

I) **PURPOSE**

The Wichita Housing Authority Landlord Incentive Program (WHALIP) provides financial assistance to incentivize landlords to lease and maintain safe, affordable rental housing capacity for homeless individuals and families in WHA's Homeless Preference Program (HPP). It is often presumed that homeless tenants are more likely to cause damage or not fulfill lease obligations (i.e. be evicted, abandon units). To address these concerns and incentivize landlords to lease to homeless tenants, WHALIP covers or mitigates the excessive damages or vacancy costs that may occur from leasing to homeless individuals and families. These Policies and Procedures describe the obligations and resources available to participating Landlords as well as the reimbursement processes under WHALIP.

II) **DUTIES/ROLES OF PARTIES**

A) LANDLORD AGREES :

- 1) To sign the Participation Agreement and agree to continue to lease to homeless persons participating in the Homeless Preference Program of the Housing Choice Voucher Program or the Housing First Program.
- 2) To submit all required reimbursement documentation and paperwork to the Wichita Housing Authority in a timely manner, consistent with this agreement.

B) WICHITA HOUSING AUTHORITY AGREES:

- 1) To collect all WHALIP Landlord forms with documentation, conduct necessary inspections, and review and submit completed applications to the WHALIP Administrator in accordance with these policies and procedures.
- 2) Work with Landlords to make corrections or provide additional documentation for incomplete applications.

C) COMMUNITY INVESTMENTS DIVISION WILL:

- 1) Review submitted materials for completeness.
- 2) Distribute WHALIP funds in accordance with this agreement for complete applications subject to availability of program funds.
 - a. Community Investments Division will not make corrections to incomplete WHALIP applications. Incomplete WHALIP applications will be returned to the Wichita Housing Authority to work with the Landlord for correction and re-submission
 - b. Will not pay damages or lost rents if it is found Landlord breached lease
- 3) Enter HMIS data

III) **DAMAGE REIMBURSEMENTS**

The WHALIP program will reimburse a participating Landlord for unpaid rent and/or physical damages to a rental unit up to the program limits caused by an eligible tenant/program participant. WHALIP is only available at the lease termination, eviction, rescission or abandonment by an eligible tenant.

A) Unpaid Rent: WHALIP will reimburse landlord for any unpaid rent owed up to the eviction or abandonment of the unit including any administrative expenses related to the eviction or abandonment up to a limit of 2x the monthly contract rent.

B) Damage/Repair Claims: Damage and Repair claims must meet the following criteria:

- 1) Lease must be signed between December 14, 2020 and June 14, 2021 and property damage must occur after December 14, 2021,
- 2) Property damage must be caused by a tenant, while under a rental agreement at the time the damage occurred,
- 3) Damage to property must exceed normal wear and tear (See below)
- 4) Reimbursement is only available for amounts in excess of any security deposit or third-party payments applied to the damages*.

* If the lease agreement included mitigated damages or a schedule of repair/replacement costs, reimbursement will be limited to the amounts stated in the lease.

- 5) Repair reimbursement claims under the WHALIP are capped at a maximum of \$2,000 for a one bedroom or smaller unit and \$3,500 for a multi-bedroom unit
- 6) All claims must be submitted to the WHA within 30 days of the termination of the tenant lease.
- 7) Landlord must agree to lease to new eligible client referred by the Wichita Housing Authority.

