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**Sent:** Monday, July 9, 2018 4:38 PM

**To:** Marisa Button <Marisa.Button@floridahousing.org>

**Cc:** Ryan Hoover <rhoover@vestcor.com>

**Subject:** RFA Comments Re: Proposed Standards and Processes that Lower Barriers to Rental Housing Entry

July 9, 2018

In response to the Proposed Standards and Processes that Lower Barriers to Rental Housing Entry workgroup date 6/11/18.

#### Tenant Selection Criteria and Approach Requirements

- WRH Realty currently uses a Tenant Selection Criteria following Florida Housing requirements. All applicants are provided the criteria at time of application and it is included in the household's file. This criteria encompasses all Fair Housing, Section 504, and VAWA policies.

#### Application Fees

- The cost to run an application through compliance is the same no matter what the set aside percentage is.

#### Deposits

- The highest required deposit (dependent on credit scoring decision) for all set-asides is one month of the rent for that unit. If the resident is a section 8 resident we would not know their portion until after they move in. This could cause an issue at time of move in on how much deposit to collect (currently we collect a standard bedroom size deposit). Also, need to clarify at time of move-in as their portion can change frequently as their income changes for section 8 residents.
- The reason for deposit collection in general is to cover damage or loss cost. That damage cost is not determined by resident's rental portion.
- Payment plans are rarely successful and can lend themselves to collection issues.
- WRH Realty Services currently requires a portion of the security deposit to be paid at time of application in order to hold a particular unit. The 'holding deposit' is applied to the required deposit at move in. If the applicant is denied, the 'holding deposit' is returned to the applicant. It would not be beneficial to either the property or the ELI waitlist applicants to indefinitely hold a unit vacant with only an application fee paid.

### Income Requirement

- The current income requirement for WRH Realty Services is 2.5 times the resident's portion of the rent. This is the requirement for all set-asides. Lowering the requirement to only 2 times the resident's portion would not be conducive to timely collection efforts. The tenant rent is not generally the only payment required of residents, ie- utility, vehicle, phone. Our experience is that lowering standards to 2 times rent can set more residents up for failure as a small change in income can have a large negative impact to the resident's overall finances. This could then lead to more evictions.

### Credit Record Checks

- Screening companies would have to have the ability to eliminate these categories, it would to be property wide and not only on select units.
- Resident screening would no longer be an automated process which would lead to longer application processing times.

### Criminal History

- The current WRH Realty Services Tenant Selection Criteria is based on convictions only and not arrest records.
- The Criteria takes into account the severity of the conviction as well as the lookback period and specifically states the Reasonable Accommodation policy and the ability to request an additional assessment.
- Site team members do not possess the skillset or expertise to make individualized decisions and those assessments could lead to inconsistencies as well as open up the property management and ownership up to additional liability. If a Reasonable Accommodation request is made by the applicant for additional assessment it is taken to individual owners for approval or denial.
- Additional time would be required for appeal processes.

### Evictions

- Screening companies would have to have the ability to not only put a look back period on evictions but also determine the cause. Courts rarely, if at all, identify the cause of the eviction in the records provided to screening companies.
- Individualized assessments could also open property managers and owners up for inconsistencies and possible fair housing issues.

### Rejected or Ineligible Applicant Notification

- Rejected or ineligible applicants are currently notified of the property's decision by email or written letter within three days of the application through the adverse action notice required by the Fair Credit Reporting Act.

