participation, community development plan, following a plan, use of funds, excessive force, compliance with anti-discrimination laws, lead-based paint, and compliance with laws were presented in the Consolidated Plan Annual Action Plan for the 2005 Program Year as Appendix G in the 2005-2010 Consolidated Plan & Strategy document. All certifications have been followed in carrying out the various programs and projects funded with Community Development Block Grant funds.

- L. **Performance Measurement**: A matrix outlining the goals and accomplishments for the 2005 Program Year is included as Exhibit 2. The new HUD performance measurement system will be implemented for the 2006 Program Year.

X OTHER PROGRAM FUNDS

A. Home Program Funds

The City of Lancaster does not participate in the Federal HOME Program.

B. HOPWA Funds

The City of Lancaster does not receive HOPWA funding.

C. ESG Funds

The City of Lancaster does not receive ESG funding.

XI **NOTES**

A. **IDIS Reports**

1. CDBG Activity Summary Report (GPR) for Program Year 2005 (PR03) indicates funds drawn for Grant Administration activities in the amount of \$13, 192.00 for the 2004 program year. These funds were "red flagged" to count towards the 2004 GPR; however, the activity appears on the 2005 report due to the activity completion date of 8/4/05 (see Report E).

2. The CDBG Housing Activities Report (PR10) indicates housing activities for program years 1998 through 2001. (See Report C)