

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The 2025-26 Annual Action Plan (Program Year 51) is the third year installment of the Five Year 2023-27 Consolidated Plan (Con Plan), the City of Los Angeles' strategic plan for leveraging four annual HUD allocations: Community Development Block Grant, Emergency Solutions Grant, HOME Investment Partnerships Program, and Housing Opportunities for Persons with AIDS.

The City uses these grants to develop thriving urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for low and moderate income persons.

The Con Plan serves as a citywide link between a comprehensive set of policies and funding sources that respond to the City's present homelessness crisis and income inequality challenges. The activities funded and aligned through the Con Plan prioritize moving low and moderate income Angelenos from housing and economic crises to increased stability, and ultimately setting them on a path to prosperity.

The City has faced and continues to face severe housing-related challenges:

A dramatic rise in home prices and rental costs has increasingly led to the displacement of longtime residents as lower cost neighborhoods became popular with middle income home buyers, particularly near transit stations. Newly built market-rate housing was being rented at prices beyond the reach of low and moderate income residents.

The following describes the beginnings of a significant rise in our unhoused neighbors. From 2015 to 2017, the City saw a thirty-three percent increase in persons experiencing homelessness, from approximately twenty-five thousand to more than thirty-four thousand persons living on the streets in 2017. The reversal of the progress made by lower income Angelenos in achieving homeownership was due to the rise in home prices and stagnant wage levels.

In Program Year 51, these challenges remain and are coupled with:

The COVID-19 pandemic introduced extraordinary challenges into the lives of Angelenos and impacted the overall health of families, communities, and businesses, and had a higher negative impact on low income and communities of color. Broader inequality and inequity has meant

recovery efforts are not being felt equally by all Angelenos. In neighborhoods with forty percent overcrowding, those in the City's dense urban core, as compared to a national average of three percent, residents were eleven times more likely to die because of COVID-19. This highlights the connection between housing conditions and public health and reinforces the need to consider equity in recovery efforts. Continued in Appendix...

The Palisades wildfire that destroyed a vibrant community will pose significant health and housing risks. With affordable housing already an issue in Los Angeles, the supply of housing was greatly reduced by the wildfire burning down livable spaces. Even after the flames have subsided, the residual smoke, ash and other particles linger in the air, creating an inhospitable environment for people to live and work in. Disasters such as wildfires are likely to pose health care challenges for disabled people, as evacuations and displacement are likely to interrupt access to critical health care services, home and community-based services, and medical supplies and equipment.

A continued rise in the number of persons experiencing homelessness, as captured by annual counts, from approximately thirty-five thousand five hundred fifty persons living on the streets in 2019 to an estimated forty-six thousand two hundred sixty unhoused persons in 2023, an increase of over ten thousand in five years.

Income inequality is particularly severe in Los Angeles and is easily felt by spending time in the City's various neighborhoods. At one end of the economic spectrum, sixteen point six percent of Angelenos live under the Federal Poverty Level poverty while at the other end, the top five percent of the income distribution earn over five hundred thousand dollars.

A dramatic rise in construction costs and delays, both of materials and labor, contribute to the continued high cost of building housing and infrastructure in the City.

With historic inflation rates, more of a family's income is spent on necessities, leaving few ways to reduce spending and even fewer resources to spend on housing. From 2017 to 2020, those in the bottom twenty percent of California's income distribution spent sixty-nine percent of all pre-tax income on food and transportation, including gasoline, while those at the top twenty percent spent fourteen percent of their income on those same categories.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The 2023-2027 Consolidated Plan, and this Annual Action Plan, prioritize the Mayor's focus on reducing and preventing homelessness together with the City's long standing goals of increasing housing and economic stability to foster paths to prosperity. Each goal has projected numeric

outcomes, creating measurable lanes of achievement for each goal that the City can use to identify weaknesses and celebrate successes for Program Year 51 (2025-2026).

Need 1: Keep low-income Angelenos stably housed

Goal: Prevent & reduce homelessness

Work in partnership with community based, not-for-profit, and government agencies to prevent and reduce homelessness. Provide support and services such as emergency shelters, transitional housing, case management, supportive services, eviction prevention, housing navigation, and rental assistance to persons who are unhoused or at risk of becoming unhoused.

6,511		Persons		Assisted
75	Rental		Units	Constructed
100 Beds				

Goal: Develop and preserve affordable housing

Support the development, acquisition, and preservation of affordable, accessible, and resilient housing for unhoused residents, persons living with a disability, and other low-income residents. Finance rehabilitation, assistance for first-time homebuyers, and the acquisition and development of new affordable rental housing and permanent supportive housing.

450	Rental	Units	Constructed
50	Rental	Units	Rehabilitated
311 Homeowner Units	Rehabilitated		

Need 2: Improve the livelihoods and communities of low income Angelenos

Goal: Significantly reduce poverty

Help residents with low incomes to stabilize economically and avoid displacement. Support family economic stabilization by providing services to improve employment, income, financial empowerment, asset development, housing stability, and academic achievement.

