



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
June 21, 2022

TOPIC: First Amendment to Agreement with National Credit Reporting for Criminal Background Checks

AGENDA TITLE:

First Amendment to the Agreement with National Credit Reporting for Criminal Background Checks to add an Additional \$50,000 and Extend the Term of the Agreement by Two Years (Non-General Fund)

RECOMMENDED ACTION

Authorize the Executive Director of the Housing Authority to execute a First Amendment to the Agreement with National Credit Reporting to conduct criminal background checks for Housing Choice Voucher Program applicants and participants in order to add additional compensation in the amount of \$50,000 and extend the term from July 31, 2022 to June 30, 2024.

DISCUSSION

On July 2, 2019, the City Council authorized the Executive Director of the Housing Authority to execute an agreement with National Credit Reporting to perform criminal and sex offender background checks when an applicant applies to the Housing Choice Voucher program and determine if an applicant, or member of an applicant's household, is subject to a lifetime registration requirement under any state sex offender registration program and/or has a criminal history that would make the person ineligible for assistance. Criminal background checks must be performed in the state in which the applicant and members of the applicant's household may have resided.

Over the past several months, the Housing Authority has been pulling applicants off of the Waiting List to determine their eligibility for assistance. In April 2022, the Housing Authority exhausted the applications on the 2015 Housing Choice Voucher Program Waiting List and on May 2, 2022, opened up the Waiting List in the first time in seven years. As a result of determining the eligibility for these various applicants pulled off of the Waiting List, the Housing Authority fully expended the available compensation in the National Credit Reporting Agreement and needs to both amend the Agreement for an additional \$50,000 and extend it by two years. The original Agreement approved by City Council authorized the Executive Director to extend the term, but staff need to also add additional funds to this Agreement.

The Housing Authority's criminal background check policy is the minimum required for a public housing authority. Specifically, the Housing Authority does not implement any additional barrier that is not a statutorily mandated prohibition which would limit a vulnerable population from accessing the program. This policy was adopted by City Council on March 15, 2016, and meets HUD's goal to "help ex-offenders gain access to one of the most fundamental building blocks of a stable life – a place to live." National Credit Reporting screens for these minimum requirements, which includes searching for any use of illegal drugs during the previous three months and sex offenders.

National Credit Reporting has successfully been providing background screening information to thousands of business owners, managers, and government agencies for over 30 years. They are a member of the National Association of Housing and Redevelopment Officials and Affordable Housing Management Association. Their progressive screening program has enabled them to secure relationships with many public housing agencies. National Credit Reporting is also constantly staying up to date with the latest technologies available to the affordable housing industry. Their unique website provides organizations of all sizes and locations a streamlined process for increased efficiency and security.

The First Amendment to the Agreement is attached as Exhibit 1. If City Council does not approve the Agreement, staff will not be able to conduct criminal background checks and sex offender checks on applicants for the Housing Choice Voucher Program and the Housing Authority will be out of compliance with the federal regulations for the program.

FISCAL IMPACT

Funds are available in the Housing Authority Admin Fund, Contractual Services account (No. 14018760-62300), Housing Authority Mainstream Fund, contractual Services account (No. 13918780-62300) and ARPA Fund, Contractual Services account (No. 18018760-62300). \$30,000 has been budgeted in this account for National Credit Reporting for FY 2022-2023 and the remaining \$20,000 will be budgeted in FY 2023-2024.

EXHIBIT(S)

1. First Amendment to Agreement with National Credit Reporting

Submitted By: Steven Mendoza, Assistant City Manager

Approved By: Kristine Ridge, City Manager