

Pikes Peak Veteran Housing Fund: PPVHF

Collaboration between City of Colorado Springs/El Paso County

To help increase housing stability for vulnerable Veteran households in our community who are experiencing homelessness, and want safe, stable housing.

The Pikes Peak Veteran Housing Fund will provide a variety of incentives, compensation and security for property owners renting to the Pikes Peak Veteran Housing Fund program participants.

El Paso County is the closest in our state for Ending Veteran Homelessness – functional zero. With grant funding awarded from the Veterans Administration, Supportive Services to Veteran Families (SSVF), to Rocky Mountain Human Services (RMHS) their Homes for All Veterans (HAV) program has been tracking data and benchmarks for over four years striving to meet functional zero; which means our community will have a process in place to swiftly move a veteran identified as homeless into safe, stable housing. The challenge in our community remains that the rate of newly identified homeless veterans continues to exceed the rate we can house them.

The Pikes Peak Veteran Housing Fund (PPVHF) is a community program aligned with the Mayor's Challenge to End Veteran Homelessness to ensure homelessness is rare, brief, and non-recurring in our strong military community. The City, in conjunction with RMHS/HAV-SSVF, the Community Advisory Council on Veteran Homelessness (CACVH), the Pikes Peak Continuum of Care (CoC), and our overall community will provide the support and oversight in this mission to end Veteran homelessness.

Homelessness remains a major challenge because of many individual factors but there are two primary challenges that have slowed our rate in housing vulnerable veterans. One, the lack of available, affordable, and safe housing for Veterans with housing barriers to include poor credit, prior evictions, and possible criminal backgrounds. Two when it comes to Veterans who can access financial assistance through the federally funded program such as Housing and Urban Development/Veteran Administered Supportive Housing (HUD-VASH) and Veteran Affairs-Supportive Housing (RMHS/HAV-VA-SSVF) it is also the lack of financial compensation and insurance for landlords hesitant to house vulnerable veterans; especially those determined higher risk with permanent supportive vouchers.

The risk, perceived or real, of renting to anyone who has experienced homelessness means that communities must continue to be creative in bringing landlords in as partners in the work to end homelessness. The PPVHF is a partnership that has been developed to support both Veterans and property owners in our community. The PPVHF is designed to incentivize property owners while ensuring that funds are used efficiently and with discretion to secure and retain high-quality units.

First, through regular case management and in-home services, property owners will benefit from added support in the overall effectiveness of The Pikes Peak Veteran Housing Fund. Property Owners in our community who have been willing to house vulnerable Veterans have come to expect this supportive partnership when housing a vulnerable Veterans. However, now that rents have increased and

Voucher payment rates have been adjusted, as well the cost to turn the units when Veterans vacate have increased, property owners are now seeking financial insurance/incentives because even with the most intensive case management services damage to the unit may still occur beyond the amount covered by the security deposit.

As of September 2018, there are 181 Veterans identified in El Paso County, CO as tracked by RMHS and the Pikes Peak CoC Coordinated Entry programs. These are veterans who are literally homeless which means they are residing in local shelters and/or sleeping in place not meant to human habitation (camping, vehicles, streets, abandoned buildings, and such). This number aligns with the annual community Point in Time data which has shown the number of veterans experiencing homelessness has maintained as a 3 year average of 184 (2016: 168; 2017: 198, and 2017: 193). We are housing an average of 13 veterans per month and need to house an average of 33 per month.

Market rate rent in our city and county, as well as nation-wide, has increased beyond the reach of most veterans experiencing homelessness as well as permeant supportive housing voucher holders to include VA-Supportive Housing (VASH) vouchers. Currently there 22 Veterans holding VASH vouchers who remain homeless due to the following barriers: (1) the voucher rate does not meet the market rate of rent; (2) veterans with vouchers often come with barriers to housing to include eviction records, poor credit, and criminal backgrounds. Landlords in our community struggle to reduce rent to match the voucher and/or accept veterans with housing barriers due to concerns of disparate impact. In contrast, landlords in our community are denying (and disclosing they no longer accept vouchers) based on payment rates which is beginning to have a serious disparate impact on our vulnerable veteran community to include age adults over 55, women, families, and disabled veteran households all part of protected class. This fund will not solve laws and regulations that need to be changed at the state level, but incentives and “financial insurance” might encourage more landlords to consider housing a veteran in need.

The Pikes Peak Veteran Housing Fund Guidelines of Processes and Procedures:

The fund works within a *package of services and incentives* offered by the Project Coordinator, which until the CoC hires a Housing Navigator, RMHS-HAV will work in conjunction with the CoC/CE to serve as a primary point of contact for landlords leasing to Veterans from a variety of programs across the community but primarily HUD-VASH and SSVF.

Participating property owners sign Partnership Agreements to work with The PPVHF and partnering agencies must also complete an Agency Agreement Form and attend an agency orientation to refer clients to housing fund. To refer a Veteran to be housed in a unit tied to the benefits of this fund the Veteran must be working with a program that provides direct, in-home case management services and support. The veteran and agency provider must also be willing to sign a Tenant/Landlord Agreement (see attached example) to include the name and contact of the agency providing in-home case management services to assist the veteran with maintaining safe, stable housing.

