

## Greater Hartford Coordinated Access Network – Risk Reduction Fund

### Program Overview

The Risk Reduction Fund recognizes the investment of landlords who are willing to help individuals in need of affordable housing and is intended to reduce the risk that can be associated with housing some households. This Fund offers participating landlords reimbursement for short-term vacancies and minor repairs to a unit that is rented to a Greater Hartford Coordinated Access Network (GH-CAN) tenant who receives rental assistance. The effort helps preserve the investment of a participating landlord while helping to secure safe, affordable housing for households in need.

### Summary of Requirements

The landlord must have signed a Memorandum of Understanding (MOU) with Journey Home on behalf of the Greater Hartford Coordinated Access Network (GH-CAN), have agreed to the terms in the MOU, and either include all utilities in the rent OR agree to lower threshold screening requirements such as credit history, criminal background, or eviction history for GH-CAN tenants with case management support. (See more details below and in MOU). Only GH-CAN tenants who have been verified as Chronically Homeless may be covered under the GH-CAN Risk Reduction Housing Partner Agreement.

### Risk Reduction: DAMAGES

- 1. The damages inspection may be waived for claims under \$100 to cover small damages or minor repairs.**
- 2. Property damage claims exceeding \$100, but not more than \$1000 for a unit will be reviewed on a case-by-case basis.**

Eligible Unit 'damages' may include: Interior wall gouges and holes; damage to doors and cabinets including their hardware; carpet stains or burns; cracked tiles; broken windows, damage to minor household fixtures such as disposal, toilet, sink, sink handle; ceiling fans, and lighting fixtures. Other damages beyond normal 'wear and tear' may also be considered for reimbursement.

Landlords pay to make repairs first and then apply for reimbursement. Reimbursement is not guaranteed. To apply for reimbursement incentives of any amount, Journey Home must confirm landlord and tenant participation in the GH-CAN. Upon confirmation of participation, Journey Home will need to receive a copy of the HQS move-in inspection, satisfactory descriptions and documentation of damages, including before repair and after repair pictures, and copies of repair receipts for labor or materials. Properly submitted and complete claims will be reviewed within 2 business days from receipt of claim. Journey Home will pay up to 100% of damages costs incurred, above and beyond what is recouped by the landlord from deposits or insurance, up to \$1000. Payments up to \$100 may be reimbursed without inspections. Reimbursement requests from \$100 up to \$1000 for a unit would require an inspection. A post repair inspection will be conducted prior to payment for claims over \$100.00.

Eligible claims will be reviewed by Journey Home using the following criteria:

- Property damage incurred after November 1, 2016, after the unit was leased to the tenant and within the 1<sup>st</sup> year of the lease;
- Property damage was caused as a result of a GH-CAN tenant's occupancy.
- Damage to property exceeds normal wear and tear;
- Damage expenses are not reimbursed by deposit or insurance;
- Damage fund covers only expenses related to the unit the covered tenant has leased.
- Copies of at least two estimates as well as receipts will be required for damages claims.

**Risk  
Reduction:  
UNPAID RENT**

1. Unpaid Tenant Rent: After a GH-CAN tenant moves out or is evicted, reimbursement of any uncollected **GH-CAN referred tenant portion** of rent during the period of occupancy, not to exceed \$1,000, minus the security deposit, or payment from Security Deposit Guarantee Program. (This does not apply to abatement, liens, or third party payments.)

Eligible claims will be reviewed by Journey Home using the following documents:

- a) Lease to referred GH-CAN Program tenant signed after November 1, 2016
  - b) Documentation that the GH-CAN tenant has not paid rent
  - c) Documentation of efforts made to collect rent,
  - d) Documentation of deposit funds or security deposit guarantee applied to unpaid rent, or receipts documenting how deposit funds were used if not applied toward unpaid rent, or lease showing no deposit was paid (if applicable)
  - a) Lease to new GH-CAN tenant or written confirmation of approved tenant application and commitment to hold unit or equivalent unit for the new GH-CAN tenant and date of unit availability
2. Abandoned Unit Payment: Reimburse the rental assistance amount (not including **GH-CAN referred tenant portion** of rent) for rent during the remaining lease period after tenant abandonment, or until the unit is re-rented, whichever is sooner, not to exceed \$1,000, minus the security deposit, or payment from Security Deposit Guarantee Program and minus any program payment to cover this period (if applicable based on program eligible expenses).

Eligible claims will be reviewed by Journey Home using the following criteria:

- a) Lease to referred GH-CAN referred tenant (that abandoned unit) signed after November 1, 2016;
- b) Rental Assistance Payment Agreement for unit housing GH-CAN referred tenant signed after November 1, 2016;
- c) Copy of lease documenting move-in date and lease end date;
- d) Documentation of timely notification to the GH-CAN Agency staff that the unit was abandoned;
- e) Documentation of date unit was abandoned by **GH-CAN referred tenant**;
- f) Documentation that unit remained vacant for duration of time covered by Abandoned Unit Payments.
- g) Lease to a new GH-CAN tenant or written confirmation of approved tenant application and commitment to hold unit or equivalent unit for the new GH-CAN tenant and date of unit availability

**Risk  
Reduction:  
HIGH UTILITY  
BILL**

1. High Utility Bill: If a landlord has included all utilities in the cost of the rent, and a GH-CAN-referred tenant abuses the utilities, resulting in an extraordinarily high cost utility bill to the landlord, reimbursement for the cost over the normal utility amount can be sought by the landlord, not to exceed \$500.

Eligible claims will be reviewed by Journey Home using the following criteria:

- a) Current utility bill
- b) Documentation on prior years' (or months') utility bills for the same occupied unit or equivalent occupied unit
- c) Lease to the current GH-CAN tenant or written confirmation of approved tenant application and commitment to hold unit or equivalent unit for a new GH-CAN tenant and date of unit availability.
- d) Other relevant documentation as appropriate

**Note:** The Risk Reduction Fund cannot exceed \$1,000 per client. This includes Reductions due to damages, unpaid rent, abandonment of the unit, and utility reimbursement. Risk Reduction Fund eligibility requirement, benefits and processes may change over time. The Risk Reduction Fund benefits and processes may change, expand, or end, depending on funding availability. Participating landlords will be notified of any changes to the Risk Reduction Fund implementation. Any changes will apply to leases signed on or after the date of updated Risk Reduction Fund guidelines. Claims and/or receipts that seem overly expensive may be denied if research indicates the cost is exorbitant. Contact the Journey Home for the latest guidelines for the Risk Reduction Fund. Contact Journey Home at 860-808-0336 to become a participating landlord. Risk Reduction Claims Forms and other forms can be found on Journey Home's website at [www.JourneyHomeCT.org](http://www.JourneyHomeCT.org).