



CITY OF PALMDALE

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)

Fourth Program Year

July 1, 2018–June 30, 2019

**DEPARTMENT OF ADMINISTRATIVE SERVICES
September 3, 2019**

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CITY OF PALMDALE

**2018/2019 CONSOLIDATED ANNUAL PERFORMANCE
AND EVALUATION REPORT
JULY 1, 2018 THROUGH JUNE 30, 2019**

STEVEN D. HOFBAUER
Mayor

AUSTIN BISHOP
Mayor Pro Tem

RICHARD J. LOA
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Council Member

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Council Member

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Housing Coordinator

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CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

This 2018-2019 Consolidated Annual Performance and Evaluation Report (CAPER) is the City of Palmdale's report to the U.S. Department of Housing and Urban Development (HUD) describing the use of federal Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funds during the fourth program year of the 2015-2019 Consolidated Plan period, covering July 1, 2018 to June 30, 2019.

The City receives CDBG and HOME funds from HUD on a formula basis each year, and in turn, implements projects and also awards grants and loans to nonprofit, for-profit or public organizations for projects in furtherance of the adopted Consolidated Plan. The CDBG and HOME programs generally provide for a wide range of eligible activities for the benefit of low- and moderate-income Palmdale residents.

For the 2018-2019 program year, the City received \$1,601,341 of CDBG funds and \$620,104 of HOME funds from HUD. Together with prior year(s) funding available, a total of \$2,697,073 was allocated to projects in the 2018-2019 Action Plan. This investment of CDBG and HOME funds was a catalyst for positive change in the community. Together with other federal, state and local investments, HUD resources allowed the City and its partners to:

- Provide fair housing services to 253 residents;
- Provide homelessness prevention and assistance services to 3,080 residents;
- Provided tenant-based rental assistance to 25 households;
- Provide Public Facility Improvements at the SAVES Courson Freezer benefiting 3,080 residents;
- Provide Public Facility Improvements at the SAVES Courson Warehouse benefiting 16,946 residents; and
- For the Courson Arts Colony (CAC) East project, construction continued for the East phase and the West phase, for a total of 161 units.

Table 1 provides a summary of the five-year and one-year accomplishments for the period ending June 30, 2019, arranged by each of the Strategic Plan Goals included in the 2015-2019 Strategic Plan of the Consolidated Plan.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Table 1 - Accomplishments – Strategic Plan & Program Year to Date

Goal	Category	2018-2019 Amount Allocated	Indicator	Unit of Measure	5-Year Strategic Plan			2018-19 Program Year 4		
					Expected	Actual	Percent Complete	Expected	Actual	Percent Complete
Affordable Homeownership	Affordable Housing	HOME: \$0	Homeowner Housing Added	Household Housing Unit	5	0	0.00%	0	0	0.00%
Affordable Housing Development	Affordable Housing	HOME: \$523,094	Rental units constructed	Household Housing Unit	160	80	50.00%	0	0	0.00%
Affordable Housing Development	Affordable Housing	HOME: \$0	Homeowner Housing Added	Household Housing Unit	50	0	0.00%	0	0	0.00%
Affordable Housing Preservation	Affordable Housing	HOME: \$0	Rental Units Rehabilitated	Household Housing Unit	5	4	80.00%	0	4	>100.00%
Fair Housing Services	Affordable Housing	CDBG: \$31,774	Other	Other	1,500	1,292	86.13%	300	253	84.33%
Rental Assistance	Affordable Housing	HOME: \$35,000	Tenant-based rental assistance / Rapid Rehousing	Households	30	89	296.67%	30	25	83.33%
Homelessness Prevention and Assistance	Homeless	CDBG: \$240,201	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	25,000	26,312	105.25%	7,000	3,080	44.0%
Planning	Planning and Administration	CDBG: \$288,494 HOME: \$62,010	Other	Other	-	-	-	-	-	-

Goal	Category	2018-2019 Amount Allocated	Indicator	Unit of Measure	5-Year Strategic Plan			2018-19 Program Year 4		
					Expected	Actual	Percent Complete	Expected	Actual	Percent Complete
Public Facilities and Infrastructure Improvements	Non-Housing Community Development	CDBG: \$1,040,872	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	200,000	209,926	104.96%	23,106	20,026	86.67%
Special Needs Services	Non-Homeless Special Needs	CDBG: \$0	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	60	0	0.00%	0	0	0.00%

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

During the program year, the City and its housing and community development partners made progress on several 2018-2019 activities as well as some multi-year activities that continued during the program year. All CDBG and HOME funded activities addressed specific high priority objectives identified in the 2015-2019 Consolidated Plan.

The CDBG-funded South Antelope Valley Emergency Services activity served fewer unduplicated people than was anticipated in the Action Plan. This was a result of a policy change to how new clients were processed that was meant to alleviate staffing constraints early in the year. Even still, data indicate that overall, more services were provided throughout the year to the clients who were served, thus illustrating the ongoing high need for services. Additional staff was hired and the policy for processing new clients was modified to serve more clients. It is anticipated that the number served will return to high levels again next year.

The majority of CDBG funds were allocated to public facilities and infrastructure improvement activities to benefit low- and moderate-income neighborhoods, provide disabled access, provide facilities for homelessness prevention services or that directly support affordable housing. The 2014 SAVES Courson Warehouse Freezer activity was completed during the program year adding capacity for South Antelope Valley Emergency Services to store larger quantities of meats and other frozen foods to better serve Palmdale residents in need. The 2017 activity for ADA Improvements at the Courson Warehouse facility was also completed during the program year.

The 2015 HOME-funded Tenant Based Rental Assistance (TBRA) provided assistance to 34 unduplicated extremely low-income senior households (age 62 or older) experiencing a severe housing cost burden (more than 50% of household income goes to rent). The 2017 and 2018 HOME-funded TBRA funding was awarded through a competitive RFP process. A new activity was assigned and implementation began on March 1, 2019 and is currently serving 25 unduplicated households.

The HOME-funded CHDO Multi-Family Rehabilitation was completed on June 27, 2018 and fully leased by September 30, 2018. This project created four decent affordable rental housing units owned and managed by Advancing Communities Together, a certified Community Housing Development Organization serving the community.

The 2016 HOME-funded Courson Arts Colony East multi-family new construction project financing was completed December 2016. Construction on the East phase commenced in January 2017 and received a temporary certificate of occupancy in December, 2018. Final completion of the East Phase is dependent on full completion of the West phase, which is anticipated in September, 2019.

