

Affordable Low Barrier Housing Program

Due to low vacancy rates and high rental costs, households with rental vouchers often cannot locate a landlord who will accept the subsidy. Additionally, many low-income households are unable to acquire affordable housing due to a lack of flexibility in tenant screening requirements. Community Alliance for the Homeless (CAFTH)'s Affordable Low Barrier Housing (ALBH) Program was created to incentivize landlords to rent their units to these individuals and families.

Incentive Package:

- **Guaranteed Rent**
 - Many referred tenants will be enrolled in programs to receive a subsidy or rental assistance to help clients remain stably housed and provide a steady revenue stream for participating landlords. The length of time that rental assistance will be provided is dependent on the type of subsidy the household is utilizing – some subsidies are short-term (6 months to a year), while others provide long-term assistance.

- **Landlord Risk Mitigation Fund**
 - Landlords may file a claim for up to \$1,000/year per property from this fund if there are physical damages to the unit that are:
 - Above and beyond normal wear and tear; AND
 - The cost to fix the damages is greater than the security deposit.

- **Case Management Support**
 - Partner agencies provide ongoing case management services to all ALBH renters, assisting the tenant regularly to help with stability and goal achievement.
 - The case manager and Continuum of Care (CoC) Housing Navigator serve as resources and points of contact for the landlord if any issues arise.

- **Rent Ready Tenants**
 - Landlords can eliminate advertising costs with access to a wide pool of ready-to-rent tenants who have support from dedicated provider agencies. The provider agencies connect their clients to wrap-around supportive services that help them succeed as responsible renters.

If you are interested in participating or learning more, please contact Andrea Wilkins at andrea@cafth.org.

1. Introduction

- a. **Community Alliance for the Homeless (CAFTH)** and our partner agencies recognize the investment of landlords willing to work with individuals in need of affordable housing. Our partner agencies connect property owners to wrap-around client services, help provide a steady revenue stream, and ensure regular rental payments for participating landlords. Our goal is to help individuals, families, and veterans transition from financial and housing crisis into stability, through supportive and affordable low-barrier housing.

Community Alliance for the Homeless is a private, non-profit entity that provides planning, technical assistance, and service coordination to public and private agencies working to end homelessness in Memphis and Shelby County. CAFTH partners with and receives financial support from the City of Memphis, Shelby County Government, U.S. Department of Housing and Urban Development (HUD), private foundations, and additional sources.

Community Alliance for the Homeless is designated as the lead agency for the Memphis and Shelby County Homeless Consortium, which is the TN-501 Memphis/Shelby County Continuum of Care (CoC).

A Continuum of Care (CoC) is a regional or local planning body that coordinates housing and services funding for homeless families and individuals, primarily using funding received through U.S. Department of Housing and Urban Development (HUD). To view a map that provides specific information about individual Continuums of Care regions for the State of Tennessee and to find help please follow the link:

<https://www.tn.gov/behavioral-health/housing/continua-of-care/>

i. **Rental Assistance Projects**

Coordinated Entry (CE)

The Memphis/Shelby County Coordinated Entry System (CES) is composed of a variety of CoC housing providers, street outreach staff, and community partners that serve persons experiencing homelessness.

HUD mandates that all communities who receive federal funds through the Continuum of Care (CoC) Competition must operate and maintain a successful Coordinated Entry System. This system allows CoC's to prioritize those most vulnerable and/or in-need for the limited services and housing program openings through an assessment process, engagement with outreach workers and housing staff, and case conferencing. Coordinated Entry also

allows for coordinated collaboration with key service providers within the community, even if they are not federally funded through the CoC competition, to ensure that clients are able to access programs and services in a timely and organized manner.

Rental Assistance

Applicants supported by the ALBH Program will have access to a variety of rental assistance programs, including: a non-voucher Rapid Rehousing 12 month program, Permanent Supportive Housing long-term programs, Emergency Housing Vouchers, Mainstream Vouchers, and Family Unification Program vouchers. Other individuals or families may have independent income but are blocked from renting due to other non-income related barriers.

- b. **The Affordable Low Barrier Housing (ALBH) Program** was formed in 2021 as a dedicated collaboration between service providers, community members, and property owners coordinated by Community Alliance for the Homeless. Our program believes in a *Housing First* model which aims to connect people to permanent housing as the first step in gaining overall stability.

We believe that success goes beyond obtaining physical shelter – wraparound services are provided from local nonprofits to help each unique person or family receive the resources they need to establish long-term housing stability.

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The ALBH Program is seeking landlords who are willing to have flexibility in their tenant screening requirements to allow applicants who may typically be denied in an exchange for a variety of benefits.

2. General Provisions

a. Eligibility

- i. **ALBH Tenants** will be homeless, as defined by the office of Housing and Urban Development (HUD). Applicants supported by the ALBH Program will have access to a variety of rental assistance programs, including: a non-voucher Rapid Rehousing 12 month program, Permanent Supportive Housing long-term programs, Emergency Housing Vouchers, Mainstream Vouchers,

and Family Unification Program vouchers. Other individuals or families may have independent income but are blocked from renting due to other non-income related barriers.

