



City and County of San Francisco's
LOCAL OPERATING SUBSIDY PROGRAM (LOSP)
Policies & Procedures Manual
July 10, 2018

Mayor's Office of Housing and Community Development (MOHCD)
Department of Homelessness & Supportive Housing (HSH)
Office of Community Investment and Infrastructure (OCII)

Agenda

- LOSP Background and Scope
- LOSP Manual Review
- Next Steps and Expectations
- Review of Lease Addenda Forms
- Question and Answer

Background

Origin: *10 Year Plan to Abolish Chronic Homelessness* – only way to create new permanent supportive housing at a large scale

Source: General Fund

Partners: MOHCD

HSH

OCII

You!

- What is LOSP?
 - Collaboration across City Departments
 - LOSP supports the creation of new permanent supportive housing at a large scale utilizing General Fund subsidies when other operating subsidies aren't available
- 15-year grant agreements – currently supports approximately 30 projects
- By 2016-17, LOSP grew to support around 1,500 units
- As the program has matured, the LOSP Manual was drafted to formalize and communicate the LOSP policies and procedures and outline the roles and responsibilities of each partner; Approved by the Citywide Affordable Housing Loan Committee on May 4, 2018

LOSP Manual

- Does not include:
 - Services are funded annually and monitored by the City under separate contract with HSH
- Includes:
 - Target Populations Served
 - Coordinated Entry System
 - Privacy
 - Lease Addenda- new requirement
 - Re-certifications
 - Subsidy Terminations
 - Transfers

TARGET POPULATIONS, SUPPORT SERVICES AND ELIGIBILITY



LOSP subsidies are provided for diverse San Francisco populations experiencing homelessness.

PSH programs have tailored service program for these population as identified in the original NOFA or RFP:

- Adults
- Families with Minor Children
- Transition Age Youth (TAY)
- Seniors
- Veterans
- Homeless populations with severe mental illness – MHSA and No Place Like Home capital units

Specific definition of homelessness and tenant selection criteria set by underlying capital financing and HSH

Coordinated Entry System

Planning and Implementation

- All official communication comes from the Coordinated Entry team
- Replacing multiple current systems for access and referrals for populations experiencing homelessness in SF
- New Homeless Management Information System (HMIS) platform replaced by **Online Navigation and Entry** (ONE)
- All Housing Providers serving LOSP households expected to enter **real-time** data on households as required by HSH and participate in training for CES/ONE
 - includes tracking vacancies, referrals, placements and exits

Protecting the Privacy of Clients

HSH, MOHCD and OCII are committed to protecting the privacy of its clients, and the expectation is the same from Housing Providers.

- Information shared between the City and the Housing Provider must be communicated in a manner that protects individual protected health information.
 - As always, release of information/consent forms must be signed by clients with the Housing Provider.
 - HSH sends emails securely to agencies using ZixCorp or respective agency should utilize own secure method, if available
 - Sending attachments require password protection via e-mail
 - To report any breaches or ask any questions regarding privacy policies, please notify HSH's Privacy Officer, **Kaitlyn Motley** at (415) 355-5312 or Kaitlyn.Motley@sfgov.org

Lease Addenda

- New tenants must sign the respective family or adult lease addendum at the time of lease-signing. Current tenants must sign the addenda within 90 days from today's training.
- Household criteria and requirements for LOSP are defined, including reporting income and household composition changes.
- Does not address any behavioral issues that may present themselves in the course of the household's tenancy.

Annual Tenant Income Recertifications

The Housing Provider must obtain recertification of household income on an annual basis.

Income certifications should be prepared pursuant to low-income housing tax credit guidelines (where applicable).

- Must be maintained on file for a minimum of five (5) years.
- Housing Provider must issue proper **Recertification** Notices to the household with timelines of when documentation must be submitted.
- If a tenant fails to meet deadline, notify HSH Program Manager of next steps.
- Interim recertification need to be completed when a change in household composition is reported/discovered and when a significant change in household income is reported/discovered (\pm \$200)

LOSP Subsidy Termination

HSH is committed to housing retention, whether it is within the supportive housing portfolio or successfully moving on to another housing opportunity.

Subsidy terminations can only be considered when:

- Household fails to re-certify
- Household no longer meets household composition
- Program specific requirements*, at anytime.

The HSH Program Manager must be contacted when a household is at-risk of losing their subsidy due to one of the situations noted above. The HSH Program Manager will work with the Housing Provider on next steps and communication with the household.

Please note: Funding Sources always dictate program provisions.

** Please refer to the Lease Addenda for specific eligibility requirements*

Housing Transfers

Households may request transfers outside of their current housing site, in the order of the following priority:

- Life Safety
- Reasonable Accommodation
- Change in Household Size

Process for Transfers for Housing Providers includes:

- Providing HSH with sufficient supporting documentation warranting the transfer
- While Property Management leads process and submits request to HSH, it is expected that PM works with Support Services on-site also

Housing Transfers

- HSH portfolio-wide Housing Transfer Policy and Form is currently in progress.
- Stakeholder feedback will be solicited prior to implementation.
- At this time, continue the process of notifying respective HSH Program Manager of transfer requests until new transfer form is implemented.



Please Take Note...