The 2018, 2017, 2016, 2015 and 2014 CDBG Courson Connection Infrastructure activities for the affordable housing development of Courson Arts Colony West made substantial progress in this program year. Construction for the West phase commenced in June, 2017 and is expected to be complete in September, 2019. Combined, the East and West phase will provide 160 affordable units.

The Yellen Park Sidewalks began design of construction in April 2019. The project will be completed during the 2019-2020 Program Year. The ADA Compliance at Avenue Q-12 project was approved for construction by the City Council in February 2019, including the sidewalks adjacent to Courson Park. The project will also be completed during the 2019-2020 Program Year.

The City anticipates making significant progress toward the numeric accomplishment goals for public facilities and infrastructure improvements projects when the multi-year activities listed above are completed during the 2019-2020 program year, the fifth year of the five-year Consolidated Plan period.

Each of the activities that were underway during the 2018-2019 program year are listed in Figure 1, including the amount of CDBG or HOME funds allocated to the activity and the amount spent as of June 30, 2019. Figure 2 provides the numeric accomplishment goal and the amount accomplished as of June 30, 2019.

Figure 1 – Use of CDBG and HOME Funds

Strategic Plan Goal / Allocation Year / Activity	Source	Allocation	Spent through 6/30/19	Percent Spent
1. Affordable Housing Development				
2016 Courson Arts Colony East	HOME	\$458,838.00	\$432,000.00	94.15%
2. Fair Housing Services				
Fair Housing Services	CDBG	\$31,774.00	\$31,774.00	100.00%
3. Homelessness Prevention and Assistance				
South Antelope Valley Emergency Services	CDBG	\$240,201.00	\$239,265.56	99.61%
4. Special Needs Services				
No activities.				
5. Public Facilities and Infrastructure Improvements				
2017 ADA Compliance – SAVES Warehouse	CDBG	\$287,500.00	\$203,018.03	70.61%
2016 SAVES Facility Acquisition	CDBG	\$200,000.00	\$0.00	0.00%
2016 Section 108 Debt Service	CDBG	\$424,950.00	\$424,003.18	99.77%
2018 Courson Connection Infrastructure	CDBG	\$155,050.00	\$0	0.00%
2017 Courson Connection Infrastructure	CDBG	\$310,130.00	\$310,130.00	100.00%
2016 Courson Connection Infrastructure	CDBG	\$336,010.00	\$336,010.00	100.00%
2015 Courson Connection Infrastructure	CDBG	\$312,210.00	\$312,210.00	100.00%
2014 Courson Connection Infrastructure	CDBG	\$203,031.00	\$167,094.44	82.30%
2018 ADA Compliance - Yellen	CDBG	\$100,000.00	\$32,017.51	32.02%
2018 ADA Compliance – Q-12	CDBG	\$836,500.00	\$0.00	0.00%
2014 SAVES Courson Warehouse	CDBG	\$127,436.00	\$113,267.91	88.88%
	Subtotal	\$3,292,817.00	\$1,897,751.07	57.63%
6. Affordable Homeownership				
No activities.				
7. Affordable Housing Preservation				
2013 Acq and Rehab 38429 10th Place East Palmdale and 2015 CHDO Multi-Family Rehabilitation	HOME	\$373,599.00	\$371,335.45	99.39%
		\$176,401.00	114,214.96	64.75%
	Subtotal	\$550,000.00	\$485,550.41	88.28%
8. Planning and Administration				
CDBG Program Administration	CDBG	\$288,494.00	\$106,984.90	37.08%
HOME Program Administration	HOME	\$62,010.00	\$39,100.81	63.06%
	Subtotal	\$350,504.00	\$146,085.71	41.68%
9. Rental Assistance				
2015 Tenant-Based Rental Assistance	HOME	\$386,246.00	\$370,676.72	95.97%
2017 Tenant-Based Rental Assistance	HOME	\$160,000.00	\$45,457.41	28.41%
2018 Tenant- Based Rental Assistance	HOME	\$35,000.00	\$0.00	0%
	Subtotal	\$581,246.00	\$416,134.13	71.59%
Total for all Goals:		\$6,055,380.00	\$3,648,560.88	66.38%

Figure 2 – Program Year Accomplishments by Strategic Plan Goal

Strategic Plan Goal / Activity	Unit of Measure	Expected	Actual
1. Affordable Housing Development			
2016 Courson Arts Colony East	Household Unit	80	0
2. Fair Housing Services			
Fair Housing Services	People	300	253
3. Homelessness Prevention and Assistance			
South Antelope Valley Emergency Services	People	7,000	3,080
4. Special Needs Services			
No activities.	-	-	-
5. Public Facilities and Infrastructure Improvements			
2017 ADA Compliance – SAVES Warehouse	People	16,946	16,946
2016 SAVES Facility Acquisition	People	5,000	0
Section 108 Debt Service	N/A	-	-
2018 Courson Connection Infrastructure			
2017 Courson Connection Infrastructure			
2016 Courson Connection Infrastructure	People	41,205	0
2015 Courson Connection Infrastructure			
2014 Courson Connection Infrastructure			
2014 SAVES Courson Warehouse	People	5,000	3,080
2018 ADA Compliance – Yellen Park	People	6,160	0
2018 ADA Compliance – Q-12	People	2,070	0
6. Affordable Homeownership			
No activities.	-	-	-
7. Affordable Housing Preservation			
2013 Acq and Rehab 38429 10th Place East Palmdale and 2015 CHDO Multi-Family Rehabilitation	Household Unit	4	4
8. Planning and Administration			
CDBG Program Administration	N/A	-	-
HOME Program Administration	N/A	-	-
9. Rental Assistance			
2015 Tenant-Based Rental Assistance	Households	30	25

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

Table 2 – Table of assistance to racial and ethnic populations by source of funds

	CDBG	HOME
White	1,268	14
Black or African American	1,754	12
Asian	14	0
American Indian or American Native	18	0
Native Hawaiian or Other Pacific Islander	4	0
Other multi-racial	3,102	3
Total	6,160	29
Hispanic	2,862	4
Not Hispanic	3,298	25

Narrative

Table 2 provides an aggregate of race and ethnicity data for persons and households served during the program year based on accomplishment data from all CDBG and HOME activities reported in HUD's Integrated Disbursement and Information System (IDIS). For more detailed demographic information by project or activity, refer to reports PR-03 and PR-23 in Appendix C.