Once housed, PPVHF program staff and/or the case manager participate in the move-in inspection process with Veteran. The program only requires that partnering agencies provide case management for

the first year, unless the agency is equipped to provide intensive case management to its clients such as HUD-VASH.

Landlord Responsibilities

- Perform all management and rental functions for the assisted unit, including screening and selection of tenants.
- Maintain the unit in accordance with Housing Quality Standards (HQS), including performance of maintenance.
- Comply with equal opportunity/fair housing requirements.
- Prepare information required under the Housing Assistance Payments contract and furnish the information to Pikes Peak Veteran Housing Fund.
- Collect from the renter: security deposit, tenant portion of the rent, any charges for damages to the unit.
- Enforce the tenant obligations under the lease.
- Pay for utilities and services agreed upon in the lease.
- May not collect side payments from Section 8 renters or charge more than approved by the Fund.
- Being involved with the Pikes Peak Veteran Housing Fund program can give you the satisfaction of empowering low-income Veteran households to afford decent, safe and sanitary housing.

Tenant Responsibilities

- Supply information determined necessary by The Pikes Peak Veteran Housing Fund or HUD to administer the program, including completion of scheduled income reviews.
- Pay utilities that are not supplied by the landlord.
- Provide and maintain the appliances for which they are responsible.
- Correct damages inflicted to unit by family member or guest, in specified time.
- May not commit serious or repeated violation(s) of the lease.
- Notify the Pikes Peak Veteran Housing Fund, agency partner, and the owner 30 (no more than 60) days in advance, prior to moving or terminating the lease.

The Pikes Peak Veteran Housing Fund Responsibilities

- Make assistance payments to the landlord in a timely manner.
- Regularly evaluate Veteran household tenancy issues.
- Inspect units at least once every two years.
- Provide quality customer service to Section 8 landlords and tenants.
- Notify landlord of any changes in PPVHF.

Rocky Mountain Human Services Responsibilities

- Act as Project Coordinator, which until the CoC hires a Housing Navigator, RMHS-HAV will work in conjunction with the CoC/CE to serve as a primary point of contact for landlords leasing to Veterans from a variety of programs across the community but primarily HUD-VASH and SSVF.
- Provide fund administration at 10% Administrative fee (unless admin costs can be covered by another source).
- Prepare and send checks within 3-business days.

The fund alone does not entice landlords to participate in housing a vulnerable veteran because landlords can easily fill vacant units in Colorado Springs’s tight rental market without the financial incentives offered by the Fund provides unique support for landlords, especially during times of conflicts and challenges with veteran tenants. The support and responsiveness of staff fosters landlord’s ongoing participation in the program, ensuring participating landlords continue to rent to veteran households.

In addition to landlord/tenant case management supportive services the here will be two types of financial compensation available: Gratitude Payments and Mitigation Fund.

I. GRATITUDE PAYMENTS

The PPVH Fund provides two types of “gratitude” incentive payments to owners who rent to veterans experiencing homelessness participants. These incentives are designed to (1) keep local owners interested in renting and continuing to rent to PPVHF participants and (2) for veterans with vouchers to cover the gap between the payment standard rate and the market rate rent. This will most likely be utilized by private/non-corporate landlords and property owners.

List Maximum “gratitude” payment amount for 2 years.

a) First Unit

Upon renting the first unit to a tenant of the PPVHF, the property owner will qualify for a one-time payment of up to \$500. The actual incentive will be based on the length of the lease offered.

- i. A first unit with a 12-month lease is eligible for \$500 incentive payment

- ii. A first unit with a 6-month lease is eligible for \$250 incentive payment
- iii. A month-to-month lease is eligible for \$100 incentive payment
- b) Additional Units

Owners who rent more than one unit to PPVHF tenants will receive a fixed gratitude payment of \$250 for each additional unit leased.

c) Continuity Payments

When a unit is vacated by und participant, the property owner will receive a fixed rate gratitude payment of \$250 for renting to another Fund tenant in the same unit. This will be in addition to any compensation given for damages or losses not covered by the security deposit described in Section II: Mitigation Payments.

d) Vacancy Loss with Continuity

If a tenant has left a unit rented under the PPVHF program for any reason, and the property owner has agreed to rent to another Fund tenant, in addition to being eligible for the Continuity gratitude payment, the owner may receive a payment for vacancy loss of up to \$500. The vacancy loss payment will be available for the period between the time that the owner commits to rent the unit to Fund tenant, and when the participant's occupancy in the unit is authorized by the program. The total payment will be based on a proration of the monthly rent and will compensate for any programmatic delays in occupancy (not owner or tenant caused delays).

e) Gap Funding

If a veteran's voucher payment standard rate does not meet the market rent rate, the Fund will cover the cost of the gap, preferably up to \$200 per month, totaling \$2400 for onetime payment. If the veteran chooses to renew his/her lease at end of 12-month lease, we ask the veteran continues to allow the veteran to remain in the unit at the payment standard rate.

