



# Landlord Mitigation Reserve

(LMR)

# What is the purpose of the Landlord Mitigation Reserve Program?



- “The goal of this program is to encourage landlords to lease available units within their property to individuals in recovery and with a felony on their record that relates to their SUD.”

# Landlord Mitigation Reserve



- Started due to numerous stories from people in recovery unable to rent/lease an apartment or house
- The ‘Scarlet **F**(elony)’ generally follows an individual for life. In many cases, people with a felony conviction are rejected by potential landlords as soon as a background check is complete.

# Hierarchy of Needs



Maslow's hierarchy of needs

# ROLES AND RESPONSIBILITIES

**DMHA partnered with Indiana Housing and Community Development Authority (IHCDA) to address this issue:**

## **DMHA**

- Determining eligibility of individuals
- Maintaining a list of approved eligible individuals and sharing such list with IHCDA
- Collaborating with IHCDA on necessary programmatic changes and policy decisions

## **IHCDA**

- Outreach to assist in recruiting eligible landlords
- Holding and operating the Fund (to potentially pay participating landlords)
- Receiving and processing claims from landlords
- Submitting payments for eligible reimbursements to landlords
- Reporting changes in the amount of the Fund to DMHA
- Maintaining this Policy
- Collaborating with DMHA on necessary programmatic changes and policy decisions



# ROLES AND RESPONSIBILITIES CONT.

## **Eligible Individual (once approved by DMHA)**

- Finding participating housing
- Entering into a lease agreement with an eligible landlord, including the LMR Program Lease Addendum
- Following the rules of the lease

## **Eligible Landlord**

- Agreeing to reduce screening criteria, in order to house LMR clients
- Entering into a lease agreement with an eligible household, including the LMR Program Lease Addendum
- Complying with Indiana Code requirements for landlord responsibilities
- Complying with Federal and State Fair Housing and nondiscrimination requirements
- If applicable, submitting necessary claims to IHCDA

# LMR Participant Criteria - DMHA



- At least one felony on one's record related to prior SUD.
- No new charges or open warrants for at least one year (12 months).
- At least one year of consistent employment.
  - A gap of one month is allowable
  - This requirement will be waived for individuals unable to work due to a disability. Documentation may be requested if the disability is not readily apparent. Documentation may include an SSDI/SSI award letter or documentation from a knowledgeable professional stating the individual is unable to work due to a disability.

# LMR Participant Criteria Cont.



- This requirement will be waived for individuals 60 years or older.
- At least one year of treatment and/or recovery.
- Maintained good standing with any criminal justice entities- probation, parole, work release, problem-solving courts.
- Documentation of all the above conditions.
- Note: Interested candidates can request approval with as little as 6 months' demonstrated employment and recovery. These requests are decided on a case-by-case basis.
- **\*\*REMINDER - This is NOT a funding program\*\***



# LMR Participant Process



- <https://www.in.gov/fssa/dmha/addiction-services/landlord-mitigation-reserve-program/> ← Where to download the application form
- LMR Participant submits application and required documentation to DMHA LMR mailbox [LMR@fssa.IN.gov](mailto:LMR@fssa.IN.gov)
- DMHA LMR team reviews and accepts/denies. Denied applications will be reviewed with applicant and may require additional documentation.
- Accepted LMR Participants will:
  - Be notified by DMHA team
  - Receive signed LMR Certificate of Approval
  - Receive list of landlords who are approved in their area
- LMR Participant will present signed certificate to landlords to get started

# RESOURCES



Landlord Mitigation Reserve Program-  
<https://www.in.gov/fssa/dmha/addiction-services/landlord-mitigation-reserve-program/>

# LANDLORD OVERVIEW

The Landlord Mitigation Reserve (LMR) program provides protection to landlords willing to reduce screening criteria to house program participants. Landlords in the program are eligible to be reimbursed for eligible expenses if the tenant violates their lease and/or causes damages.

The goal of this program is to increase access to stable long-term housing for individuals in recovery from an opioid addiction who have a criminal record associated with their addiction.

# ELIGIBLE LANDLORDS & LEASE REQUIREMENTS

All landlords are eligible for the program as long as they meet the following two requirements:

1. The property to be rented must be located within the State of Indiana; and
2. Landlord must not be suspended or debarred by IHCDA.

Landlords do **NOT** need to participate in other IHCDA programs to participate in LMR.

The LMR lease addendum **MUST** be signed by both parties and includes:

- Description of eligible reimbursements and reimbursement process
- Prohibition on leasing to relatives under the program without prior IHCDA permission
- Establishes a cap of \$2,500 on total reimbursement
- Voids items in the lease that violate Indiana State Code.

# REIMBURSEMENTS

- Eligible reimbursements
  - If the individual abandons the unit and owes unpaid rent the fund will reimburse the landlord for up to 2 months rent (not to exceed applicable HUD published Fair Market Rent)
  - Fees associated with a tenant breaking a lease early, not to exceed amount equal to two months rents.
  - Damages beyond normal wear and tear after the tenant has moved out, not to exceed lesser of documented cost of repairs or \$2,500
- Ineligible reimbursements
  - Costs of repairs to damages existing prior to tenant signing the lease.
  - Costs of repairs to damages considered ordinary wear and tear
  - Costs incurred for an eviction
  - Lost rent post eviction

## IF YOU ARE INTERESTED IN PARTICIPATING AS A LANDLORD

Please send an email to [LandlordMitigation@ihcda.IN.gov](mailto:LandlordMitigation@ihcda.IN.gov)

You should include in your email

- The name of the primary contact
- The business name (if applicable)
- Phone number
- Alternate/Additional Phone/Email (and name if more than one person is to be contacted)
- Number and type of unit total (ex. 3 one-bedroom, 2 two-bedroom apartment, 1 three-bedroom house...)
  - When we have someone searching in your area, we will ask about current openings.
- City/County where units are located
- Link to website (if applicable)



Photo description: Small black dog Mojo in bright red sweatshirt napping in his favorite spot while his human works.



# Thank you for joining us today

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For more information visit  
<https://www.in.gov/ihcda/program-partners/landlord-mitigation-reserve-program/> or to express interest in the Landlord Mitigation Reserve program please email  
[LandlordMitigation@ihcda.IN.gov](mailto:LandlordMitigation@ihcda.IN.gov)

For information about other IHCDA programs  
[S8Landlord@ihcda.IN.gov](mailto:S8Landlord@ihcda.IN.gov)

For information about program requirements for a prospective tenant visit  
<https://www.in.gov/fssa/dmha/addiction-services/landlord-mitigation-reserve-program/>