Based on the information in Table 2, a diverse array of persons and households benefitted from CDBG and/or HOME funded housing, public facilities or public service projects during the program year. The TBRA activity assisted 25 persons in the current year, the third year of the activity. The demographic information for the activity was reported in the 2016-2017 report.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Table 3 - Resources Made Available

Source of Funds	Resources Made Available in 2018-2019 Action Plan	Amount Expended During Program Year
CDBG	\$2,076,969	\$1,676,498.14
HOME	\$620,104	\$208,233.92

Narrative

The federal, state, local and private resources available for the implementation of projects during the 2018-2019 program year are identified in Table 3. The CDBG resources include \$1,601,341 of CDBG formula grant funds, \$475,628 of unexpended CDBG funds from prior years, for a total CDBG investment of \$2,076,969. The HOME resources include \$620,104 of HOME grant funds. A grand total of \$2,697,073 of CDBG and HOME funds were allocated to projects in the 2018-2019 Action Plan.

Identify the geographic distribution and location of investments

Table 4 – Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Low- and Moderate-Income Areas	53%	8%	For 2018-2019, the Courson Connection Infrastructure, ADA Compliance Q-12 Sidewalks, and Yellen Park Sidewalks activities served low- and moderate-income areas. \$1,091,550 was allocated in the 2018-2019 Action Plan for these activities representing 53% of all CDBG funds allocated and through June 30, 2019, \$32,018 was spent for these activities, representing 8% of all expenditures for 2018-2019 CDBG activities.

Narrative

For the 2018-2019 program year, the City allocated over \$1.4 million of CDBG funds to Public Facilities and Infrastructure activities designed to benefit the Low-and Moderate-Income Areas, representing 11 percent of the City's total CDBG and HOME investments for the 2018-2019 program year.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

To address housing and community development needs in Palmdale, the City leverages its CDBG and HOME entitlement grants with a variety of funding resources in order to maximize the effectiveness of available funds. The primary funding sources for leveraging CDBG and HOME funds in Palmdale are Housing Successor Agency housing asset funds, redevelopment Successor Agency funds and the Redevelopment Property Tax Trust Fund (RPTTF) funds.

During the program year, the City continued work with Meta Housing Corporation on the two phases of the Courson Arts Colony. The Courson Arts Colony East project, located at the southeast corner of East Avenue Q11 and 10th Street East in Palmdale leverages the HOME funds of \$457,000 with Low Income Housing Tax Credits through the California Tax Credit Allocation Committee yielding \$20,410,501 of Tax Credit Equity. Additional financing of \$2,658,122 was secured from the Housing Authority of the City of Palmdale and other financing of approximately \$5,380,236 was secured. This project will include the new construction of 80 units of housing serving large families with rents affordable to households earning 30-50 percent of area median income (AMI).

CDBG funds will be used for infrastructure improvements including a fire lane, pedestrian traffic improvements and reconstructing the Courson Park Pool as a neighborhood amenity for the Courson Arts Colony West project, located at the southwest corner of East Avenue Q11 and 9th Street East in Palmdale. The CDBG funds of \$1,275,000 are leveraged with Housing Asset Funds, Veterans Housing and Homelessness Prevention Program funds (VHHP), other funding from the State and County of Los Angeles, Tax Credit Equity of \$17,640,289, and other financing for project totaling \$39,905,839. This project will include the new construction of 80 units of housing serving large families with rents affordable to households earning 30-50 percent of area median income (AMI).

Additional CDBG leveraging opportunities were available for South Antelope Valley Emergency Services (SAVES) through the Emergency Food and Shelter Program Phase 36 for which funding of \$25,300. Additionally, over \$14,000 of cash donations from the community were received, and in-kind donations of food from area businesses and the Palmdale School District were valued over \$3 million.

HUD requires HOME Participating Jurisdictions (PJs) to match 25 percent of their HOME annual allocation. In accordance with 24 CFR 92.222, PJs satisfying the distress criteria established by the HOME Program regulations are provided a match reduction. Match reductions are granted due to fiscal distress, severe fiscal distress, and Presidential disaster declarations. For the 2018-2019 program year, the City of Palmdale received a 100 percent match reduction from HUD.

Table 5 – Fiscal Year Summary - HOME Match Report

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	\$2,999,057
2. Match contributed during current Federal fiscal year	\$0
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	\$2,999,057
4. Match liability for current Federal fiscal year	\$0
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	\$2,999,057

Table 6 – Match Contribution for the Federal Fiscal Year

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contrib.	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Prep., Const. Materials, Donated labor	Bond Financing	Total Match
-	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Table 7 – Program Income

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period	Amount received during reporting period	Total amount expended during reporting period	Amount expended for TBRA	Balance on hand at end of reporting period
\$0	\$31,040	\$0	\$0	\$31,040

HOME MBE/WBE report

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period

Table 8 – Minority Business and Women Business Enterprises

	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Number	0	0	0	0	0	0
Dollar Amount	\$0	\$0	\$0	\$0	\$0	\$0
Sub-Contracts						
Number	0	0	0	0	0	0
Dollar Amount	\$0	\$0	\$0	\$0	\$0	\$0
	Total	Women Business Enterprises		Male		
Contracts						
Number	0	0		0		
Dollar Amount	\$0	\$0		\$0		
Sub-Contracts						
Number	0	0		0		
Dollar Amount	\$0	\$0		\$0		

No HOME activities completed during the reporting period.

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted

Table 9 – Minority Owners of Rental Property

	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Dollar Amount	\$0	\$0	\$0	\$0	\$0	\$0

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition

Table 10 – Relocation and Real Property Acquisition

Parcels Acquired	0	\$0
Businesses Displaced	0	\$0
Nonprofit Organizations Displaced	0	\$0
Households Temporarily Relocated, not Displaced	0	\$0

Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Cost	\$0	\$0	\$0	\$0	\$0	\$0

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

Table 11 – Number of Households

	One-Year Goal	Actual
Number of homeless households to be provided affordable housing units	0	0
Number of non-homeless households to be provided affordable housing units	39	29
Number of special-needs households to be provided affordable housing units	0	0
Total	39	29

Table 12 – Number of Households Supported

	One-Year Goal	Actual
Number of households supported through rental assistance	30	25
Number of households supported through the production of new units	5	0
Number of households supported through the rehab of existing units	4	4
Number of households supported through the acquisition of existing units	0	0
Total	39	29

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

At the point of adoption of the 2018-2019 Action Plan on May 1, 2018, the City anticipated completing four affordable rental housing units through HOME activity 2013 Acquisition and Rehabilitation of 38429 10th Place East four-plex.