- ii. **ALBH Landlords** will have at least one rental unit located in Memphis, TN and the Shelby County area and agree to follow the Landlord Expectations outlined in Section 4. We may consider units outside of this general service area on a case-by-case basis.
- b. CoC service provider's role
- i. Pre-screen potential tenants – Case managers from partner agencies meet with potential tenants prior to placement to make sure they are ready to take on the responsibilities of renting.
 - 1. Partner agencies match tenants with participating landlords – Case managers get to know each potential tenant and help to match with available rental units to assure a successful housing placement. Facilitates initial meeting between landlord and potential tenant so landlord can determine fit.
 - ii. Assist with rental voucher paperwork – Case managers and the CoC Housing Navigator have experience with the paperwork associated with accepting a rental voucher and can assist the landlord in navigating the process.
 - iii. Perform move-in and move-out inspection along with ALBH tenant and landlord.
 - iv. Case management – Case manager meets regularly with ALBH tenants, often in their homes, to provide support and assure stability.
 - v. Administer Landlord Risk Mitigation funds – The tenant's housing service provider processes all claims related to the Landlord Risk Mitigation fund and CAFTH determines when to offer vacancy loss coverage funds as outlined in Section 3.
- c. Landlords' role
- i. Orientation: Receive an overview of the ALBH Program and how to access our benefits.
 - ii. Screening Modification: Determine what screening criteria will be flexible for applicants experiencing homelessness.
 - iii. Paperwork: Complete minimal, easy-to-understand membership paperwork.
 - iv. Listing: Your property is listed internally with the determined screening criteria & availability for service providers.
 - v. Move-In: Service providers bring applicants who would qualify based on the modified criteria you provided.

- vi. Support: Receive assistance from the ALBH Program and service provider partners to ensure stability for you and the tenant.

3. Landlord Risk Mitigation

CAFTH's ALBH Program covers excessive physical damages to a unit that may occur during occupancy, 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. The CoC Landlord Risk Mitigation Fund will be available for landlords who:

- Participate in Continuum of Care (CoC) or Emergency Solution Grant (ESG) funded, Rapid Re-Housing (RRH) or Permanent Supportive Housing (PSH) program(s);
 - Participate in the Memphis Housing Authority (MHA) Emergency Housing Voucher (EHV) Program, Mainstream Non-Elderly persons with Disabilities (NED) Voucher Program, or the Family Unification Program (FUP); and/or
 - Offer permanent housing through a housing subsidy to a [CoC partner agency](#) who assists an individual or a family transition from homelessness to housing.
- 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:**
 - A tenant must be enrolled in a CoC or ESG funded Rapid Re-Housing (RRH) program or Permanent Supportive Housing (PSH) program, MHA Emergency Housing Voucher (EHV)

program, MHA Mainstream Non-Elderly persons with Disabilities (NED) Voucher program, or the MHA Family Unification Program (FUP).

- 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.

4. Tenant Expectations

- Work with service provider to find, apply to, and lease up an appropriate rental unit
- Review and obtain an understanding of all rental rules and lease agreements
- Follow all provisions of the signed lease including, but not limited to, keeping the unit safe and sanitary, not damaging the unit, and respecting the leasing staff and fellow neighbors.
- Abide by the service providers' individual procedures and policies

5. Service Provider Expectations

- Check the ALBH website for available units and their requirements.
- Review property lease for rental rules and responsibilities with the client.
- Provide clients with resources and information on being a good tenant.
- Coordinate a pre-lease initial inspection of the unit prior to move-in.
- Assist the client/landlord with rental voucher paperwork.
- Provide mediation with the landlord in the event of any issues including written notices, late rent, or damages.
- Process Landlord Risk Mitigation Fund claims and submit all documentation to CAFTH for final decision.

6. Landlord Requirements

- Provide regular availability updates to the Affordable Low-Barrier Housing Program for distribution to service provider partners. These updates should include any changes in price.
- Provide Affordable Low-Barrier Housing Program with a copy of a blank lease for each participating property so service providers can review rental rules and responsibilities with the applicant.
- Screen potential ALBH tenants who may not meet all rental criteria but are working towards successful tenancy with support service providers.
- Allow a pre-lease initial inspection of the available unit and lease agreement.
- Complete any paperwork related to a rental voucher in a timely manner, with assistance from the client's housing service provider and/or CoC Housing Navigator as needed.
- Execute a lease agreement with an ALBH tenant, for a minimum of one year.

- File a Landlord Risk Mitigation Fund claim with CAFTH within 14 days of discovering damage.

7. Landlord Expectations

- Communicate orally/in writing with the service provider of the tenant in a timely manner in the event of any written notices, late rent, or damages to the unit.
- Provide mediation with the case manager in the event of any issues including written notices, late rent, or damages.
- Ensure properties are well maintained over the length of the tenancy.

Agreeing to participate in the program is not a binding commitment to lease to tenants covered under CAFTH's ALBH. It is merely an indication that the landlord is willing to consider tenants referred by the initiative.