C) Damage Reimbursement Process

- 1) Community Investments Division will only reimburse for damages upon submission of a complete application package by the Wichita Housing Authority.
- 2) Complete Applications –A complete application must include all of the following items:
 - a) WHALIP Program Fund Request Cover Sheet – signed and completed by WHA representative
 - b) Completed Security Deposit Disposition & Program Fund Request form
 - c) A copy of the signed “Landlord Agreement”
 - d) A copy of the client lease covering the period of the damages

WICHITA HOUSING AUTHORITY LANDLORD INCENTIVE PROGRAM (WHALIP)
POLICIES AND PROCEDURES

- e) A completed and signed W-9 form (necessary for payment)
 - f) Copy of Documentation of Damages
- D) Damages of \$300 or Less: Damage claims up to \$300 are available without a unit inspection by the WHA. To apply for reimbursement incentives up to \$300 through WHALIP:
- 1) Landlord will submit the reimbursement forms with a copy of the move-in inspection and satisfactory descriptions and documentation of damages, including pictures, of the damage claim to the WHA.
 - 2) Expenses for repairs estimated at or under \$300 require no written estimate of repairs.
- E) Property Damage Claims exceeding \$300: Complete property damage claims exceeding \$300 must include:
- (1) A copy of the move-in inspection, documentation of the damages (photos, etc.) and either: 1) a written estimate of repairs by a 3rd party licensed contractor or qualified professional; or 2) documentation of completed repairs performed by 3rd party licensed contractor or other qualified professional. WHALIP reimbursement based upon estimates will be limited to estimated costs submitted with documentation.
 - a) The WHA must review the reimbursement application and conduct inspection of damages prior to submitting the reimbursement claim.
 - b) The WHA must approve and sign Program Fund Request Cover Sheet and submit all materials to the Community Investments Division for payment.
 - c) Community Investments Division will issue payment in accordance with timeline described below for claims with complete documentation subject to funding availability.
 - 2) Eligible Expenses - Damages may include but are not limited to:
 - a) Vandalism such as graffiti
 - b) Wall gouges and holes
 - c) Damages to doors and cabinets including their hardware
 - d) Damage to carpet or other flooring (ex: carpet stains or burns, cracked tiles)
 - e) Broken windows, blinds or other window coverings,
 - f) Repair or replacement of minor household fixtures such as , garbage disposal, toilet, sink and/or plumbing fixtures,
 - g) Repair or replacement of lighting fixtures
 - h) Reasonable maintenance or special cleaning related to household tenancy.
 - i) If unit was leased as “furnished”, reasonable repair or replacement of damaged furniture or other appliances provided

WICHITA HOUSING AUTHORITY LANDLORD INCENTIVE PROGRAM (WHALIP)
POLICIES AND PROCEDURES

in lease may be included. Furnishings must be listed in the lease or move-in checklist.

- (1) If lease provides a replacement cost schedule for provided furnishings or provided items, reimbursement will be limited to replacement cost schedule amounts.
 - k) Standard and reasonable legal fees related to the termination of the tenancy.
 - l) Costs Related to Death of Tenant – If a tenant dies in the term of a lease, WHALIP will cover the expenses of removing and disposing of the tenant’s belongings as required by the Kansas Landlord and Tenant Law. WHALIP will not pay costs associated with biohazard cleaning, removal of remains, or funerary expenses associated with the death of a participant
 - m) Landlord Insurance deductibles in the event of excessive damages, not to exceed maximum program limits
- F) Reimbursement will NOT cover normal “wear and tear”, standard maintenance, or routine work performed in turning over units defined as repairs related to the natural and gradual deterioration that occurs when rental property is used as a residence.
- a) Reimbursement will NOT cover bed bug treatments.

IV) **VACANCY REIMBURSEMENTS**

WHALIP will reimburse landlords for lost rent resulting from the eviction, termination or abandonment of a lease/unit prior to the completion of the lease. Reimbursement is available for vacancy loss from time of the termination to re-leasing of unit to new eligible tenant; and/or a holding payment to hold open a unit for another qualified tenant referred through the WHA. Vacancy reimbursement is limited to \$1,000.