Throughout the 2018-2019 program year, the City has been working on the 38429 10th Place East four-plex project. Initially the project encountered delays of acquisition, point of transfer, and commitment of rehabilitation funds to the originally identified development partner. Thus, during the 2015-2016 program year, the City solicited development partners and identified Advancing Communities Together, who then became certified as a Community Housing City of Palmdale

Development Organization (CHDO). On May 4, 2016, the City amended the 2016-2017 Action Plan to award HOME funds to Advancing Communities Together for the purpose of rehabilitating and renting the four-plex. Subsequently, the City entered into an agreement to transfer the property to the CHDO. The transfer of the property was completed March 7, 2018. The rehabilitation design and rehabilitation work was completed June 26, 2018 and was fully leased-up by September 30, 2019. The 38429 10th Place East four-plex project creates four decent affordable rental housing units owned and managed by Advancing Communities Together, the City's certified CHDO.

Discuss how these outcomes will impact future annual action plans.

In future annual action plans, the City anticipates continuing to invest HOME funds to address housing affordability for renters and homeowners through the creation of new units, rehabilitation of existing substandard units and the provision of Tenant Based Rental Assistance to the City's most vulnerable residents – extremely low-income senior citizens experiencing a severe housing cost burden.

With the four-plex project completed on June 26, 2018, as well as the ongoing success of the Tenant Based Rental Assistance Program, the affordable housing focus in future Action Plans will center around new rental housing development such as the 160-unit Courson Arts Colony, which is currently in the construction phase. The East and West phase is anticipated to be complete in September, 2019. Additionally, the Homes 4 Families Single Family Veterans housing has begun construction and will include up to 56 units of housing for veterans using local housing funds and other private sources.

The City is actively seeking a certified CHDO with capacity to develop housing to increase the likelihood of meeting the HOME program requirement that 15 percent of each allocation be committed to a CHDO project within 24 months. The active Tenant Based Rental Assistance Program will ensure that HOME funds are effectively committed on time to meet HUD's 24 month commitment deadline. As a result of these actions, the City will be able to strategically invest the remaining HOME funds in affordable housing development or rehabilitation projects at a point in time when these projects are shovel ready with all other financing commitments in place.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Table 13 – Number of Persons Served

Number of Persons Served	CDBG Actual	HOME Actual
Extremely Low-income	5,536	25
Low-income	582	0
Moderate-income	42	4
Total	6,160	29

Narrative Information

The 2015-2019 Consolidated Plan - Strategic Plan identified high priority affordable housing needs including preserving the supply of affordable housing and providing rental assistance to extremely-low income seniors. During the 2018-2019 program year, the City invested HOME funds in an effort to create four decent affordable rental units in partnership with a CHDO and also provided HOME funds to Valley Oasis to implement the Tenant-Based Rental Assistance program for extremely-low income seniors experiencing a housing cost burden. On June 26, 2018, Advancing Communities Together completed the construction for the 38429 10th Place East four-plex project and eligible households moved in during July and August, 2018.

Other strategic investments were made with HOME funds to support the building of affordable rental units for the CAC East phase and CDBG funds to support CAC West phase development of infrastructure for the anticipated total of 160-unit META Housing Courson Arts Colony. Furthermore, the City continues to assist Homes 4 Families through the development process for its Single Family Veterans Housing complex to include up to 56 units of housing for veterans using local housing funds and other private sources.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

In Los Angeles County, the Los Angeles Homeless Services Authority (LAHSA) is the lead agency coordinating the Continuum of Care (CoC). LAHSA is a joint powers authority for the City and County of Los Angeles (with the exception of the Cities of Long Beach, Pasadena and Glendale). A ten-member Commission governs LAHSA. Each of the County's five Supervisors appoints one (1) commissioner while the Mayor and City Council of Los Angeles appoint another five (5) members. LAHSA plans, coordinates and manages resources for the County's homeless programs. In addition, LAHSA provides technical assistance, data and other planning resources to many of the incorporated cities within the County, including the City of Palmdale. LAHSA develops and oversees a comprehensive strategy to address homelessness.

Additionally, in February, 2016, the Los Angeles Board of Supervisors approved an unprecedented action plan of nearly two dozen interlocking strategies, focusing on six key areas to combat homelessness. The City of Palmdale has been one of over 100 community groups, cities and county leaders who continue to actively participate in the planning and implementation of these strategies to address homelessness. As part of the County strategy, the City of Palmdale participated in a process to create a city-specific plan to prevent and combat homelessness. In addition to participating in County-wide stakeholder meetings and as a member of the Continuum of Care (CoC), the City of Palmdale participates in a regional approach to address homelessness within the Antelope Valley Service Planning Area No. 1 (SPA 1). SPA 1 covers approximately 2,500 square miles of desert and forest, from the Kern County line on the north, to the San Bernardino County line on the east, the Ventura County line on the west and the Angeles Forest on the south. The homeless count conducted by LAHSA in January 2018 estimated that the number of homeless persons in SPA 1 was 3,203 on any given night and of these, 228 were in Palmdale. A more recent count conducted by LAHSA in January 2019 estimated that the number of homeless persons in SPA 1 increased three percent to 3,293. This count indicated that the number of homeless in Palmdale had increased by 39 percent to 318 people homeless persons in 2019.

The City participates in the Antelope Valley Homeless Coalition, an inter-agency council with 30 participants. Through this participation, the City is able to coordinate efforts and resources with local homeless service providers including Los Angeles County's Coordinated Entry System, outreach and engagement, 2-1-1, and the Homeless Access Center in Lancaster operated by Valley Oasis. The City also partners with community organization to hold a quarterly Homeless Connect days for people who are homeless or at-risk of homeless, as well as with PATH to conduct weekly outreach and engagement at the City Library and the LAHSA Emergency Response Team to provide outreach to people who are literally homeless in the community.

The City allocated the full 15 percent of its 2018-2019 CDBG funds for the South Antelope Valley Emergency Services program for providing food and other resources to persons experiencing homelessness and individuals and families at risk of homelessness.

Addressing the emergency shelter and transitional housing needs of homeless persons

The ultimate solution to ending homelessness is permanent housing closely aligned with supportive services that ensure housing stability can be maintained. However, because the demand for affordable housing far outpaces the region's supply, the CoC continues to rely on its emergency and transitional housing system in order to address the immediate needs of Los Angeles County's homeless population. To expand the options available in the community, the County's Homeless Initiative has expanded LAHSA-funded crisis housing to 24-hour facilities and has begun providing Rapid Re-Housing and Homeless Prevention funds to the community.

