



Lake County Coalition for the Homeless Landlord Risk Mitigation Fund (LRMF) Program Manual

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Background

Terms

By-Name List: The real-time list of individuals and families experiencing homelessness in Lake County.

Continuum of Care (CoC): A regional or local planning body that coordinates housing and services funding for homeless families and individuals.

Coordinated Entry (CE): A centralized process designed to coordinate program participant intake, assessment, and provision of referrals for those experiencing homelessness in Lake County.

Lake County Coalition for the Homeless (LCCH): Lake County’s Continuum of Care.

Landlord: For the purposes of this document, “Landlord” refers to a landlord who leases a unit to a client from the Lake County Coalition for the Homeless Coordinated Entry By-Name List for a CoC housing intervention.

Provider: For the purposes of this document, “Provider” refers to a Lake County CoC agency that provides permanent supportive housing or rapid rehousing.



System Coordination and Entry Committee (SCEC): Lake County Coalition for the Homeless committee responsible for management of the coordinated entry process.

Program Purpose

The purpose of the Landlord Risk Mitigation Fund is to encourage landlords to rent units to clients from LCCH's Coordinated Entry By-Name List. Communities across the country have implemented similar programs (sometimes called risk mitigation funds, landlord mitigation programs, etc.) and have found the programs successfully increase the availability of units for homeless clients.

Lake County's Landlord Risk Mitigation Fund is a collaboration between the Lake County Coalition for the Homeless (LCCH), LCCH housing providers, and Community Partners for Affordable Housing (CPAH). LCCH serves as the main point of contact for the program and provides program oversight through the System Coordination and Entry Committee. PSH providers provide support to their client and the landlord renting to their client. CPAH processes claims and makes payments from the fund.

Overview of Process

1. Coordinated Entry clients are accepted into a housing program with a LCCH (CoC) Housing Provider.
2. Provider works with a client to find a unit.
3. Once a unit is identified and a Landlord accepts the client, Provider will conduct a pre move-in inspection. Once successfully inspected, an RMP Rider will be attached to the lease and executed at the time of the lease. (For units with leases executed prior to the beginning of this program, Riders may be executed after the initial lease start date).
4. If the Landlord experiences any issues with the tenant, the Landlord will contact the tenant's Provider to attempt to resolve any issues before further action is taken. If necessary, the Provider will work with the client to locate alternative housing.
5. If there is an issue which is eligible for reimbursement:
 - a. In the event there is excessive damage while the client is in the unit, the Landlord will apply the deductible of \$250 to any damages first. In the event there is excessive damage when the client exits the unit, Landlord will apply the security deposit and deductible of \$250 to any damages first. The Provider will work with the Landlord to complete necessary paperwork to submit the claim for eligible damage costs up to the maximum amount allowed. The Landlord will submit the claim to CPAH.
 - b. In the event the client exits the unit prematurely, the Provider will work with the Landlord to house a new client in the unit. Once housed, the Provider will work with the Landlord to submit a claim for vacancy loss for up to the value of two months' rent.
6. CPAH will process the claim and issue the check to the Landlord.

Program Partner Roles

Responsibilities of Landlord Participants

- Accept applications from Coordinated Entry By-Name List (BNL) Clients and review applications. (The Landlord must not apply criteria to BNL Applicants that exceed the restrictions applied to any other housing applicant.)
- Allow the unit to be inspected by the tenant's Provider



- Execute the RMP Rider to the Lease
- Communicate with Provider at the first evidence of issues with the tenant or within the unit and make reasonable effort to avoid eviction when alternative options are available
- Work with the Provider as necessary to submit a claim
- Submit claims
- Make every effort to only submit claims of eligible damages over and above normal wear and tear and eligible claims of vacancy loss, including ensuring that alternative sources of vacancy loss are applied first

Responsibilities of the Lake County Coalition for the Homeless System Coordination and Entry Committee (SCEC)

- Conduct all landlord outreach and marketing activities
- Address program issues as they arise
- Evaluate the program for effectiveness and take steps to adjust as necessary
- Execute an MOU with each provider that confirms LCCH responsibilities regarding this program

Responsibilities of Providers

- Place BNL client into unit
- Explain the RMP to Landlord
- Document Pre Move-In Inspection (using format approved by RMP)
- Ensure the RMP Rider to Lease is executed by the Landlord
- Serve as contact with Landlord if there are issues with tenant/unit
- Confirm repair work is done and for vacancy losses, unit has been re-leased to a CE client
- Work with landlord to compile paperwork (photos, expense documentation, evidence of security deposit) for RMP claim
- For damage claims, confirms security deposit and deductible were applied first as necessary
- For vacancy loss claims, determine whether or not one-month vacancy loss will be covered by CoC grant (not RMP)
- Provide all other supportive services as required by CoC housing program
- Execute an MOU with LCCH that confirms provider responsibilities when utilizing this program

Responsibilities of Community Partners for Affordable Housing (CPAH)

- Establish program guide for cost reasonableness of typical repairs
- Provide annual Inspection training to Providers
- Receive RMP claims from Providers & checks for cost reasonableness
- Spot check 25% of claims with site visits (coordinated through Provider)
- Submit RMP claim to Lake County Affordable Housing Program (AHP)
- After receipt of AHP payment, CPAH issues check to landlord

Eligibility Criteria and Claim Submission

1. All landlords with residential units leased to LCCH's Coordinated Entry (CE) clients are eligible for RMP. This includes units leased through CoC-funded programs as well as some units leased through Housing Authority voucher programs, including Family Unification Program (FUP), Veteran Affairs Supportive Housing (VASH), and Mainstream Voucher Program. There is no



registration process; however, Landlords must execute a lease rider with the tenant to participate in the program.

