



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
June 4, 2024

TOPIC: Appropriation Adjustments for Housing Choice Voucher Program and Mainstream Voucher Program

AGENDA TITLE

Appropriation Adjustments to Recognize \$4,495,000 in Housing Assistance Payment Funds for the Housing Choice Voucher Program and \$325,000 in Housing Assistance Payment Funds for the Mainstream Voucher Program (Non-General Fund)

RECOMMENDED ACTION

1. Approve an appropriation adjustment recognizing housing assistance payment funds in the amount of \$4,495,000 in revenue account (no.13618002-52000) for the Housing Choice Voucher Program and appropriating the same amount to expenditure account (no.13618760-various). *(Requires five affirmative votes)*
2. Approve an appropriation adjustment recognizing housing assistance payments funds in the amount of \$325,000 in revenue account (no.13818002-52000) for the Mainstream Voucher Program and appropriating the same amount to expenditure account (no.13818760-69158). *(Requires five affirmative votes)*

GOVERNMENT CODE §84308 APPLIES: No

DISCUSSION

On March 30, 2023, the Santa Ana Housing Authority (SAHA) received an allocation of \$45,630,128 in Housing Choice Voucher (HCV) Program Housing Assistance Payments (HAP) funds from the U.S. Department of Housing and Urban Development (HUD) for Calendar Year (CY) 2023 (Exhibit 1). The HCV program provides housing assistance to extremely low-income individuals and families including homeless veterans, persons with a disability, and young adults exiting the foster care system. With HCV HAP funding provided by HUD, SAHA provides housing assistance to over 2,800 households.

On March 30, 2023, SAHA also received an allocation of \$2,446,934 in Mainstream (MS5) Voucher Program HAP funds from HUD for CY 2023 (Exhibit 2). The MS5 program is a special purpose voucher program similar to the HCV program, but with a separate funding source that must be administered separately. The MS5 program provides housing assistance to non-elderly, low-income families and individuals

experiencing homelessness with a disabled household member. With funding provided by HUD for the MS5 programs, SAHA provides housing assistance to over 150 households.

Due to the rising costs of rent and housing assistance payments per family, the budgeted amount for FY 2023-24 was insufficient to cover payments through the end of the fiscal year. To ensure continued support for these families, staff is requesting approval of an appropriation adjustment of \$4,495,000 in HAP funds for the HCV Program and \$325,000 in HAP funds for the MS5 Program to pay for housing assistance through the end of FY 2023-24.

This appropriation adjustment is not new or additional funding for the HCV or MS5 Programs, but rather a recognition of funds that HUD holds in a reserve account until SAHA is ready to draw down these funds for these vouchers.

FISCAL IMPACT

Approval of these two appropriation adjustments will recognize \$4,495,000 in Housing Assistance Payment HCV revenue account (no. 13618002-52000 Federal Grant-Direct) and \$325,000 in Housing Assistance Payment MS5 revenue account (no. 13818002-52000 Federal Grant-Direct) and appropriate to the expenditure accounts below.

Fiscal Year	Accounting Unit-Account	Fund Description	Accounting Unit, Account Description	Amount
FY 2023-24	13618760-various	Housing Authority-Voucher HAP	Housing Authority Voucher HAP, various	\$4,495,000
FY 2023-24	13818760-69158	Housing Authority-MS 5	Housing Authority-MS 5, Housing Assist Pmt.	\$325,000
Total Expenditures				\$4,820,000

Any remaining balances not expended at the end of the fiscal year will be presented to the City Council for approval of carryover to FY 2024-25.

EXHIBIT(S)

1. Housing Choice Voucher Program Calendar Year 2023 Renewal Funding Allocation
2. Mainstream Vouchers Calendar Year 2023 Renewal Funding Allocation

Submitted By: Michael L. Garcia, Executive Director of Community Development

Approved By: Alvaro Nuñez, Acting City Manager