To address homeless needs in Palmdale among the 18-24 year old age segment, the City and Advancing Communities Together, Inc. established the Palmdale Dream Center, an 11-unit transitional housing center with congregate activities and services designed to promote continuing education and employment for residents to achieve self-sufficiency and permanent housing. During this program year, the Coordinated Entry System for youth was expanded Countywide and many of the County's strategies for addressing homelessness also have a component that prioritizes transitional age youth.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

An individual or family is considered to be at-risk of becoming homeless if it experiences extreme difficulty maintaining their housing and has no reasonable alternatives for obtaining subsequent housing. Circumstances that can cause homelessness include eviction, loss of income, insufficient income, disability, increase in the cost of housing, discharge from an institution, irreparable damage or deterioration to housing, and fleeing from family violence.

During 2018-2019, the City and Valley Oasis used HOME funds to implement the Tenant Based Rental Assistance Program to provide assistance for extremely low-income elderly residents who are experiencing a severe rent burden.

The City provided funds to South Antelope Valley Emergency Services (SAVES), which provides emergency shelter (motel vouchers) and food to eligible low-income persons, homeless persons, and emancipated youth. SAVES also provides food and clothing to individuals and households at risk of becoming homeless. SAVES provides referral services to partners for job

placement, health, educational/training, and social service needs. Additionally, SAVES collaborates with local community partners to offer a continuum of services on-site by providing office space free of rent. During this program year, SAVES coordinated with six community partners to share space: 1. A Food Stamp Outreach Worker from the Los Angeles Regional Food Bank provides assistance with the SNAP application process; 2. A Community Advocate from Housing Rights Center provides a walk-in clinic and one-on-one consultations to community members in need of Fair Housing and Tenant/Landlord services; 3. An outreach worker with the Salvation Army provides a utility assistance program and Homeless Prevention Rapid Rehousing Assistance once a week; 4. A case manager from Valley Oasis works with Seniors who are participating in the TBRA Program; and 5. Community Health Workers with Bartz-Altadonna Community Clinic provides onsite Medi-Cal and other low-income medical insurance eligibility for our participants. Bartz-Altadonna also provides a full scale medical office on wheels via their "Mobile Clinic" twice a month. 6. Neighborhood Legal Services provides free legal-aid assistance in a wide range of areas including housing, health, Family and criminal law. SAVES utilizes volunteer workers and Los Angeles County Transitional Subsidized Employment (TSE) program participants providing the opportunity to build job skills and experience in a warehouse/food pantry setting and training in general office skills.

The City supports America's Job Center of California (AJCC) previously known as the South Valley WorkSource Center or One Stop Center centrally located in Palmdale. The Center provides comprehensive employment, training and educational services to employers and job seekers.

The Housing Rights Center uses CDBG funds to provide fair housing, tenant/landlord mediation and legal services for residents through attorney consultations and preparation of legal documents for the residents to represent themselves in family law and landlord/tenant actions. Some of these services are provided to prevent undue evictions that could lead to homelessness.

The City is included in the Housing Authority of the County of Los Angeles' efforts to provide Section 8 rental assistance to extremely low- and very low-income households located within the City limits. The Section 8 program gives priority to households that are at risk of becoming homeless or currently residing in inadequate housing.

During 2018-2019, the Housing Authority of the City of Palmdale awarded a contract for the Homeless Prevention and Rapid Rehousing Program utilizing Housing Asset Funds to provide short- and medium-term rental assistance and other appropriate activities for homeless prevention and rapid rehousing of persons who have become homeless. Implementation began in January, 2019 and has assisted six households.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that

individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

In support of CoC efforts, the 2015-2019 Strategic Plan provides for the use of CDBG funds to support activities implemented by local nonprofit organizations that provide services to help prevent and eliminate homelessness, including families at risk of homelessness. The City will provide CDBG funds to South Antelope Valley Emergency Services and also provided HOME funds to Valley Oasis for the Tenant Based Rental Assistance Program. HOME funds were also used to promote affordable housing development and preservation efforts. Additionally, the Homeless Prevention Rapid Rehousing Program funded by Housing Asset Funds will be fully implemented this next year to provide assistance to rehouse households experiencing homelessness, as well as prevent individuals and families from becoming homeless.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

The City of Palmdale Housing Authority was formed in 1994 under State of California Housing Authority Law to actively improve existing neighborhoods and develop affordable housing opportunities using local, state and federal resources. The Palmdale Housing Authority does not administer Section 8 and does not own HUD Public Housing; however, the City is within the service area of the Housing Authority of the County of Los Angeles (HACoLA) for the purposes of Section 8 and Public Housing. During the 2018-2019 program year, HACoLA continued to serve the needs of residents through Section 8 vouchers and public housing.

In recognition that the U.S. Census Bureau projects that the elderly in California will have an overall increase of 112 percent from 1990 to 2020, HACoLA has made changes to address the need for the growing senior population. In August of 2013, HUD approved HACoLA's application to designate 13 public housing senior developments as housing for elderly families only (62 years or older).

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

HACoLA actively encourages residents to be involved in the organization through resident councils and active participation in housing authority decisions via surveys and other forms of engagement. HACoLA also maintains quarterly newsletters for Section 8 tenants, public housing residents, and Section 8 property owners.

HACoLA encourages residents to explore homeownership opportunities. HACoLA currently administers Family Self-Sufficiency (FSS) program for public conventional housing and Housing Choice Voucher program residents. The FSS program provides critical tools and supportive services to foster a resident's transition from financial and housing assistance to economic and housing self-sufficiency, most importantly homeownership.

To support this effort, HACoLA utilizes marketing materials to outreach and further promote the program's requirements and benefits to all public housing residents. For families that are eligible to participate, a Contract of Participation (COP) is prepared to govern the terms and conditions of their participation and an Individual Training Service Plan (ITSP) is created that outlines the following: supportive services to be provided, activities to be completed by the participant, and agreed upon completion dates for the services and activities. The COP is valid for five years and may be extended to allow the family to meet their ITSP goals.

Once the COP is established and the family experiences an increase in tenant rent as a result of earned income, an escrow account in their name is established and increased earned income is deposited into this account. Escrow accounts are disbursed to the family once the family has

graduated successfully from the program. Families are encouraged to utilize these funds towards educational and homeownership endeavors.

Additionally, HACoLA provides residents with information on LACDC's homeownership programs.

Actions taken to provide assistance to troubled PHAs

N/A, HACoLA is designated as a High Performing Public Housing Agency.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

The two primary barriers to affordable housing identified in the 2015-2019 Consolidated Plan include housing affordability and the lack of monetary resources for affordable housing. As discussed in the Consolidated Plan's Strategic Plan section, a significant portion of the monetary resources that were used for affordable housing in the past included tax increment financing through the former redevelopment agency that was eliminated as a result of changes in State policy.

