

May 26, 2016

Mr. Steve Auger
Mr. Ren Reecy
Ms. Nancy Muller
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, FL 32301

Re: NHTF Allocation Plan

Dear Mr. Auger, Mr. Reecy, and Ms. Muller:

The Florida Legal Services Housing Umbrella Group (“HUG”) is comprised of over 150 legal services attorneys and law professors from across Florida who specialize in landlord-tenant issues and represent low-income tenants. We offer these comments for the proposed National Housing Trust Fund Allocation Plan which is open for public comment.

We support the proposal to give funding preference to homeless families or persons with special needs whose annual income is around the amount received from SSI. We also support the proposal which provides preferences to developers whose proposals have flexible admission criteria for credit and rental histories.

- **Require “Good Cause” evictions** – One of the most critical protections provided to tenants living in properties funded by the Low-Income Housing Tax Credit is that they can only be evicted for “good cause.” FHFC should require similar protections for NHTF units and the protections must be included in the lease. The good cause requirement is vital to ensuring stability and security of a tenant’s home. This is especially true for more vulnerable segments of the population, such as elderly and disabled tenants with low incomes. Stability and security of tenure is an essential element of the human right to housing, as it is the basis upon which people build their lives. This stability enables people to invest emotionally, financially, and psychologically in their homes and neighborhoods. Stable housing provides continuity for children’s schooling and allows full participation in neighborhood social and political life. Involuntary displacement disrupts these educational and social connections; one of the most grave consequences being serious educational and social disrupts for students plagued with school instability. Additionally, relocation can lead to significant financial costs, ranging from additional security deposits for new tenancy to higher cost of replacement housing.

As advocates for low-income tenants, we have also found that FHFC-funded properties often have admission policies which prevent ELI households from accessing the housing. These admission policies include unreasonable criminal background checks, excessive application fees, and large security deposits. These policies deter many low-income households from applying, and many of those that do apply are rejected because of these polices.

- **Prohibit Tenant Application Fees for NHTF Units** – In some areas of the state, application fees can be more than \$85, and some landlords require each adult on the application to pay the fee. The tenant must pay the application fee even if she is ultimately rejected as a

tenant. For a very low-income individual who already has a high rent burden, a fee this high will often prevent them from applying. Since these units will be filled with tenants referred by other agencies, we recommend that FHFC prohibit application fees for NHTF financed units.

- **Limit Security Deposits and Other Move-In Costs to One Month's Rent for NHTF Units** — Often landlords require a tenant to pay first month's rent, a security deposit and last month's rent, as well as key deposits and other miscellaneous fees before moving into a unit. Depending on the rent, the total move-in costs can often exceed \$2,000. For an extremely low-income family, it is very difficult, if not impossible, to save up enough money to pay this amount. Therefore, we recommend that FHFC provide a preference for developers who limit the total move-in costs for NHTF units to one month's rent.

- **Prohibit Unreasonable Criminal Background Checks** –In April 2016, HUD released guidance stating that landlords who conduct overly broad criminal background checks for tenants may violate the Fair Housing Act. To comply with this HUD guidance, we recommend that FHFC prohibit admission policies for NHTF units which would deny a tenant based solely on arrest records or which would deny a tenant for convictions more than 3 years old.

The NHTF allocation plan should also give a preference to any developer who has a Tenant Selection Plan which provides a grievance process for an applicant to review an application denial. FHFC should also require all landlords to make their tenant selection plans available online.

The allocation plan should also make explicit that NHTF units cannot be filled with tenants who have a Section 8 housing choice voucher. Otherwise, there will be no net increase in the number of ELI units in the community through the NHTF funds.

Thank you for your consideration of these comments. If you have any questions, please do not hesitate to contact us.

Sincerely,

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cc: Bill Aldinger, FHFC