50,000 Persons Assisted

Goal: Improve local economy for low income residents

Improve local economic conditions and expand access to opportunity for low income residents by supporting efforts to create and retain jobs, helping businesses thrive and succeed, and provide essential goods and services to neighborhoods lacking them.

900 Jobs Created or Retained
50 Businesses Assisted

Goal: Stabilize and revitalize neighborhoods

Stabilize and revitalize neighborhoods by improving public facilities and infrastructure to increase low income Angelenos access to opportunities for education, employment, recreation, and social services.

100,000 Households Assisted

250 Persons Assisted

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City utilized CDBG and other local, state, or federal funds to upgrade neighborhood amenities. A variety of activities such as park improvements, sidewalk reconstruction, street lighting installation, community service center improvements, and acquisitions of various public facilities benefited primarily low and moderate income neighborhoods.

Each site is monitored and evaluated to ensure that the benefit to the neighborhood is maintained as agreed and in accordance with CDBG requirements. If the same organizations apply for future funding, past performance is considered as part of the review process.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The Consolidated Planning Unit staff (ConPlanning Team) hosted one virtual meeting in December 2024 and two virtual meetings in June 2025. The Community Investment for Families Department (CIFD) emailed flyers announcing the virtual meetings to targeted groups of non-profits and businesses who support youth, families, seniors, employment services, women, domestic violence shelters, families, green spaces, art spaces, as well as to a mailing list of about 23,000 subscribers as well as the offices of elected officials, commissioners and dozens of City program managers, public information officers and partner agencies, and asked them to share with their respective networks of constituents, customers, and colleagues. The Zoom meetings were held virtually on December 5th, June 5th, and June 10th, and were open to the public for attendance. Spanish and sign-language interpretations were made available. CIFD solicited

additional community feedback by collecting responses to the PY 51 Fall Community Needs Survey and the Spring PY 51 Community Survey.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

Of the 818 survey respondents, 200 provided a public comment or question. Trends in responses were as follows:

- 18% of comments offered a general comment/question or provided commentary unrelated to the survey.
- 11% of comments supported funding Public Services, including disability services, youth services, senior services, social services, public benefits, rental assistance, utility assistance, transportation assistance, and providing general support to non-profits
- 9% of comments requested greater efforts in cleaning up the streets and removing trash and debris
- 9% of comments supported Housing efforts such as more safe and affordable housing, housing for seniors, and housing for persons with disabilities
- 8% of comments expressed dissatisfaction with the current level of public safety. Comments expressed a greater need to reduce crime and gang-related activity, as well as increase the hygiene of public spaces by keeping them free of trash, urine, feces, and drugs.
- 8% of responses were in support of homelessness services, including the removal of homeless encampments and providing resources for persons experiencing homelessness.
- 7% of comments cited a need for sidewalk and street repairs, including potholes and tree root damage.

Spring 2025 PY 51 Community Survey

A total of 75 respondents replied to the survey. All participants were given the option to provide an additional comment or question.

6. Summary of comments or views not accepted and the reasons for not accepting them

There were no comments or views omitted this program year.

7. Summary

The Opportunity

The City of Los Angeles is at a unique juncture. Starting with a fairly new mayoral administration, a changing City Council, and the newly formed Community Investment for Families Department

(CIFD) leading its Consolidated Plan development, the City has the potential to make significant progress in increasing housing and economic stability for low-income Angelenos.

New leadership at the Los Angeles Homeless Services Authority (LAHSA), combined with a regional urgency to reduce homelessness, has resulted in the County and surrounding cities following the City in declaring a state of emergency on homelessness. Local bond measure HHH and tax measure H have established substantial funding streams for increasing the production of permanent supportive housing units, as well as services and strategies to combat the homeless crisis in Los Angeles.

CIFD is also uniquely poised to take on new, innovative approaches to decades-old problems. CIFD recently administered the Basic Income Guaranteed: Los Angeles Economic Assistance Pilot (BIG LEAP), which provided over three thousand individuals with one thousand dollars per month for twelve months. Guaranteed basic income programs are founded on the belief that people enduring financial instability are best positioned to make informed financial decisions to address their household needs. CIFD will closely monitor the pilot results to see if elements could be implemented at a broader scale.

CIFD also intends to capitalize on its existing investments in its network of nineteen FamilySource Centers, which provide Angelenos with a wide range of social, educational, work, and family support services. These centers, already existing and known community resources, have the potential to provide additional housing and economic stabilization services with targeted funding. As community hubs, the FamilySource Centers are poised to take on a more pronounced role in homelessness prevention efforts at the family level.

In addition to a close working relationship with LAHSA and other City and County departments, CIFD has also committed to working in partnership with the Los Angeles County Development Authority (LACDA) to identify potential areas of alignment and co-investment in projects to address regional needs.