Procedure for Gratitude Payments

PPVHF program partner will submit an "Authorization to Pay" for Fund Gratitude Payment and will indicate the amount and type of incentive payment provided with back up for the amount requested. The request will also indicate which gratitude payments are included in Authorization to Pay and provide the backup documentation as necessary. The program partner will submit to the request for review with the CE team and submission for processing within 7 business days of submission.

For Vacancy Loss with Continuity, the PPVHF program partner will include a request for coverage of vacancy loss which includes the amount of the vacancy loss based on documentation of the past participant's move out date and the new participant's move in date, up to \$500.

II. MITIGATION PAYMENTS

In the event that a veteran tenant referred by The Pikes Peak Veteran Housing Fund abandons a unit with significant damages, breaks their lease, is evicted for non-payment of rent or repeated lease violations that result in a vacancy loss or any combination of these, the Fund will compensate the property owner for some costs beyond those covered by the security deposit, up to the maximum amount of \$1000 - \$2000 per unit size.

a) Damages

In the event that a program participant tenant damages a unit that they abandon or are evicted from, the Fund will compensate the property owner for all or a portion of the damages, depending upon the circumstances. More specifically:

i. Minimum Damages Payment

Modest compensation of up to \$500 may be offered without an inspection as long as the owner confirms that the tenant has left the unit and provides proper documentation of the condition of the unit. Proper documentation such as photographs and work orders must support a reasonable expectation that the repairs will exceed the amount of the security deposit.

ii. Significant Damages Payment

For damage claims in excess of \$500, a pre- and post-repair inspection will be conducted by The Pikes Peak Veteran Housing Fund. The property company/landlord/owner will provide paid receipts, completed work orders or other cost documentation in order to support that damages exceeded the amount of the security deposit by more than \$500.

iii. If a property owner requests assistance with repairs during a participant's tenancy and is otherwise willing to continue renting to the veteran, this request will be considered on a case-by-case basis. Damages must be veteran tenant caused and must be above reasonable wear and tear.

b) Arrears

If The Pikes Peak Veteran Housing Fund tenant abandons a unit, or is evicted, and owes rent that, once any damage repairs are covered, exceeds the amount of the security deposit, the fund may compensate the owner for a portion of the unrecovered rent at 50% if the landlord is willing to rent that unit to another veteran in the program.

c) Uncollected Rent in Eviction

In the event that a veteran tenant must be legally evicted, the owner may also receive up to one month's rent to cover rental losses incurred during the period that the eviction was in process and the tenant ceased to pay rent. The sum total of payments for damages, arrears and vacancy loss in the case of eviction will not exceed the Fund maximum. When an owner is applying for payments related to eviction, the amounts will be covered in the following order: 1) arrears, 2) damages and 3) uncollected rent loss.

For Gap Funding, the PPVHF program will conduct necessary/required paperwork to include habitably inspection required by HUD, as well as Rent Reasonableness for ensuring rent does not exceed area market rental rates.

Procedure for Pikes Peak Veteran Housing Fund Mitigation Payments

The Housing Navigator will submit an “Authorization to Pay” for Pikes Peak Veteran Housing Fund Mitigation Payment and will indicate the amount and type of payment provided with back up for the amount requested. The request will have a breakdown of the different types of mitigation payments and backup documentation to support each being requested. The Housing Navigator will submit to the CE Housing Committee for review, approval and submission to RMHS or PMCN for processing within 48 hours of submission.

- i. For Minimum Damages Payment – the Housing Navigator will document with photographs and work orders of repairs up to \$500. *May be more appropriate for case managers at HAV to do inspections. Who else has authority to determine HQS?*
- ii. For Significant Damages Payment – the Housing Navigator will conduct an inspection prior to the repairs, take photographs to document the unit condition. Once the repairs are made, the Housing Navigator will conduct a unit inspection to confirm repairs are made and in line with the submitted repair receipts and work orders to substantiate the total costs in excess of the security deposit and in excess of \$500 beyond that.
- iii. Arrears and Uncollected Rent in Eviction – the owner must provide evidence of monthly, written notification of the tenant that rent is past due and a ledger of the total amount owed, including the amount to be covered by the security deposit. **ALSO HAVE THEM SHOW YOU EVIDENCE OF RECIEPT LAST TIME THE TENANT DID PAY.**
- iv. If requested documentation is not submitted by the owner within 60 days of the move-out then the owner forfeits the assistance from the Homes for Heroes Fund.

When necessary, landlords can submit claims and damage receipts to the fund after the tenant vacates the unit. PPVHF staff will participate in the move-out inspection process and utilizes a pay schedule based on the local housing authority’s pay out standards for damages (based on the move-in record/report). The fund caps claim at \$2,000 for studios and one bedrooms and \$3,000 for apartments with two or more bedrooms. Landlords can submit a hardship waiver for claims beyond the cap limits in extraordinary circumstances.