



Housing Choice Voucher Program

Households Face Long Wait Times for Vouchers and Potential Housing Loss When an Emergency Housing Program Ends

Background

The Housing Choice Voucher program (HCV) provides rental assistance to households that meet income limits and other eligibility requirements. The U.S. Department of Housing and Urban Development (HUD) is responsible for issuing regulations and allocating HCV funding to public housing agencies (housing agencies). Housing agencies then administer HCV by creating waiting lists of interested applicants and, when funding and vouchers are available, evaluating those applicants' eligibility and issuing vouchers to use for rental housing. The Joint Legislative Audit Committee requested a review of the Orange County Housing Authority's (Orange) HCV processes, a comparison of Orange's processes with those of two other agencies, a review of the three agencies' efforts to house foster youth or former foster youth, and their administration of the Emergency Housing Voucher program (EHV). We selected the Sacramento Housing and Redevelopment Agency (Sacramento) and the Housing Authority of the County of Riverside (Riverside) for the requested comparison.

Key Recommendations

- To mitigate the impact that the end of EHV is likely to have on households throughout the State, we recommend that the Legislature consider requiring housing agencies that administer EHV to publish transition plans to inform voucher recipients and other stakeholders. We further recommend that it consider establishing a temporary state program or allocate additional funding to existing state programs to provide assistance to EHV households that will not transition to HCV before it ends.
- We recommend that Orange and Sacramento identify any EHV households for which they will stop providing housing assistance when the EHV program ends, and they should immediately inform those households of the date that their housing assistance may stop.

Key Findings

- Three Housing Agencies Have Different Approaches to Administering Their HCV Waiting Lists, Which Federal Regulations Allow
 - Orange and Sacramento opened their waiting lists to applicants for a period of less than one month. Riverside chose to leave its waiting list open for 10 years.
- The Three Housing Agencies Lack Sufficient Federal Funding to Meet Their Jurisdictions' Need for HCV Vouchers, Leading Households to Experience Long Waits
 - Because there is not enough federal funding available, applicants on a housing agency's waiting list will often wait years or even decades before receiving assistance.
 - To provide vouchers to all the potentially eligible applicants on their waiting lists, we estimate that the three housing agencies we reviewed would need almost \$2 billion in additional annual funding.
- About 2,300 Households in California May Lose Their Housing When EHV Ends in 2026
 - HUD informed housing agencies in March 2025 that funding for EHV—which provides vouchers to individuals experiencing homelessness or fleeing domestic violence—will be fully expended in 2026.
 - Although HUD created a process to transition EHV households to another program, our review found that 13 of the State's housing agencies, including Sacramento, likely lack the federal funding necessary to accommodate displaced recipients from EHV.

We Estimate That The Three Housing Agencies Would Need Almost Two Billion Dollars in Additional Annual Funding to Serve All the Households on Their Waiting Lists

HOUSING AGENCY	AVERAGE COST PER VOUCHER (AS OF JULY 2025)	NUMBER OF HOUSEHOLDS ON WAITING LISTS (AS OF DECEMBER 2024)	ESTIMATED ANNUAL AMOUNT NEEDED TO SERVE ALL HOUSEHOLDS ON THE WAITING LISTS*
Orange	\$1,750	13,976	\$205,000,000
Riverside	\$1,250	144,825	\$1,521,000,000
Sacramento	\$1,456	4,408	\$54,000,000

* This estimate assumes that 70 percent of households on the waiting list would be eligible for a voucher.