

SUPPLEMENTAL REPORTS & COMMUNICATIONS I
Office of the City Clerk

**Board of Commissioners of the
Housing Authority of the City of Napa
Special Meeting**

November 13, 2018

FOR THE CITY COUNCIL OF THE CITY OF NAPA:

AFTERNOON SESSION:

5. ADMINISTRATION REPORTS:

Item 5.A. Section 8 Landlord Mitigation and Incentive Program.

- PowerPoint presentation by city staff.




Housing Authority

Section 8 Landlord
Mitigation & Incentive
Program

November 13, 2018

Section 8 Voucher Program

- 1,100 vouchers countywide
- Tenants find units on open market
- Section 8 certificates ➡ vouchers - 1994
 - Lease between tenant & landlord
 - HUD damage payments eliminated
 - Security deposits increased
 - Vouchers are portable nationwide



Local Environment

- Tight rental market (1% vacancy)
 - Market rents increasing faster than Section 8 rents
 - High competition for units
 - Fewer landlords participating
 - Section 8 lease-up rates falling
 - Perception Section 8 tenants higher risk



Landlord Mitigation & Incentive Program

- Launched November 2017
- Participants referred by Housing Authority
- Voucher holders must be either
 - Homeless; or
 - At-risk of homelessness
 - Includes voucher holders who:
 - Have to move
 - Cannot afford current housing
 - Have vouchers expiring soon



Housing Support Services

- Provided by Abode
 - Housing location
 - On-going tenant-landlord support
 - 24-hour landlord hot line
 - Help with security deposits



Incentive/Mitigation Components

- Landlord incentives
 - \$1K for new landlord
 - \$500 for each additional unit
 - Continuity & no-loss vacancy payments at unit turnover
- Loss mitigation payments
 - Tenant-caused damages & unpaid rent
 - First 3 years of tenancy
 - Up to \$3.5K



First Year in Review

- 1/2 time housing locator
 - Assists 12 to 15 households at a time
- Housing Authority referred 49 households
 - 5 withdrew
 - 12 currently searching for housing
 - 32 households assisted
 - 20 housed
- 91% success rate for homeless
- 48% success for at-risk households



Program Review (con't)

- 65% of those housed required no mitigation or incentives
- Mitigation component = new landlords & more units
- Landlord hotline = 0 calls to date
- No claims to date



Take-Aways

- Families housed who would be homeless otherwise
- Still room for improvement
 - Recommend increasing time for at-risk of homeless referrals to 60 days
- Limited by # of clients housing locator can help at a time
 - Recommend increasing to full time housing locator



Take-Aways (con't)

- Barriers to housing remain
 - Security deposits
 - Application fees
 - Etc.
 - Recommend adding barrier removal component to program



Proposed Budget for Expanded Program

- RFP in July
 - 2 proposals received
 - Recommend contracting with Abode
- Proposed program budget = \$241K
- Abode contract includes = \$205K
 - \$116K for staffing (including 1 FTE housing locator)
 - \$49K for landlord incentives
 - \$40K for barrier removal



Proposed Budget (con't)

- \$36K loss mitigation fund (held by Housing Authority)
- Program funding sources:
 - Unspent funds from previous contract = \$143K
 - Redevelopment Successor Housing Agency = \$18K
 - Section 8 Admin Reserves = \$81K
- 24-30 participants at a time



Recommended Actions

- Adopt resolution:
 - Accepting funds from the City, as Successor Housing Agency for the Napa Community Redevelopment Agency;
 - Authorizing associated budget adjustments;
 - Approving amendments to the Section 8 Landlord Mitigation & Incentive Program Guidelines; &
 - Authorizing Executive Director to execute services agreement with Abode Services for the Section 8 Landlord Mitigation & Incentive Program

