



August 14, 2019

Mr. Trey Price and Ms. Marisa Button
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301

RE: ELI Household's Income Requirement Policy for the 2019
Housing Credit Financing RFA for Affordable Housing Developments -2019/2020 General Process

Dear Mr. Price and Ms. Button,

For the 2019-114 RFA, the ELI household's requirement policy contemplates the following:

- 1. The household monthly income must not be required to be more than two times the monthly rent. (e.g., if the monthly rent is \$500, the household monthly income will not be required to exceed \$1,000.)**
 - a. Concern: Only two times the monthly income does not give the future residents much room to pay rent, utilities, food and transportation.
 - b. Recommendation: Applicant must show proof of the ability to pay utilities, food and transportation either by providing SNAP info, showing cost for transportation, or even a monthly budget with income and expenses.
- 2. The application for tenancy fee will be not more than \$35 per adult in a household.**
 - a. Concern: The current application fee is not high enough to ensure that each applicant prepares an application of sufficient quality in order to deter applicants who prepare careless applications that get denied.
 - b. Recommendation: HTGM charges \$75 for all applicants, once approved for occupancy, \$55 is credited back at move in. This helps pre-qualified households by deterring applications that would be denied.
- 3. A security deposit for new tenants will be not more than the amount of one month's rent.**
 - a. Concern: Security Deposit of one-month rent is not enough to cover for loss of rent and/or damages. In the case of an eviction, evictions take more than 1 month to process from beginning to end.
 - b. Recommendation: Security deposit of up to 2 month's rent for new tenants with low credit scores and/or past evictions.

HTG Management

3225 Aviation Avenue, 6th Floor • Coconut Grove, FL 33133 • 305-860-8188
www.htgf.com



In conclusion, HTG believes that by requiring future tenants to demonstrate the ability to afford living expenses and rent by providing budgets that show income and expenses, property managers will be able to better assess the future tenant's ability to afford the overall cost of living. Should the eviction of a tenant take place, charging up to 2 month's rent for a security deposit for applicants that have low credit scores or past evictions, allows management companies to have the necessary funds to quickly make required repairs and turn around units for affordable units which are in high demand.

Respectfully submitted,

HTG Management, LLC
a Florida limited liability company

By: 
Matthew Rieger, Manager