



# **EveryOne Home Property Management Partner Guidelines**

## **Introduction**

The EveryOne Home Plan calls for ending homelessness by 2020 by creating 15,000 housing opportunities for the homeless and those living with severe mental illness or HIV/AIDS. We can achieve this ambitious goal of ensuring equal housing opportunities for all people, and not just specific populations, with the help of property managers and owners who believe everyone deserves a safe, affordable place to call home and are willing to work with us to make their housing accessible to people who face these difficulties. EveryOne Home and its partners believe it is possible to implement tenant screening and leasing practices that protect properties, are fair, and help to house the most vulnerable in our community.

Unfortunately, many standard industry practices can inadvertently exclude people who are homeless or have had bad credit or housing histories due to a disability. To address this dilemma we are asking EveryOne Home Property Management Partners to make three fundamental commitments in their leasing policies and practices.

## **Commitment 1**

Assess the individual circumstances of each applicant rather than to categorically deny those who are homeless, have negative or non-existent credit history, evictions in their past, and/or criminal backgrounds.

## **Commitment 2**

Encourage applicants to request a reasonable accommodation and/or present evidence of mitigating circumstances at the *beginning* of the application and/or interview/eligibility review process, rather than after a denial and subsequent appeal of the decision.

These commitments will be fulfilled at all stages of the tenant selection process:

1. Advertising of Available Units & Open Waitlists
2. The Application Package with Supplemental Forms
3. Applicant Screening
4. The Appeals Process

## **Commitment 3**

Use the Everyone Home Property Management Partner Guidelines for advertising units, the content of the application packet, screening practices, and the appeals process.

## I. Advertising of Available Units and Open Waitlists

*EveryOne Home property management partners will include the statement below in their advertisement of available units and open wait lists:*

*As an EveryOne Home partner, we will evaluate the individual circumstances of each applicant, will consider alternative forms of verification and additional information submitted by the applicant, and will provide reasonable accommodations when requested if verified and necessary. Persons with disabilities are encouraged to apply.*

Applying for housing can be a complex and intimidating process. Many homeless and disabled people opt out before even applying because they believe they will not qualify and they have experienced rejection before. This statement lets people know they will not be automatically rejected, but considered on an individual basis.

## II. The Application Package with Supplemental Forms

*EveryOne Home property management partners will use the enclosed application for rental properties or include the essential elements discussed below in their existing application (s):*

Application: The enclosed application form can be used as provided or can be integrated into your current rental application. The items highlighted in green are questions required for properties funded by tax credit deals and can be removed if not needed.

The essential elements of the EveryOne Home Leasing practices are highlighted in blue and along with the supplemental attachments must be part of any partner's application package. Those essential elements are:

1. Statement on the cover of the application encouraging applicants to request accommodation or consideration for problems in their rental, credit or criminal background by completing the supplemental forms:

*Applicants with an eviction or criminal record are not automatically denied. If your criminal record or poor rental history was due to a disability, then you are encouraged to submit a **Request for Reasonable Accommodation** along with this application. If your history was due to circumstances that no longer apply, additional consideration may be requested on the **Request for Consideration** form.*

2. Reference to homeless verification at the beginning of the residential history section (top of page 4) letting homeless clients know they can submit a verification form with the package so it will not hold up consideration of their application

3. Inclusion of in-kind benefits in the income section (top of page 6) allows property management to consider non-cash assistance that a household gets to help meet their cost of living when evaluating whether they have the income to pay rent.
4. Alternate Contact Persons (bottom of page 6) gives applicants the option of providing contact persons for messages or even to discuss the application. This can be especially critical for homeless persons whose contact information may change frequently.
5. Addition of “experience of homelessness” and “status as a survivor of domestic violence” in the list of factors in the Equal Opportunity Housing Provider statement at the bottom of the application.

*EveryOne Home property management partners will eliminate any inquiry into current drug or alcohol use or abuse in the rental application form.*

Self-reports of drug or alcohol use or abuse are unreliable. For landlords it is an applicant’s conduct as a tenant that matters, not their drug or alcohol use per se.

Supplemental Forms: Include the forms listed below as part of the standard application package. Applicants who wish to do so can submit any that apply.

