Why Accessory Dwelling Units?

Accessory Dwelling Units (ADUs), also called in-law suites or granny flats, are secondary residential units that can be added to existing single family and multi-family residential lots, as well as commercial and public properties. Traditionally, ADUs are independent rental units that have their own entrances, kitchens, bathrooms, bedrooms, and living rooms, can be attached or detached from the primary residence or be a garage conversion.

Many ADUs are being rented as market rate housing and there’s an opportunity to build more ADUs as affordable housing. ADUs can be built quicker and cheaper than permanent supportive housing while at the same time, help homeowners build equity while generating passive income from rent so they can afford to stay in their homes.

The City of Los Angeles leads the way in ADU construction thanks to newly enacted ADU laws that reduce side and rear setback requirements. Of the 28,576 ADUs permitted in California between 2017 and 2019, 46% (13,168) were permitted by the City of Los Angeles. To further advance this trend, LA Mayor Eric Garcetti recently launched an ADU Standard Plan Pilot Program which pre-approves the construction of ADUs like those included in this project.

Back Home Initiative Pilot Overview

The Back Home Initiative (BHI) pilot is an innovative, efficient, cost effective, and scalable solution to curtail the unmitigated rise in the unhoused. The program provides supportive housing for low risk individuals and families who may become houseless, recently experienced houselessness, or are ready to leave transitional housing. The BHI pilot will construct and maintain a minimum of 150 fully furnished, move-in ready, 255 square foot (and larger) ADUs with all necessary amenities. Although each ADU costs approximately $114,000, BHI provides the following free of charge to homeowners: 1) ADU construction and maintenance; 2) Support services for tenants and homeowners; and 3) As an added incentive, up to $1,000 monthly stipend for homeowners’ participation throughout the duration of the program (maximum 15 years). To initiate the program, homeowners submit their intent to participate followed by a more formal BHI contract. Once the engagement is completed, ADU ownership is transferred to the homeowner free of charge.

BHI partners with local Coordinated Entry System (CES) homeless service providers to offer support services for both tenants and homeowners that includes qualifying and appropriately housing tenants. BHI budgets five to six case managers that each serve approximately thirty (30) tenants and landlords across all 150 BHI ADUs. Examples of support services may include homeowner education (e.g. landlord 101 and coaching to ensure healthy relationships with tenants) and case management with short term interventions for tenants (e.g. life skills, workforce training, career development and linkages to mental health services). Conversations with LAHSA are currently underway to secure funding for support services.

BHI also serves as a workforce development and supplier diversity opportunity that invests locally to coordinate and provide support services, construct and maintain ADUs as well as facilitate homeowner outreach and engagement. These investments will be sustained by a revolving fund to be established during the BHI pilot that sustains financing and construction of ADUs, incentivizes competition, minimizes costs and accelerates the construction timeline.
Back Home Initiative

Pilot Overview

Who is BHI?

Over the past decade, Tal Karasso, Co-Founder and CEO of US Home Pros, Jacob Lipa, Principal Consultant of Lipa Consulting and Richard Xavier Corral, CEO and Principal Consultant of Corral Consulting have been lead by their passion and commitment to advance meaningful social change, specifically to address Southern California’s housing and houselessness crises. Their work is driven by cross-sector partnerships that center government, nonprofit and for-profit businesses and most importantly, community. They’re humbled by the opportunity to share their professional experience, thought leadership, networks throughout greater Los Angeles and a deep love for our cities to ensure this project’s success.

BHI has grown beyond its founders to include local voices often left out of conversations and solutions to address houselessness including: United Latinx Fund, Mid-Valley Collaborative on Homelessness, Casita Coalition, LA Alliance for Human Rights, LA Business Council, Latino Coalition of Los Angeles, and SPA 6 Homeless Coalition. BHI partners inform and lead unique facets of the pilot and we’re deeply thankful for the opportunity to engage local stakeholders including homeowners and service providers.

Next Steps

The BHI model has been advanced by motions authored by LA City Councilmember Bob Blumenfield to explore the creation of citywide programs that finance ADU construction for the unhoused as well as a motion authored by LA County Board of Supervisors Hilda Solis and Kathy Barger to develop plan templates and other strategies that advance ADUs as a solution for the unhoused. Additionally, the city of South El Monte passed a motion that authorizes the submission of a Homekey grant to fund the construction of up to 150 BHI ADUs.

BHI leadership is outreaching to and soliciting feedback from Los Angeles City and County leadership as well as local municipalities on the project’s potential challenges and opportunities as well as effective engagement and communications strategies to homeowners. To assess the viability of and interest in the BHI pilot, homeowners are currently being identified who wish to participate in the pilot.

To learn more about BHI and to enroll in the program, please add your name to the growing list of supporters working to advance viable solutions to address the unhoused!