2. To be eligible for RMP reimbursement, a unit must:
 - a. Be leased to a CE client; AND
 - b. Have had an inspection performed by Provider prior to tenant move-in (or at the time the Lease Rider is executed); AND
 - c. Have an executed RMP Lease Rider; AND
 - d. Not be undergoing a tenant eviction unless Landlord has made reasonable effort with the Provider to find an alternative to eviction and efforts have been unsuccessful; AND
 - e. If prior CE client has vacated the unit, it must be re-leased to a CE client PRIOR to submitting RMP claim for vacancy loss. Damage claims can be submitted regardless.
3. RMP Reimbursements are limited to **Damages** and **Vacancy Loss**. If a Landlord would like to submit a claim, they must contact the Provider, who will work with them to complete any necessary paperwork.
 - a. **Damages:** Excessive damages that are beyond typical wear and tear are eligible for a claim. In order to submit a claim, a Landlord must document the repairs (keep invoices, take photos, etc.). If the tenant has vacated the unit, Landlords must first apply the security deposit and a \$250 deductible towards the cost of the repair. Repairs that exceed the security deposit and \$250 deductible are eligible for submission, up to a maximum of \$2,250 per unit. If the tenant is still in the unit at the time the damage is repaired and the claim is submitted, landlords do not need to first apply the security deposit but must apply a \$250 deductible towards the cost of the repair. Repairs that exceed the \$250 deductible are eligible for submission, up to a maximum of \$2,250 per unit. Damages must have occurred after the tenant moved in. Claims must be submitted within 6 months of the discovery of the damage or within 30 days of the date of the invoice for repairs, whichever is sooner. CPAH will conduct a cost-reasonableness assessment of each claim; reimbursements will be limited to costs determined to be reasonable per CPAH's policy.
 - b. **Vacancy Loss:** If a tenant abandons or otherwise exits the unit prior to the expiration of their lease, the Landlord may lease the unit to any applicant OR indicate to the Provider that the unit is available for another BNL client. If the Landlord is willing to hold the unit to lease to another BNL client and communicated this to the Provider, the landlord may submit an RMP claim for vacancy loss for the amount of time the unit sits vacant, up to the value of two months' rent. In the event of eviction, the option to hold the unit for another tenant and submit a claim for vacancy loss is only available if the Landlord took reasonable steps with the Provider to avoid eviction and no alternatives were available. Vacancy Loss claims can be submitted the 60th day the unit remains vacant, but must be submitted within four months of that date. If the unit is eligible for vacancy loss reimbursement through a CoC program, the landlord must first pursue vacancy loss through that program.

Program Evaluation

The SCEC will review RMP data annually to determine whether the Landlord Risk Mitigation Fund Program is successful. Metrics reviewed include:



- Number of claims submitted/number accepted
- Feedback from Landlords, Providers, and Tenants
- Number of tenants able to find a unit in the community

If any metrics indicate an issue with the process, the program manual will be updated and procedure will adjust as necessary.

Frequently Asked Questions

1. *I don't understand the claim "deductible." Can you provide an example of how this would work?*

Say a tenant paid a \$750 deposit upon move-in on January 1st, and on February 15th, the tenant called to notify the landlord that the kitchen countertop was damaged. The landlord would immediately document the damage, then have the damage repaired, saving the invoice. The invoice was \$500, and dated March 30th. As the tenant remains in the unit, the landlord would first apply the \$250 deductible towards the invoice, and submit a claim for \$250 ($\$500 - \$250 = \250). This claim would need to be submitted by April 29th at the latest (30 days past the date of the invoice). The deposit would not be affected.

Say a tenant paid a \$750 deposit upon move-in on January 1st and vacated the unit at the end of their lease on December 31st. Upon inspection, the landlord discovered that there was damage to the drywall in the bedroom. The landlord would immediately document the damage, then have the damage repaired, saving the invoice. The invoice was \$1,200, and dated February 1st. As the tenant is no longer in the unit, the landlord would first apply the \$750 deposit towards the invoice, then apply the \$250 deductible, and submit a claim for \$200. ($\$1,200 - \$750 - \$250 = \200). This claim would need to be submitted by March 2nd at the latest (30 days past the date of the invoice).

2. *I rented a unit to somebody from Coordinated Entry last year. They are still in the unit. Can I participate in the RMP?*

As long as the tenant is part of an LCCH housing program, your unit is still eligible! You will need to contact the Provider and execute a lease rider to the existing lease with the tenant.

3. *I rented a unit to somebody from Coordinated Entry and they moved out last year, leaving excessive damages. Can I still submit a claim?*

Unfortunately, this program is only available for Landlords currently renting to tenants from the Coordinated Entry By-Name List. Past damages are not eligible expenses.