



# Landlord Incentive Program

Office of Homeless Solutions

City Council and Housing Authority  
April 24, 2018

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## BACKGROUND

### Why do we need a Landlord Incentive Program?

1. Under the Housing First Plan, the City has committed to creating 40-50 units annually for 10 years;
2. Construction of new units not anticipated for 2-3 years; and
3. Program is necessary to build stock of existing rental units for Housing First tenants and retain units over time.



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## DISCUSSION

### Proposed Program Components

1. Housing First landlord participation incentive
2. Landlord liaison and lease compliance counseling
3. Contingency fund for extra ordinary damages
4. Tenant application assistance



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## DISCUSSION

### Housing First Landlord Participation Incentive

*Annual payment of no more than \$500 per unit made available to a Housing First landlord to help to defray some costs for the landlord and make the Housing Choice voucher more attractive in an expensive rental market.*

*Estimated costs is \$25,000 for year one*



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## DISCUSSION

### Landlord Liaison and Compliance Counseling

*Contact person who can intercede on issues related to tenancy. Liaison between landlord and the tenant to ensure that all Housing First tenants meet residential lease requirements.*

*Annual estimated cost is \$50,000*



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## DISCUSSION

### Contingency Fund for Extraordinary Damages

*Fund that would allow for payments for repairs of extraordinary damages with a limit equal to one month's rent per tenant occupancy.*

*Cost is \$62,500 for the first 50 units*



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## DISCUSSION

### Tenant Application Assistance

*\$50 payment to the landlord for the costs associated with tenant application processing fees.*

*Annual estimated cost is \$2,500*



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## DISCUSSION

### LANDLORD INCENTIVE PROGRAM COST ALLOCATIONS

	Year 1	Year 2	Year 3	Year 4
Housing First Landlord Participation Incentive	\$25,000	\$50,000	\$75,000	\$100,000
Landlord Liaison and Lease Compliance Counseling	\$50,000	\$50,000	\$50,000	\$50,000
Contingency Fund for Extra Ordinary Damages	\$62,500	\$77,500	\$92,500	\$107,500
Application and Credit Check Assistance	\$2,500	\$2,500	\$2,500	\$2,500
Program Administration	\$10,000	\$10,000	\$10,000	\$10,000
<b>TOTAL ANNUAL EXPENSES</b>	<b>\$150,000</b>	<b>\$190,000</b>	<b>\$230,000</b>	<b>\$270,000</b>



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## DISCUSSION

### Utility Assistance

*RPU offers an existing utility assistance program for income qualified customers, which includes a security deposit of \$150 to establish a utility account, plus a \$150 credit toward the utility bill every year thereafter.*



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## DISCUSSION

### Landlord Agreements

*Landlords would be required to sign an Incentive Agreement that would tie these incentives to the available Housing First units.*



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## RECOMMENDATIONS

1. That the City Council and Housing Authority approve a new Landlord Incentive Program utilizing \$150,000 in year one of Measure Z Funds allocated for addressing homelessness that includes the following components:
  - a) Housing First landlord participation incentive;
  - b) Landlord Liaison and lease compliance counseling;
  - c) Contingency fund for extraordinary damages; and
  - d) Tenant application assistance.



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## RECOMMENDATIONS (CONT.)

2. That the Housing Authority authorize the Executive Director, or his designee, to execute Landlord Incentive Agreements, making minor corrections as necessary, that incorporate landlord incentives for the purpose of establishing Housing First units in the City of Riverside's existing rental housing stock.



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