- a. **Notice of Right to Reasonable Accommodation and Modification**
- b. **Request for Reasonable Accommodation**
- c. **Request for Consideration of Mitigating Circumstances**
- d. **Homelessness Third Party Verification**
- e. **Homelessness Self Verification**
- f. **Optional Contact Information**

### **III. Applicant Screening**

In general, the criteria by which applicants are evaluated must comply with fair housing law and apply to all applicants. Screening should be focused on assessing the likelihood that an applicant will be able to meet the essential requirements of tenancy as expressed in the lease. These requirements include: paying rent, appropriately maintaining the unit, refraining from engagement in criminal activity, honoring the right to others’ peaceful enjoyment of the property and their units, cooperating with management, and complying with health and safety codes. Past actions are not always a good predictor of future conduct. Circumstances change, and landlords should weigh current and probable future circumstances in balance with past actions. Additionally, landlords should remember that applicants may have a right to a reasonable accommodation if negative information in their background is related to a disability.

## **Income/Ability to pay rent**

*EveryOne Home property management partners will be flexible with rent-to-income ratios and may use alternative means of verification of ability to pay rent.*

Landlords often require an income to rent ratio of 2.5 to 3 times the income as the rent. Many households with fixed incomes (such as Social Security or CalWORKS benefits) will be unable to meet the standard ratio, but because of other factors will be able to afford the rent. With fixed incomes, there is less fluctuation and no taxes are deducted from the amount. Most households of this type also get non-cash benefits that help meet medical, food, and transportation expenses. Such households should be permitted a lower ratio of income to rent; 1.6 times the rent (or 2 times the rent if in-kind/non-cash benefits are included) is recommended.

Additionally, landlords should accept use of a representative payee, as well as other forms of rental subsidy such as Shelter Plus Care and Section 8.

A history of rental payments equal to or greater than the rent of the unit being applied to, under similar income circumstances, should serve to verify ability to afford rent. The following can be used as *evidence of past payment of rent*:

- Prior 6 months of rent receipts from current residence
- Prior 6 months of bank statements (indicating sufficient balance and/or evidence of rent or other regular payments made)
- Payee's records of rent payments made on behalf of applicant

## **Credit/Eviction/Residential History**

*EveryOne Home property management partners will assess the individual circumstances of each applicant.*

A negative or nonexistent credit history does not necessarily indicate unwillingness or inability to pay rent (and utilities), either in the past or as a future resident. Similarly, a negative eviction history does not necessarily mean that an applicant did not pay rent or committed lease violations. Landlords should take into account if the applicant has a representative payee, whether their poor credit or rental history was the result of acts of domestic violence committed against the applicant or of a disability that is now under control, or whether there is a verifiable explanation for the negative credit.

In reviewing applications consider the following:

- Past extenuating circumstances and favorable current circumstances
- Satisfaction of judgment (balance paid in full to prior landlord)
- Change in current circumstances and presence of services now or in the future
- Tenancy-related problems due to disability but now unlikely to recur
- Whether the negative history is related to acts of domestic violence committed against the applicant

Landlords should also remember that if a negative history is related to a disability, the applicant could be entitled to a waiver of policies and practices (i.e. denial of application based on not having a minimum credit score) as a reasonable accommodation.

*EveryOne Home property management partners will accept alternative forms of residence verification.*

Typically, applicants are asked to provide verified residence addresses for at least the past two years, with positive or neutral rental history (rent paid as required, residence maintained in a clean and proper manner, no violence or mistreatment of staff or neighbors, no outstanding balances) and with no eviction/unlawful detainer actions within the past 3 years.

If past landlord(s) cannot be reached, or if an applicant has no rental history, then landlords could consider asking for two non-family, non-friend personal references

If the applicant is currently homeless, verification from shelter, transitional housing, a case manager, or another homeless-serving program can be accepted (see **Homelessness Third Party Verification form**).