To address housing affordability and the lack of monetary resources for affordable housing, the Strategic Plan called for the investment of a significant portion of CDBG and HOME funds for the development of 160 new affordable rental housing units, 56 homeownership housing units, and the rehabilitation and preservation of 23 existing affordable housing units over the five year period of the plan. The current CDBG and HOME investments in progress or completed during this program year that will either directly impact housing affordability or make an indirect impact through support of new housing projects include:

- \$550,000 of HOME funds for the 38429 10th Place East CHDO Multi-Family Rehabilitation project;
- \$386,246 of HOME funds for a new Tenant Based Rental Assistance Program added to the Action Plan on May 4, 2016 and increased May 2017 to make rental housing units affordable to extremely-low income severely cost-burdened seniors; and
- \$458,838 of 2016 HOME funds for Courson Arts Colony East multi-family new construction project; \$1,316,431 of 2014, 2015, 2016, 2017 and 2018 CDBG funds for the Courson Connection Infrastructure for the Courson Colony West project that will provide necessary infrastructure and community amenities to complement existing affordable rental housing. Combined, the East and West phase will provide 160 affordable units.

Although the City no longer has access to Redevelopment Housing Set-Aside funds, the City continues to successfully leverage its CDBG and HOME funds to attract private and other available public resources to create affordable housing with suitable neighborhood amenities for low- and moderate-income residents. The City worked with Meta Housing Corporation to secure Low Income Housing Tax Credits through the California Tax Credit Allocation Committee that will yield \$20,410,501 of Tax Credit Equity for the Courson Arts Colony East project which will include 80 of the 160 new affordable rental units planned for the current five-year Consolidated Plan period. For the second phase, Courson Arts Colony West, in addition to the

CDBG funding additional financing of \$1,488,000 was secured from the Housing Authority of the City of Palmdale and from state, county and private financing totaling \$39,905,839 for the project.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

The primary obstacles to meeting the underserved needs of low- and moderate-income people include lack of funding from federal, state and other local sources, the high cost of housing that is not affordable to low-income people and the lack of availability of home improvement financing in the private lending industry. To address these obstacles, the City invested CDBG and HOME funds through the 2018-2019 Action Plan in projects that will support the development of new rental housing units, the rehabilitation of existing rental housing units, provide Tenant Based Rental Assistance to extremely low-income and cost-burdened seniors, and projects that provide public services to low- and moderate-income people to prevent homelessness. To address underserved needs, 100 percent of the City's 2018-2019 expenditure of CDBG and HOME funds (excluding Section 108 Debt Service and Administration) was for projects that benefit low- and moderate-income people.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

The Residential Lead Based Paint Hazard Reduction Act of 1992 (Title X) emphasizes prevention of childhood lead poisoning through housing-based approaches. To reduce lead-based paint hazards, the rehabilitation of housing units built prior to January 1, 1978 includes a lead-based paint testing and risk assessment. Where lead-based paint is identified, the City ensures that developers and contractors incorporate safe work practices or abate the lead-based paint as part of the scope of work to effectively reduce lead-based paint hazards to children in accordance with 24 CFR Part 35.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The implementation of CDBG and HOME activities meeting the goals established in the 2015-2019 Consolidated Plan - Strategic Plan and the 2018-2019 Action Plan addressed the needs of poverty-level families and made strategic investments to reduce the number of poverty-level families in the future by:

- Supporting activities that expand the supply of housing that is affordable to low- and moderate-income households, such as the YouthBuild Duplex project;
- Supporting activities that ensure equal access to housing opportunities such as Fair Housing Services provided by the Housing Rights Center;
- Supporting a continuum of housing and public service programs to prevent and eliminate homelessness through the South Antelope Valley Emergency Services program and the Tenant Based Rental Assistance program operated by Valley Oasis;

- Supporting activities that improve public facilities and infrastructure including the investment of over \$2 million of CDBG funds in projects completed or underway during this program year; and
- Supporting housing preservation programs that assure low income households have a safe, decent and appropriate place to live such as the 38429 10th Place East four-plex project.

In addition to these efforts, mainstream state and federal resources also contributed to reducing the number of individuals and families in poverty. Federal programs such as the Earned Income Tax Credit and Head Start provided Palmdale residents with pathways out of poverty as they pursued employment and educational opportunities.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The institutional delivery system in Palmdale is high-functioning and collaborative—particularly the relationship between local government and the nonprofit sector comprised of a network of capable non-profit organizations that are delivering a full range of services to residents. Strong City departments anchor the administration of HUD grant programs and the housing, community and economic development activities that are implemented by the City.

In order to support and enhance the existing institutional structure, the City of Palmdale collaborated with affordable housing developers and nonprofit agencies receiving CDBG and HOME funds through the 2018-2019 Action Plan to ensure that the needs of low- and moderate-income residents were met as envisioned within the 2015-2019 Consolidated Plan - Strategic Plan.

Efforts to enhance the institutional delivery system included continued implementation of the Tenant Based Rental Assistance Program in partnership with Valley Oasis that uses HOME funds and continued work with Advancing Communities Together, a CHDO. These critical partnerships significantly enhance the City’s ability to implement the 2015-2019 Consolidated Plan - Strategic Plan.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

To enhance coordination between public and private housing and social service agencies, the City continued consulting with and inviting the participation of a wide variety of agencies and organizations involved in the delivery of housing and supportive services to low- and moderate-income residents in Palmdale—particularly the low-and moderate- income areas. Representatives of the Department of Neighborhood Services participated in Antelope Valley Coalition meetings and South Antelope Valley Emergency Services coordinated its efforts with Valley Oasis and the Los Angeles Homeless Services Authority, the Continuum of Care Lead Agency. Additionally, the Director of Neighborhood Services and other department staff

regularly participated in Neighborhood Advisory Committee (NAC) meetings during the program year to coordinate the efforts of local nonprofits and religious organizations that are working in neighborhoods to address poverty through direct community engagement.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

The 2015 Analysis of Impediments to Fair Housing Choice (AI) adopted by the Palmdale City Council on May 6, 2015 included three impediments to fair housing choice in the 2015-2019 Fair Housing Plan. During the 2018-2019 program year, the City of Palmdale Department of Neighborhood Services and the Housing Rights Center affirmatively furthered fair housing choice through the implementation of recommendations contained within the Fair Housing Plan.

