



Risk Mitigation Fund

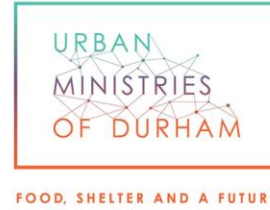
**Building relationships between people ending their homelessness,
landlords, the Durham Housing Authority & non-profits.**



community.empowerment.fund

“ ... Do you accept Housing Choice or Section 8 Vouchers?”

“No.” *click*



The Problem

What We Need

We need landlords to say “yes” to housing vouchers.

- Median rent, 2BR: **\$1,168***
- **88** households searching
- Dramatic shift in rental market, loss of landlord partnerships
- Vouchers expire - people lose a key opportunity! (**29%**)

*Source: Durham Opening Doors, Zillow Rental Data (Tableau Public)

“YES”

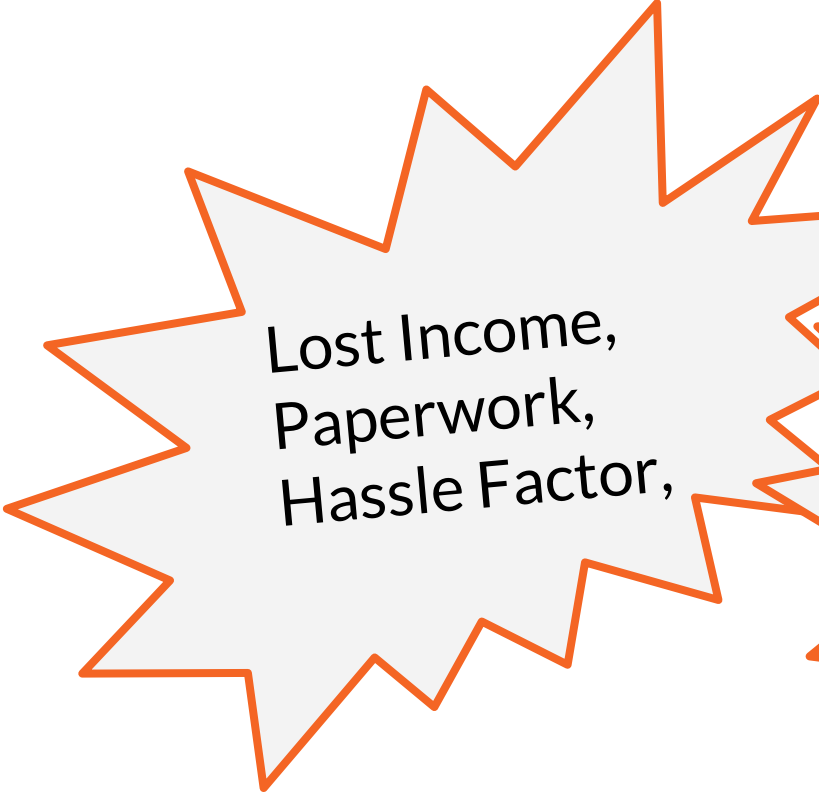
I want to help
end homelessness

I love that Durham
is a melting pot

I don't want
people to be
displaced

Affordable housing
is a service that
people need

“NO”



Lost Income,
Paperwork,
Hassle Factor,



Perceived
Risk

–

Mayor's Landlord Roundtable

“I would like in time to take vouchers and I’ll keep listening.”

~ Landlord at the Mayor’s Landlord Roundtable, June 2016



“NO”

Paperwork,
Hassle Factor,
Lost Income

Perceived
Risk



What We Learned

from other cities and counties:

- The main purpose of a risk mitigation fund is to provide peace of mind to landlords, honoring their concern that this is a high-risk market.
- Often, the fund is not extensively drawn upon.
- The fund is just one part of a suite of landlord partnership efforts (eg. a central housing locator, 24/7 hotline, case management support).
- Helpful in high-rent low-vacancy markets
- Offsets the cost of double deposits

The Fund: Key Elements

Key Elements

Goal:
115 Vouchers in Use.

Key Elements

What would the fund cover?

- Up to **\$2,000** per unit
 - **Excessive damages**
beyond security deposit coverage
-

Pilot Fund - Target Size:

\$24,000

10% of 115 vouchers **x** **max. \$2,000/unit** **=** **\$24,000**

MOUs

Participation comes with commitments - on all sides.

Community members experiencing homelessness gain access to mission-driven landlords who accept vouchers, and volunteer to receiving crisis intervention/case management support from non-profits.

Landlords accept the voucher, and allow some flexibility around screening criteria (eg. past evictions, credit history) for people experiencing homelessness.

Housing/homelessness non-profits offer crisis intervention/case management after the client moves into housing, and help document property upon walkthrough.

Key Elements

How would it work?

- Landlord submits claim with documentation to a Claims Review Committee
 - Committee has ability to request additional information from DHA, non-profits and landlords
 - Landlord has right to appeal
-

Key Elements

How would it work?

If claim is successful:

Fiscal agent organization would disburse funding to landlord, and receive reimbursement



Input From & Special Thanks To:

- Durham Housing Authority
 - Housing for New Hope
 - VA Medical Center
 - Families Moving Forward
 - Alliance Behavioral Health Care
 - NC Housing Finance Agency
 - Council to End Homelessness in Durham
 - City of Durham
 - Local Landlords
- ... etc.
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