



Leasing and Retention

Guidance on Leasing and Retaining Units under the CoC PSH Program

September 16, 2024

Office of Housing and Community Development

OVERVIEW

This guidance is published to provide clarity to Continuum of Care (CoC) Permanent Supportive Housing (PSH) subrecipients relative to the timeframes for operating CoC PSH projects. The following information (with *emphasis added* based on issues previously raised by CoC PSH subrecipients), is taken from the HUD Exchange¹ from the U.S. Department of Housing and Urban Development (HUD):

How long are project participants allowed to stay in their PSH unit?

CoC Permanent Supportive Housing (PSH) is intended to be *permanent and without time limits*. It is intended to target homeless persons with disabilities who have not been successful at maintaining permanent housing on their own. *Recipients and subrecipients cannot determine when a program participant is "ready" to be transferred or exited from a program*. PSH housing cannot have a designated length of stay and must continue until the program participant chooses to exit the project or the recipient terminates the program participant from the project.

How long must subrecipients provide supportive services?

Under the CoC Program, recipients are expected to provide supportive services for program participants that meet the needs of program participants and assist them with remaining in permanent housing, increasing their incomes, and living independently (§578.37(1)) during their *entire* participation in the PSH project. Furthermore, subrecipients are expected to conduct ongoing assessments of the supportive services needed by program participants, along with the availability of the services needed, and the coordination of such services needed to ensure long-term housing stability. CoC PSH subrecipients must make adjustments to their project(s) as necessary (§578.75(e)) based on those ongoing assessments.

What happens when the qualifying program participant is absent from their PSH unit?

¹

There are many circumstances which may lead to a program participant's absence from the unit. If the program participant is...

- Staying at an institution: If the stay is short term, meaning, less than 90 days, this is not considered a vacancy.
- If incarcerated or institutionalized greater than 90 days or in the case of death: Surviving members of households living in a PSH unit at the time of the project participant's death/long term incarceration or institutionalization >90 days have the right to rental assistance under this section until the expiration of the lease in effect at the time of the qualifying member's death, long-term incarceration, or long-term institutionalization. (§578.75(i)).

¹ <https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/coc-esg-additional-requirements/psb-retention/>

Can CoC leasing funds cover vacancy payments?

CoC regulations for leasing do not include the length of time that grant funds can pay for an empty unit.

Because of that, two factors come into play:

1. Since the lease is between subrecipient and the landlord, the subrecipient is liable for paying the rent even if a leased unit is not occupied.
2. Without specific statutory language, as Grant Recipient the City of New Bedford has the authority to exercise its discretion on permitting the use of CoC leasing dollars for a vacant unit. Given that, the City of New Bedford permits subrecipients to continue to pay rent to owners to the end of the lease term even when a unit is vacant only to the extent demonstrably necessary to ensure lease viability so that a new eligible program participant can enter and occupy the leased unit as quickly as possible.

ADDITIONAL COC LEASING STANDARDS

In addition to the HUD Exchange and statutory resources noted, the CoC has also established Operational Standards for all projects within the CoC. Relative to CoC PSH are the following from Section 9.3 Minimum Standards of Assistance:

- # There can be no predetermined length of stay for a PSH project
- # All referrals to PSH must come through the coordinated entry system.
- # Supportive services designed to meet the needs of the project participants must be made available to the project participants throughout the duration of stay in PSH
- # The program participant must be the tenant on the lease (or sublease) for a term of at least one year, which is renewable for terms that are a minimum of one month long, and is terminated only for cause
- # Recipients and subrecipients that are providing permanent supportive housing for hard-to-house populations of homeless persons must exercise judgment and examine all extenuating circumstances in determining when violations are serious enough to warrant termination so that a program participant's assistance is terminated only in the most severe cases.

Questions relative to this guidance can be directed to the OHCD at 508.979.1500 or via email to staff: Jennifer.Clarke@newbedford-ma.gov or Jose.Maia@newbedford-ma.gov.