Impediment No. 1: Discrimination against Persons With Disabilities

The AI revealed that physical and mental disability fair housing discrimination complaints are the most common basis for fair housing discrimination complaints in Palmdale. To address the lack of understanding and sensitivity to the fair housing needs of physically and mentally disabled people, the City contracted with Housing Rights Center to provide workshops in Palmdale and throughout the region that were geared toward disabled housing issues including reasonable accommodation and emphasizing that landlords may not refuse to rent on the basis of disability or any arbitrary factor. These workshops specifically addressed the housing needs and rights of persons with disabilities by expanding the base of knowledge concerning specific types of housing discrimination against the mentally and physically disabled.

Impediment No. 2: Lack of Awareness of Fair Housing Laws

The AI confirmed that there continues to be a lack of knowledge of fair housing rights and responsibilities among Palmdale residents and housing providers. Data supplied by the Housing Rights Center indicated that the number of fair housing discrimination complaints in Palmdale decreased substantially for the fiscal years ending June 30, 2010, June 30, 2011 and June 20, 2012; however, the number of complaints began to increase again from less than 10 per year to 28 in the fiscal year ended June 30, 2014. As a result, the Fair Housing Plan within the AI recommended enhanced outreach efforts to real estate professionals with fair housing questions or concerns in Palmdale and the region, as well as continuation of existing City efforts to increase participation in fair housing education workshops for prospective homebuyers, renters, and providers of housing such as multifamily management companies, independent landlords and real estate agents or brokers.

During the 2018-2019 program year, the City contracted with Housing Rights Center to provide workshops in Palmdale and throughout the region and worked with Housing Rights Center to expand community participation including outreach efforts regarding fair housing workshops to

renters and property managers/owners to make them aware that these workshops are available at no charge. Outreach events included having a booth at the Housing Authority of the County of Los Angeles' Housing Resource Fair, conducting a Fair Housing workshop for landlords, managers, and community members, as well as a Fair Housing Community Workshop, and having a monthly walk-in clinic at the South Antelope Valley Emergency Services building. The Housing Rights Center displayed literature at the Public Library and other high traffic areas of the City, including the Department of Neighborhood Services building. Fair Housing public service announcements were also played throughout the year several times a month on the City's public access channel and frequent postings on the Housing Rights Center Facebook and Twitter pages.

Impediment No. 3: Race/Ethnic Relations

Race/ethnic relations may contribute to bias or stereotypes that have an impact on Fair Housing Choice. Fair housing complaint data from 2006-2009 indicated that race/ethnicity was the second-leading cause of housing discrimination in the City. Further, 59 hate crimes were reported to the Federal Bureau of Investigation (FBI) from 2008-2012, with 36 on the basis of race, 10 on the basis of sexual orientation, 8 on the basis of ethnicity, 4 on the basis of religion and 1 on the basis of disability.

The AI recommended that the City, in partnership with community nonprofits, fair housing organizations, other government agencies and special districts, provide public information programs disseminating information on fair housing laws, inclusion and diversity.

Outreach and education efforts include developing and distributing written materials and public service announcements that describe the applicable laws that protect against housing discrimination and ways to prevent housing injustices. These materials are provided for distribution at fair housing workshops for residents, apartment owners, and property managers, at fair housing information booths at local community events, available at City offices, provided to local agencies, and included in information provided as part of the Partners Against Crime (PAC) crime free multi-family housing certification process.

For the past 22 years, the City of Palmdale has been a supporter of the Antelope Valley International Heritage Festival, which was renamed to the Antelope Valley International Multicultural Festival. The festival helps foster mutual understanding among the diverse cultural, racial, and religious groups in the Antelope Valley. The 2018 Festival was held on Saturday, September 8, 2018 at Poncitlan Square in Palmdale.

City staff has conducted other outreach efforts in the community to be supportive of organizations and programs fostering tolerance or race relations. The City is also in its twelfth year conducting its Partners Academy, an eight week course that educates residents on all aspects of city operations from public safety, finance, economic development, and community relations. Residents have the opportunity over the course of two nights to speak to the Mayor

and City Manager on any topic of interest or concern, which would include any concerns about race relations or conflict in the community. To date 245 residents have completed the program.

The Los Angeles County Sheriff's Department is leading several efforts to bridge Sheriff and community relations. The S.H.A.R.E. Tolerance program has been created to educate members of the community, particularly our youth, regarding the dangers of hate and intolerance. It was conceived and developed by deputy sheriffs who care about the problem and wanted to do something effective about it. Utilizing a custom-built mobile theater, uniformed deputies show a 35 minute documentary film about hate crimes to groups of up to 24 people at a time. Afterwards, the deputies facilitate a 60 to 90 minute discussion about the film, the issues it presents, and the challenges of combating hate and intolerance. This program was implemented in the Antelope Valley and regularly makes presentations at area high schools.

Additionally, in March 2012 the Palmdale Station Captain created a Community Advisory Committee to foster stronger relationships between the community and the Sheriff's Department. The committee is made up of members of the community who represent various racial and ethnic demographics, faith based organizations, and community organizations and continued to serve as a sounding board to the Captain on issues of concern to the community.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

To ensure that CDBG and HOME funds were used efficiently and in compliance with applicable regulations, the City provided technical assistance to all subrecipients at the beginning of the program year and monitored subrecipients throughout the program year.

Technical Assistance

To enhance compliance with federal program regulations, the Department of Neighborhood Services made technical assistance available to prospective applicants for any CDBG or HOME Notice of Funding Availability (NOFA) upon request to review the Strategic Plan goals, program requirements and available resources with potential applicants. Technical assistance was provided to three prospective applicants. Additionally, technical assistance was provided during the implementation of CDBG and HOME funded projects to ensure that appropriate resources are provided in furtherance of compliance with the program regulations.

Activity Monitoring

All activities were monitored, beginning with a detailed review upon receipt of the application to determine eligibility, conformance with a National Objective and conformance with a Strategic Plan goal. This review also examined the proposed use of funds, eligibility of the service area, eligibility of the intended beneficiaries and likelihood of compliance with other federal requirements such as the National Environmental Policy Act, the System for Award Management (SAM) debarment list, prevailing wage, Minority and Women Business Enterprise, Section 3 and federal acquisition and relocation regulations, as applicable.