- A) VACANCY LOSSES - After a tenant abandons their unit or is evicted prior to the end date of and WHALIP eligible lease, a Landlord may request reimbursement for lost rent due to unplanned vacancy during the period of the lease less any security deposit paid. Reimbursement for lost rent or vacancy may not exceed \$1,000.
- 1) Eligibility:
 - a) Referred tenant broke lease agreement, abandoned unit, or was evicted prior to full lease term.
 - b) Landlord agrees to lease to new referred tenant or written confirmation of approved tenant application and commitment to hold unit or equivalent unit for the new referred tenant and date of unit availability.
- B) HOLDING PAYMENT - WHA may request funds to hold or secure a unit for limited time if necessary, to ensure rental to a potential participating homeless tenant.
- a. Eligibility - To apply for a holding payment, the WHA must either:

WICHITA HOUSING AUTHORITY LANDLORD INCENTIVE PROGRAM (WHALIP)
POLICIES AND PROCEDURES

- 1) Verify the property owner will rent the unit to a referred tenant as documented in letter or other document provided to the WHA; or,
 - 2) Previously have leased a unit under this program with Landlord for an eligible tenant.
- b. Amount Available – A holding payment is equal to the lesser of \$1,000 or the move-in deposit for the new lease. Once a move-in date is established, any pro-rated un-expended holding payment will be applied to the move-in expenses of the new lease.
- C) VACANCY REIMBURSEMENT PROCESS
- 1) Community Investments Division will only reimburse for vacancy upon submission of a complete application package by the WHA who must work with Landlord to prepare the application packet.
 - 2) Complete Applications – A complete vacancy reimbursement application must include all of the following items:
 - a) WHALIP Program Fund Request Cover Sheet – signed and completed by WHA representative
 - b) Completed Security Deposit Disposition & Program Fund Request form
 - c) A copy of the signed “Landlord Agreement” to lease to another program participant
 - d) A copy of the client lease covering the period of the damages
 - e) A completed and signed W-9 form (necessary for payment)
 - f) Copy of Documentation of Vacancy or Holding Unit
 - 1) Tenant Lease signed between 12/14/20 & 6/14/21,
 - 2) Documentation and dates of non-payment of rent
 - 3) Documentation of eviction or mutual rescission
 - 4) Documentation of security deposit applied to unpaid rent, or receipts documenting expenditure of security deposit funds if not applied toward unpaid rent.
 - 5) Holding Payment – Documentation from Landlord agreeing to keep unit vacant for tenant from WHA.
 - g) WHA will review Landlord request and supporting documentation. Application will be approved and signed by WHA and submitted to the Community Investment Division for payment.

VI) **MULTIPLE CLAIM TYPE REIMBURSEMENT**

A Landlord may request reimbursement under both damages and vacancy resulting from a single lease termination. Total reimbursement is limited to combined applicable limits for each reimbursement type. Landlord and WHA would need to provide documentation for both claims.

- A) REIMBURSEMENT PROCESS -For all reimbursements, Landlord will work with the WHA to complete all forms, documentation and inspections.
- B) WHA will assemble all documentation and sign Program Fund Request Cover Sheet and submit the full, complete WHALIP application.
- C) WHALIP Application must be submitted electronically to the Community Investments Division at mhaupt@wichita.gov.
- D) Fund Management: Upon receipt of a claim from the WHA the Community Investment Division staff will:
 - 1) Confirm receipt of claim from WHA within two (2) business days of submission.
 - 2) Review all documentation and forms for completeness and to make sure they are within WHALIP expense limits within five (5) business days of receipt of the reimbursement claim from the WHA. The Community Investments Division will notify WHA of approval or denial of claim via e-mail by the end of the five (5) day review period.
 - 3) Complete Applications w/ in WHALIP limits: WHALIP will issue reimbursement within thirty (30) days of acceptance of complete applications for reimbursement within WHALIP limits.
 - 4) Incomplete or Above Program Limit Applications will be returned to WHA for corrections.
 - 5) Community Investments Division staff will not make corrections or exceptions for incomplete applications.
- E) Reimbursements and payment are subject to availability of funding. Funding availability or suspension of WHALIP funding availability will be announced through the Housing & Community Service website at <https://www.wichita.gov/Housing>.