## **Criminal Record**

*Rather than bar all applicants with criminal records, EveryOne Home property management partners will assess the individual circumstances of each applicant.*

Many landlords require that applicants have no criminal history to qualify for housing. There is no scientifically validated evidence that a past criminal record predicts future tenant problems. Rather than a categorical exclusion landlords will consider:

- Only arrests that resulted in convictions
- The seriousness and nature of the conviction
- Only convictions for crimes that constitute a direct threat to property or the health or safety of other residents
- The length of time that has passed since the conviction
- Changes in circumstance (See the **Request for consideration of Mitigating Circumstances form**)
- Evidence of rehabilitation, such as participation in a treatment program, education, employment or job training program, or church group and/or recommendation letters from parole or probation, a teacher, employer, case manager, social worker, or community leader showing that the applicant will be a suitable resident
- Whether the conviction is related to a physical or mental disability, such as former substance abuse, that may entitle the applicant to a reasonable accommodation (See **Notice of Right to Reasonable Accommodation and Modification** and **Request for Reasonable Accommodation forms**)

(Note: In certain HUD-assisted units, owners must exclude persons who are subject to a lifetime sex offender registration requirement under a state sex offender registration law.)

#### **IV. The Appeals Process**

*EveryOne Home property management partners will have an appeals process for applicants who are denied.*

An applicant found ineligible for admission is entitled to a review of the decision. The purpose of the review is to give the applicant a meaningful chance to contest the decision.

#### **Notice of Denial**

Without a full and complete notice of denial, an applicant will not be able to prepare for the review. (See the **Notice of Denial** form.) The notice of denial should:

- Describe the specific reason for the denial. The notice should not contain a vague statement that “the applicant did not meet the admission criteria because of a criminal record.” Instead, the notice should list the facts the landlord relied on to make the decision.
- Inform the applicant of his or her right to respond in writing or request a meeting.
- Explain how to request a meeting and/or how to submit a written response and supporting documents. An applicant should be given at least 14 days to request the meeting or to submit additional documents. Inform the applicant that he or she will receive a response within five business days to any meeting request, in order to set up a mutually-agreeable time and location for the review.
- State that an applicant with a disability is entitled to request a reasonable accommodation to participate in the meeting.
- Inform the applicant that he or she is allowed to bring an advocate and/or attorney to the meeting.
- Describe the information that the landlord will consider at the meeting.
- Inform the applicant that if the reason for the denial is related to a disability, he or she is entitled to request a waiver of the admission criteria as a reasonable accommodation.
- **NOTE:** If an applicant is found ineligible on the basis of information obtained from a tenant screening agency, the landlord must follow the notice requirements of the Fair Credit Reporting Act and the Investigative Consumer Reporting Agencies Act.

#### **Review**

If an applicant asks for a review, he or she should not lose his or her place on the waiting list. To ensure that the review is fair, landlords should:

- Respond to a meeting request within five business days, in order to set up a mutually-agreeable time and location for the review.
- Before the meeting, allow the applicant to examine his or her file and to make copies at his or her own expense.
- Allow the applicant to bring an advocate and/or attorney to the meeting.
- Confine the subject of the meeting to the reason for denial listed in the notice.
- Give the applicant a chance to present documents and witnesses.
- Have an impartial person conduct the meeting. It should not be the staff person who made the initial decision or a subordinate of the person who made the initial decision.
- Allow the applicant to record the meeting.
- Within 5 days of the meeting, provide the applicant with a written decision that states the reason for the decision and the evidence relied upon.

## **Conclusion**

These guidelines aim to lead to fairer, more equitable rental practices that are inclusive of populations susceptible to homelessness. Property Owners can contribute to ending homelessness by adopting the EveryOne Home Guidelines in order to extend opportunity to those formerly discriminated against due to circumstances that may not reflect accurately the kind of tenants they will be.

To become an EveryOne Home Property Management Partner, I will:

- Review, complete and submit the Memorandum of Understanding
- Incorporate EveryOne Home Property Management Partner Guidelines into current leasing practices
- Include the following documents in my rental application:
  - **Notice of Right to Reasonable Accommodation and Modification**
  - **Request for Reasonable Accommodation**
  - **Request for Consideration of Mitigating Circumstances**
  - **Homelessness Third Party Verification**
  - **Homelessness Self Verification**
  - **Optional Contact Information**

***Please Note: These Guidelines are not intended as legal advice. If you have further legal questions, contact an attorney. Adopting these commitments may require changing fair marketing housing plans with funders. For these types of questions, please consult applicable funding and regulatory agencies and agreements.***