

## Affordable Low Barrier Housing Program Procedure

### I. Program initiation/HMIS Enrollment

Eligible participants (individuals waiting for Rapid Re-Housing) will be identified during routine (weekly) coordinated entry reviews of the by-name list. Once a client has been identified as eligible and fit for the program, their assigned case manager will assist them with finding suitable housing. Housing details can be entered when you first submit the form, or added in once housing has been identified. All fields that have already been filled out for that client will be automatically populated in the form. This form will also ask if the case manager needs assistance with locating a unit. **CAFTH can provide case managers with materials for potential landlords, and we can refer them to landlords we work with and who have agreed to take part in the program, but we cannot guarantee unit availability at this time.**

### II. Fee Requests

Once an appropriate housing unit placement is identified, the case manager will fill out the appropriate **service forms** within the program in HMIS. There are two separate forms, one for the first month's rent, and one for the security deposit. The two initial fees this program covers are the security deposit for the unit and the first month's rent. Fees regarding the landlord risk mitigation fund will use a different process. (See section IV)

Once this information is submitted, CAFTH housing navigators will initiate the payment process and explain the timeline to the landlord.

### III. Move-in and Payment Process

The service provider will be responsible for conducting a pre-move-in inspection of the unit to ensure it meets HUD's quality standards. Once the unit has passed inspection and a lease has been signed, CAFTH will proceed with paying the landlord, and the program participant can move in based on the date on the lease agreement. Payments will be coordinated through the Senior Housing Navigator.

### IV. Damages claims

#### **Landlord Risk Mitigation**

CAFTH's ALBH Program covers excessive physical damages to a unit that may occur during occupancy within the original lease period, but are not covered by the security deposit. Claim payouts will not exceed \$1,000 in total per property and the amount eligible from the fund will be reduced by the security deposit.

- a. The maximum claim amount:** Landlords who meet the eligibility criteria can claim up to \$1,000 a year, per property. All payments will be made based on the availability of funds.

**b. Eligible claim expenses:** Up to \$1,000 in damages, which is above the security deposit in excess of normal wear and tear to the unit. **The landlord must verify with the tenant's housing service provider that the cost of damages cannot be covered by, or are in excess to, the housing subsidy funding source** (For example: CoC funded rental assistance can cover up to one month's rent to pay for any damage to housing due to the action of a program participant). In special circumstances, this fund may also be able to cover the cost of a broken lease if the tenant is following the CoC's *VAWA Emergency Transfer Policy*. The agency should contact CAFTH (<https://www.cafth.org/our-team/>) for additional information about this process.

**c. Client and landlord eligibility criteria:**

- The landlord and tenant must have a valid one-year lease agreement.
- The landlord agrees to make every effort to self-resolve unit damage issues or lease violations with the client and the housing service provider prior to submitting a claim to CAFTH for damages (to attempt to find common ground and retain the housing status for the tenant).
- The landlord must agree to inspection(s), as required by subsidy funding source.
- The landlord must submit all required reimbursement claim documentation to the tenant's housing service provider (See **\*\*Procedures, e. Submission Process** for more information).

**d. Claims for physical damage:**

As a reminder, the landlord must verify with the tenant's housing service provider that the cost of damages cannot be covered by, or are in excess to, the housing subsidy funding source. There are circumstances where the Fund may be used to prevent a termination (See **\*\*Procedures, 3b. Eligible Claim Expenses** for more information).

The physical damage must be over and above the requirements of traditional unit turnover such as cleaning, painting, and some carpet replacement.

Examples of types of claims that may be covered include:

- Excessive cleaning.

- Debris removal or disposal.
- Repair of walls, doors, and cabinetry.
- Other damages more than normal wear and tear.

Items not included:

- Normal wear and tear, including but not limited to:
  - Small nail holes, chips, smudges, dents, scrapes, or cracks in the wall
  - Torn or faded wallpaper
  - Carpet faded or worn thin from walking
  - Floors in need of a new coating or varnish
  - Door sticks due to house shifting or humidity
  - Mold due to lack of proper ventilation
  - Worn or scratched enamel in bathtubs, sinks, or toilets
  - Any worn appliances due to use over time
  
- Normal turnover costs.

The maximum claim reimbursed will not exceed \$1,000 in damages per unit. The amount eligible from the fund will be reduced by the security deposit and any of the amount that could be recovered after an insurance claim and deductible. For example: \$3,000 (damages) - \$1,000 (security deposit) - \$1,000 (insurance claim) = \$1,000 (maximum claim).

**e. Submission process:**

The landlord will submit the following documents to the tenant's housing service provider within 14 day of discovering damages. (For example: If your tenant is enrolled in the Memphis Housing Authority (MHA) Emergency Housing Voucher (EHV) program, the landlord will submit the following documents listed below to the tenant's case manager or the primary contact at MHA. The tenant's housing service provider will then submit the claim to CAFTH for reimbursement):

- i. A copy of the lease/rental agreement, signed and dated by the landlord and tenant or housing service provider.
- ii. A copy of the Inspection Report conducted by the tenant's housing service provider prior to move-in, or any other subsequent inspections conducted by the tenant's housing service provider, signed and dated by landlord and tenant or housing service provider.
- iii. Tenant ledger showing the collection of a security deposit.
- iv. Proof or validation of efforts made by the landlord to self-resolve unit damage issues or lease violations with the client and the

housing service provider (emails, letters, other forms of correspondence).

- v. Notices sent to tenant and housing service provider for unpaid balances.
- vi. Landlord's certificate of insurance.
- vii. Copies of all repair invoices/receipts.
- viii. Before and after photos of damages with description that are included on the reimbursement claim application. Photos must have a date stamp.
- ix. A completed Landlord Risk Mitigation Fund Reimbursement Claim for requested funds (<https://www.cafth.org/coc-landlord-risk-mitigation-fund/>).

**f. Approval from CAFTH:**

**i. Decision process**

- CAFTH has designated staff to work with the landlord and the housing service providers to help ensure the claim application is complete.
- After receiving all of the necessary documents from the housing service provider, CAFTH will review the application.
- CAFTH will respond to the landlord within 5 business days, with an approval or denial response:
  - If approved, CAFTH will notify the landlord and submit the Claim for reimbursement.
  - If denied, CAFTH will provide a written justification and potentially seek additional information to assist with resubmission if the landlord chooses to do so.

**ii. Payment**

- All payments will be made based on availability of funds.
- CAFTH will submit the invoice from the landlord and initiate the payment process.
- Invoice payment will proceed.

**g. Tenant retention and lease termination prevention clause:**

In an effort to prevent evictions and retain housing for tenants, CAFTH will prioritize reimbursement claims submitted by landlords for tenants with active leases (and no pending eviction proceedings).

By signing and submitting a TN-501 CoC Landlord Risk Mitigation Fund Reimbursement Claim the landlord agrees to not evict the tenant, and abandon any pending eviction proceedings for at least thirty days.

Upon receiving payment of reimbursement from CAFTH, the landlord agrees to continue to make every effort to self-resolve (past, present or future) unit damage issues or lease violations with the client and the housing service provider (to attempt to find common ground and retain the housing status for the tenant).

If the tenant has already been evicted, due to unacceptable lease violations, proof or validation of efforts made by the landlord to self-resolve unit damage issues or lease violations with the client and the housing service provider (emails, letters, other forms of correspondence) must be submitted to CAFTH. The landlord must also submit at least a page long discourse about efforts made to prevent the tenant from being evicted.

CAFTH reserves the right to deny any claim with a written justification notice.