Subrecipients submitted an audit and other documentation to establish their capacity, and any findings noted in the audit are reviewed. Subsequent to entering into a written agreement, staff and consultants performed periodic desk monitoring including ongoing review of required performance reports and documentation to substantiate CDBG and HOME expenditures. For the CDBG public service activity implemented by South Antelope Valley Emergency Services, an on-site monitoring was conducted by LDM Associates, Inc. to ensure compliance. The reviews included both a fiscal and programmatic review of the subrecipient's activities. The reviews determined that subrecipients are in compliance with the program regulations and City contract. Areas of review included overall administration, financial systems, appropriateness of program expenditures, program delivery, client eligibility determination and documentation, reporting systems, and progress toward achieving contractual goals. Following the monitoring

visit, a written report was provided delineating the results of the review and any findings of non-compliance and the required corrective action. No findings were identified during 2018-2019 subrecipient monitoring.

For CDBG capital projects, monitoring of Davis-Bacon, Minority and Women’s Business Enterprise (MBE/WBE) and Section 3 requirements was conducted by LDM Associates, Inc. to determine the adequacy of implementation by the Department of Public Works and its consultants. For HOME funded activities, annual monitoring was conducted to ensure that for renter occupied units, household income, rents and utility allowances were in compliance with applicable limits pursuant to the affordability covenant. For ownership units, annual monitoring of occupancy was conducted.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

In accordance with the City’s adopted Citizen Participation Plan, a public notice was published in the Antelope Valley Press in English and in Spanish on August 19, 2019 notifying the public of the availability of the Consolidated Annual Performance and Evaluation Report for a 15-day public review and comment period. A copy of the public notices is included in Appendix A.

The draft CAPER was available on the City website and at the following locations:

City Hall: Administration Building
38300 Sierra Hwy
Palmdale, California 93550

Department of Neighborhood Services
38250 Sierra Hwy
Palmdale, California 93550

Palmdale Public Library
700 East Palmdale Blvd.
Palmdale, California 93550

A public hearing was conducted before the City Council on Tuesday, September 3, 2019 to solicit comments from residents and interested parties. A summary of any written or oral comments received during the public hearing is included in Appendix B.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

CDBG funds are making a significant impact on strategies to address the high priority needs identified in the 2015-19 Consolidated Plan – Strategic Plan. As shown in Figure 1 in section CR-05, page 7 of this document, CDBG funds are contributing to four of the nine Strategic Plan goals including Fair Housing Services, Homelessness Prevention and Assistance, Public Facilities and Infrastructure Improvements and Planning and Administration. No applications were received in response to the 2018 Notice of Funding Availability to address the Strategic Plan goal for Special Needs Services, and the remaining four Strategic Plan goals are better suited for HOME-funded activities to address the Affordable Housing Development, Affordable Homeownership, Affordable Housing Preservation and Rental Assistance goals.

Fair Housing Services

The Fair Housing Services activity provided \$31,774 to Housing Rights Center for the provision of fair housing outreach, education and enforcement activities, including landlord-tenant matters. During the program year, this activity was below its service goal of 300 people, serving 253 people, due to staffing turnover. Toward the end of the program year, Housing Rights Center hired a new Director of Media, Outreach and Education and an additional Housing Counselor to return to their normal service level.

Homelessness Prevention and Assistance

To support a continuum of services in the Antelope Valley to prevent and eliminate homelessness including but not limited to emergency services, homeless prevention programs, case management and transitional housing, the City's South Antelope Valley Emergency Services program served 3,080 unduplicated people. This was less than anticipated in the Action Plan and was the unintended impact of a policy change to how new clients were processed. The policy change was intended to alleviate staffing constraints early in the year and resulted in decreased number of new clients. Even still, data indicate that overall, more services were provided throughout the year to the clients who were served, thus illustrating the ongoing high need for services. Additional staff was hired and the policy for processing new clients was modified and SAVES returned to serving a high number of clients. It is anticipated that the number served will return to high levels again next year.

Public Facilities and Infrastructure

To improve City of Palmdale public facilities and infrastructure to benefit low- and moderate income people or those presumed under HUD regulations to be low- and moderate-income such as elderly people and disabled adults as well as residents of low- and moderate-income housing, the City invested the vast majority of its CDBG resources to address this Strategic Plan goal. Three out of the five public facilities and infrastructure activities with measurable accomplishment goals (excludes Section 108 Debt Service) are multi-year projects that remained in progress as of June 30, 2018. Given the nature of the improvements being undertaken, many of these projects require implementation over multiple program years.

The 2018-2019 CAPER shows a number of activities in progress. As previously discussed, the Courson Infrastructure activity is scheduled to be completed by September, 2019. Two new infrastructure activities commenced in program year 2018-2019, Yellen Sidewalks and ADA compliance at Avenue Q-12. It is anticipated that both of these activities will be completed in the next program year. Should any challenges arise in the implementation of these or other CDBG-funded activities, the City will pro-actively identify additional opportunities to invest CDBG funds to meet Strategic Plan goals.

CR-50 - HOME 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Maintaining HOME-assisted affordable housing is a high priority. During the program year, the City inspected the HOME-assisted properties listed below to determine compliance with the housing codes and other applicable regulations. Where any deficiencies existed, the property owner and property management were notified to make repairs and City staff followed up to ensure completion.

- Whispering Palms – 76 units – passed
- Summer Terrace – 80 units – passed
- Palo Verde Terrace – 78 units - passed
- Wright Brothers Court – 156 units – re-inspection pending
- Palmdale Dream Center – 11 units – passed
- Q-2 Duplex – 2 units – passed
- 10th Place – 4 units - passed

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)

Each of the HOME-assisted properties with five or more units maintains an Affirmative Fair Housing Marketing Plan. During annual monitoring, the annual Affirmative Fair Housing Marketing Report was reviewed to ensure compliance with HUD requirements to affirmatively further fair housing choice.

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

According to the PR-09 report for the CDBG and HOME program, \$31,040 of HOME program income was received during the 2018 program year from Palo Verde Terrace.

Describe other actions taken to foster and maintain affordable housing. 91.220(k)

In the implementation of the 2018-2019 Action Plan, the City invested HOME funds to preserve and maintain affordable housing by partnering with development partners and nonprofit service providers to support the development of new rental housing units and to provide rental assistance. CDBG funds were invested in infrastructure and other public facilities improvements projects necessary to provide suitable infrastructure and neighborhood amenities to support the creation of decent affordable housing.



CITY OF PALMDALE

2018/2019

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT

JULY 1, 2018 THROUGH JUNE 30, 2019

APPENDIX A

Public Notices



CITY OF PALMDALE

2018/2019

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT

JULY 1, 2018 THROUGH JUNE 30, 2019

APPENDIX B

Summary of Citizen Participation Comments



CITY OF PALMDALE

2018/2019

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JULY 1, 2018 THROUGH JUNE 30, 2019

APPENDIX C

IDIS Reports