



Staff Reports Details (With Text)

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Title: Section 8 Landlord Mitigation and Incentive Program

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Attachments: 1. ATCH 1- Resolution, 2. EX A - Agreement

Date	Ver.	Action By	Action	Result
7/16/2024	1	HOUSING AUTHORITY	approved	Pass

To: Honorable Chair and Commissioners

From: Steve Potter, Executive Director

Prepared By: Molly Rattigan, Deputy Executive Director

TITLE:
Section 8 Landlord Mitigation and Incentive Program

RECOMMENDED ACTION:

Adopt a resolution authorizing the Executive Director to execute a Services Agreement with Abode Services in an amount not to exceed \$184,500 for operation of the Section 8 Landlord Mitigation and Incentive Program.

DISCUSSION:

Background

The Housing Authority operates the Section 8 Housing Choice Voucher rental assistance program (the "Section 8 Program") throughout Napa County. Households who are issued Section 8 vouchers must secure units on the open rental market. This often requires voucher holders to compete against other renters who have higher incomes, better credit histories, and the ability to pay higher rents than allowed under the Section 8 program regulations. This makes it very challenging for voucher holders to secure units. In response to seeing fewer voucher holders successfully find units, in late 2017, the Housing Authority established the Section 8 Landlord Mitigation and Incentive Program (the "Program") and, in early 2018, selected Abode Services as the program operator and launched the Program.

Under the Program, Section 8 Program participants who are either homeless or at-risk of becoming homeless (with vouchers expiring within 60 days) are referred to Abode Services by the Housing Authority. Abode provides housing location assistance to these voucher holders. Landlords

accepting tenants through the Program have access to a 24-hour hotline to call in case of after-hour emergencies. Additionally, Abode makes regular check-ins with the tenants and landlords to try to mitigate any issues that might occur in order to help the tenants remain successfully housed. Landlords new to the Section 8 Program are eligible to receive a “new owner bonus payment” of \$1,000 while existing landlords are eligible to receive a smaller bonus of \$500 for each unit added to the Section 8 Program. The Program also provides landlords with a continuity payment if they agree, prior to or when a unit occupied by a Program participant becomes vacant, to rent the unit to another Program participant. Additionally, the Program provides up to \$5,000 for “barrier removal,” which includes things such as paying for security deposits, credit checks, or making minor modifications to a unit, so it meets Section 8 Housing Quality Standards.

The Program also provides for loss mitigation payments. These payments are available to a landlord for a total of three years after a Program participant moves into a unit. If the tenant damages the unit, the Program would reimburse the landlord for costs in excess of the tenant’s security deposit up to a maximum of \$3,500. If the tenant leaves without paying his/her portion of the rent, the landlord would also be eligible for reimbursement under the loss mitigation component of the Program. The Housing Authority holds funds for the loss mitigation component until such time as a damage claim occurs.

Proposed Agreement

The Housing Authority issued a Request for Proposals (RFP) for Program Operators in 2020. Abode Services has remained the housing provider for the City and County.

The cost of the Agreement is \$184,500 based on previous years actual expenses.

Because the RFP contemplated this renewal, and the cost is within HUD’s small purchase limits, HUD does not require the Housing Authority to issue a new RFP for this contract.

Staff estimates Abode will be able to assist approximately 40 Section 8 and EHV participants during the term of this agreement.

FINANCIAL IMPACTS:

There is no General Fund impact from this action. It would commit \$184,500 in budgeted funds from the Local Housing Fund and the 20% Low/Mod Income Fund.

CEQA:

The Executive Director has determined that the Recommended Action described in this Agenda Report is not subject to CEQA, pursuant to CEQA Guidelines Section 15060(c).

DOCUMENTS ATTACHED:

ATCH 1 - Resolution

EX A - Abode Service Agreement

NOTIFICATION:

Notification was provided to Abode Services.