



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
June 6, 2023

TOPIC: Extension of HUD-VASH and FYI Special Fees Agreements with the Orange County United Way

AGENDA TITLE

Extension of Agreements with the Orange County United Way to Continue to Administer Special Fees from the U.S. Department of Housing and Urban Development for the Veterans Affairs Supportive Housing (HUD-VASH) and Foster Youth to Independence (FYI) Programs

RECOMMENDED ACTION

1. Authorize the Executive Director of the Housing Authority to execute a First Amendment to the HUD-VASH Special Fees Agreement with the Orange County United Way to extend the Agreement for an additional two-year term from July 1, 2023 to June 30, 2025, subject to non-substantive changes approved by the Executive Director of the Housing Authority and Authority General Counsel.
2. Authorize the Executive Director of the Housing Authority to execute a First Amendment to the FYI Special Fees Agreement with the Orange County United Way to extend the Agreement for an additional two-year term from July 1, 2023 to June 30, 2025, subject to non-substantive changes approved by the Executive Director of the Housing Authority and Authority General Counsel.

DISCUSSION

On November 2, 2021, the City Council authorized the Executive Director of the Housing Authority to execute two agreements with the Orange County United Way to provide housing stabilization and supportive services beginning November 2, 2021 and expiring June 30, 2023, for a total amount not to exceed \$168,034. The funding comes in two parts from Special Fees awarded by the U.S. Department of Housing and Urban Development for the Veterans Affairs Support Housing (HUD-VASH) and Foster Youth to Independence (FYI) Programs. The purpose of the HUD-VASH Special Fees is to support additional or extraordinary related administrative expenses incurred to increase lease-up success rates or decrease the time it takes for a homeless veteran to locate and move-in to a unit, such as landlord incentives, housing search assistance, unit holding fees, security deposit fees, and application fees. The purpose of the FYI Special Fees is to support necessary additional or extraordinary related administrative expenses incurred to achieve 100-percent FYI voucher utilization.

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The Housing Authority administers 280 HUD-VASH vouchers for homeless veterans and 70 FYI vouchers for foster youth and the Orange County United Way's WelcomeHome OC program provides a landlord incentive program with these Special Fees. Specifically, the WelcomeHome OC program conducts extensive landlord outreach in the private market and provides landlord incentives to increase the availability of rental units and decrease the time involved in the search for an eligible and affordable unit for HUD-VASH and FYI voucher holders. Their housing navigators connect landlords to clients through housing navigation services, and facilitates the lease-up process while ensuring wrap-around supportive services are in place afterwards for the tenants. The WelcomeHome OC program also works with many homeless service providers to ensure clients have the case management and supportive services they need to keep them in their home.

However, the Housing Authority's two agreements with the Orange County United Way are set to expire on June 30, 2023. Due to various factors such as COVID-19 and a very competitive rental market, the Orange County United Way has not been able to expend the funds available under their agreements. With these remaining one-time funds, staff is recommending approval of a two-year extension for these two agreements with the Orange County United Way's WelcomeHomeOC program to continue to administer these Special Fees on behalf of the Housing Authority (Exhibits 1 and 2). The extension of these two agreements will support homeless veterans and foster youth to successfully lease-up with assistance from our Housing Authority.

FISCAL IMPACT

Any remaining balances not expended at the end of the fiscal year (FY) 2022-23 will be presented to the City Council for approval of carryovers to FY 23-24 and is estimated to be \$115,028 in the Housing Authority Vouchers Admin account (no.14018002-62300) The estimated expenditures are as follows:

Fiscal Year	Accounting Unit-Account	Fund Description	Accounting Unit, Account Description	Amount
FY 23-24	14018760-62300	Housing Authority	Housing Authority Voucher Admin, Contract Services-Professional	\$ 59,017
FY 24-25	14018760-62300	Housing Authority	Housing Authority Voucher Admin, Contract Services-Professional	\$ 38,011
FY 25-26	14018760-62300	Housing Authority	Housing Authority Voucher Admin, Contract Services-Professional	\$ 18,000
Total Expenditure				\$115,028

EXHIBIT(S)

1. First Amendment to HUD-VASH Special Fees Agreement with Orange County United Way
2. First Amendment to FYI Special Fees Agreement with Orange County United Way

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

Approved By: Kristine Ridge, City Manager