

The Backyard Homes Project

Section 8 FAQs

The Backyard Homes Project enables the average homeowner to contribute to our city's affordable housing. LA-Más supports homeowners in building an Accessory Dwelling Unit (ADU) in exchange for renting their unit out to a Section 8 voucher holder for a minimum of 5 years.

SECTION 8 PROGRAM

What is Section 8?

The Section 8 (aka "housing choice") voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent housing in the private market. Participants are free to choose any housing that meets the requirements of the program. Housing choice vouchers are administered locally by public housing agencies (PHAs). The PHAs receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program.

Why the Section 8 program?

The Section 8 program is a program that already exists where we can also leverage additional incentives built into the program. Section 8 also offers a consistent rental stream that is standardized and structured in a way that makes it reliable for landlords to receive rental payments.

Why is it necessary to have more Section 8 units?

The demand far exceeds the supply as only half of those who receive vouchers are able to use them. The rental market is extremely difficult with a low vacancy rate and high rents.

Who is paying the rent?

The rent is being paid by the housing authority and by the tenant in two separate payments. The tenant is responsible for paying 30% of their income towards rent and the housing authority will pay the remainder. For example, if a tenant who reported making \$1,000 a month was renting a 1 bedroom unit priced at \$1,500 dollars a month, then their rental portion would be \$300 a month. The tenant would be responsible for making this payment directly to the landlord and the housing authority would directly pay the remaining \$1,200 to the landlord. A tenant must recertify their income annually.

Who chooses the tenant?

Homeowners will choose the tenant just like in the private market. Our housing service provider partners, LA Family Housing and St. Joseph Center, will connect homeowners with eligible tenants, but the tenant vetting process and selection is ultimately up to the homeowner.

Is it a requirement to have the same tenant(s) live in the unit all 5 years?

It is not required to have the same tenant the entire time, our housing partners will support with the transition of tenants in and out of the unit.

What are the Section 8 rents? (These are established by HUD annually):

- Studio = \$1,279/mo
- 1BR = \$1,668/mo
- 2BR = \$2,151/mo

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Is there any free money since we are required to house a Section 8 tenant?

- Our program does not currently offer any forgivable loans or free money, but there are a lot of free in-kind services (such as our free PM and discounted architectural services).
- Our price points are competitive (below market) and include all necessary costs including permits, design, construction, engineering, appliances, and some built in furniture depending on the unit.
- We hope to partner w/ the Mayor's Office once their ADU program is up and running.

I have a sibling who is low-income. Can you help me get them a voucher so they can live on my property?

Our program is not granted any Section 8 vouchers to distribute for this pilot. All prospective tenants will already have a voucher when the units become available. The Section 8 program also does not allow family members to rent units to relatives.

BECOMING A SECTION 8 LANDLORD IN THE CITY OF LOS ANGELES

For someone who is interested in becoming a Section 8 Landlord in Los Angeles, it is important to note that different housing agencies have **jurisdiction** over different parts of the County. The particular housing authority which administers the program will depend on where your property is located.

The Housing Authority of the City of Los Angeles (HACLA) serves areas in the City of Los Angeles, while the Los Angeles County Development Authority (LACDA) serves unincorporated areas of Los Angeles and the county and other cities. For a landlord who wants to participate in the Section 8 program there are various ways they can begin this process and various programs available to them, but knowing which housing authority to contact is the first step.

For the Backyard Homes Project, we are currently only able to work with landlords who have single family homes in the City of Los Angeles.

The landlord may choose to place a listing of their vacancy at GoSection8.com, or the landlord can select a prospective tenant independently and submit documentation.

PROCESS

1. Have a Vacant Property Available for Rent

The role of the private landlords in the Section 8 program is to provide decent, safe, and sanitary housing to a tenant at a reasonable rent.

2. Landlord Selects a Tenant

- a. Landlords screen prospective tenants. Tenants will show the landlord their valid Section 8 voucher.
- b. Once a landlord selects a Section 8 voucher holder, the landlord is required to submit necessary documentation to start the process.

3. Submit Necessary Forms to Housing Authority

The tenant will give the landlord the forms to complete. They include:

- Request for Tenancy Approval (RFTA)

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- ❑ W-9 tax form

4. Unit Must Pass Inspection

After the necessary forms are submitted, the housing authority will conduct an inspection to ensure that the prospective unit is habitable according to the standards of HUD.

The unit must pass the program's Housing Quality Standards (HQS) administered by the Housing Authority and be maintained according to those standards for as long as the owner receives housing assistance payments.

5. Tenant Moves In

Once the unit passes the inspection, the housing authority will finalize the contract rent with the landlord, obtain a lease agreement, and authorize the tenant to move in, so that the Section 8 contract can be executed and payments can be sent to the landlord.

HACLA offers the following benefits for landlords:

- **Reliable Payments:** Once a HAP contract has been fully executed, the Housing Authority guarantees its payment to the landlord, as long as the tenant remains eligible and the unit meets HQS Inspection requirements.
- **Free property listing:** Landlords may advertise units free of charge, specifically to Section 8 families, via GoSection8.com.
- **Rent Increases:** Landlords may request a rent increase once a year after the initial term of the lease.
- **Inspections:** HACLA inspects the unit free of charge at a minimum every other year.
- **Landlord Newsletter:** Landlords will find monthly Section 8 Landlord Newsletters archived on the HACLA website. These newsletters contain valuable information about the Section 8 program for landlords
- **Complimentary Landlord Orientation Sessions:** HACLA offers regular complimentary orientation sessions for prospective, new and participating landlords.
- **Landlords Portal:** Landlords can view and print HAP information, scheduled inspections, request rent increases, and access many more online features.

Homeless Incentive Program (HIP)

HACLA administers several programs that assist the homeless from a variety of target populations, such as seniors, veterans, families, transition age youth and the disabled. The HIP provides the following incentives to landlords to rent their units to the homeless:

- **Holding Fee:** Up to one month's rent for holding a unit for a homeless individual or family. Pre-inspection of the unit is available before a tenant has been selected.
- **Move-In Assistance:** Move-In Assistance may include security deposit, utility assistance, and furniture essentials, depending on the needs of the homeless family or individual.
- **Damage Mitigation:** This component provides a financial safety net to landlords by paying for damages to the unit that exceed the security deposit.

To participate in the program or receive additional information, please contact the HIP team at (213) 252-1619 or HIP@hacla.org.