- There is a new manual!
 - Link here: <http://sfmohcd.org/housing-development-forms-documents>
 - Funding sources dictate eligibility criteria and program provisions
- There are revised **lease addenda to implement within 90 days**
- **Transfers Form** is forthcoming, stay tuned for updates from HSH
- What is the difference between LOSP and those units converted from LOSP to PBV?
 - HSH is responsible for all placement and transfers within the HSH PSH portfolio.
 - The Lease Addenda and Subsidy Termination aspects of LOSP **do not apply** to the converted PBV units.

Expectations and Next Steps

- Renew all LOSP households lease addenda **within the next 90 days** (in addition to new move-ins)
- Any questions?
 - Contact your HSH program manager regarding programmatic concerns
 - Contact your MOHCD representative for LOSP underwriting, contracting and contract disbursement questions or concerns

Review of LOSP Family Lease Addendum

Property Management completes the lease addendum with new and current tenants, and Services supports tenants with any questions.

- Some sites have LOSP units that have converted to PBV. Please **do not** complete this addendum with PBV units.
- Opportunities to complete the lease addendum with current tenants include during interim recertification or annual recertification.
- All individuals in the household over the age of 18, must be named and must initial/sign the addendum.
- Please direct any specific tenant questions to your HSH Program Manager.

Review of LOSP Family Lease Addendum

Key Points

- A family continues to remain in their unit and receive their LOSP subsidy even after their child(ren) reach the age of 18, as long as other criteria continues to be met.
- Current tenants who are signing the lease addendum were determined to be eligible for housing at the time of being referred to the site. Therefore, on page two of the addendum in the 'Income' section, Property Management should be noting the information from the initial eligibility (see next slide).



Review of LOSP Family Lease Addendum

Key Points



Local Operating Subsidy Program (LOSP) – FAMILY Eligibility Requirements and Lease Addendum

ELIGIBILITY FOR A LOSP FAMILY UNIT

Homeless History:

- Meets the HSH Homeless Definition
- Meets additional eligibility requirements for the site, if applicable

Tenant(s) Initials: _____

Income:

- Total household income cannot exceed % of the current AMI (Area Median Income) at the time of this lease signing based on the household configuration noted below.

Tenant(s) Initials: _____

Review of LOSP Family Lease Addendum

Key Points

- In some instances, earning a significant amount of income may mean that tenants will pay the full underlying restricted rent for the unit. Please note that their unit is still considered a LOSP unit, and the family must still comply with other eligibility criteria.
- Subsidy termination notices are issued by the HSH Program Managers and supporting documentation from the Housing Provider will be requested.



Review of LOSP Family Lease Addendum

Situations Involving Removal of Children

In cases when children are removed from the unit, the requirements of a family are explicitly written in this addendum.

- Family must cooperate with providing regular written documentation from the agency working with the family (generally CPS) on progress of reunification.
- Families have 6 months to reunify with their children.
 - There will be some situations where a family is providing sufficient proof and progress of their case and need additional time. HSH and the Housing Provider will work with the families on a case-by-case basis to provide extensions.
 - There will be some families who will not comply with the requirements. In these cases, the timeline might be shorter than 6 months, and subsidy may be terminated sooner.

Who is a qualifying household?

Local Operating Subsidy Program (LOSP) – ADULT Eligibility Requirements and Lease Addendum

Site Name and Address:

Name(s) of Qualifying Household Members:

Background:

In addition to the terms of the Housing Provider lease signed by the parties, this addendum sets forth specific requirements that apply to the Local Operating Subsidy Program (LOSP) of the City and County of San Francisco. The tenant herein agrees to these additional terms as a condition of participation in LOSP and as a condition of the tenant's eligibility to pay a reduced rent for this unit. The tenant's participation in LOSP may be terminated due to non-compliance, resulting in the tenant being responsible for the full underlying restricted rent for the unit which is the maximum rent allowed to be charged for the unit. If the tenant cannot or will not pay the full amount of the underlying restricted rent, this may lead to unlawful detainer proceedings and eviction.

The Local Operating Subsidy Program (LOSP) provides subsidized housing to qualified low-income homeless adults and families with dependent minor children. The subsidy is project-based and cannot be transferred to other properties or to tenants not included on this lease. Site eligibility requirements are also project-based and specific to the unit being offered in the lease.

For the LOSP-subsidized housing units, the Department of Homelessness and Supportive Housing (HSH) refers clients who meet HSH and any additional eligibility requirements, if applicable. The Housing Provider operating the site conducts the screening, verifies eligibility and makes the final approval that results in the offer of this unit.

You are being offered Unit #

ELIGIBILITY: The eligibility requirements related to this unit are:

Homeless History:

- Meets the HSH Adult Homeless Definition
- Meets additional eligibility requirements for the site, if applicable

Tenant(s) Initials: _____

**At least one adult on lease must meet
HSH's program eligibility requirement**

**Local Operating Subsidy Program (LOSP) – ADULT
Eligibility Requirements and Lease Addendum**

ELIGIBILITY: (continued)

Income:

- Total household income cannot exceed _____% of the current AMI (Area Median Income) at the time of this lease signing based on the household configuration noted below.

Tenant(s) Initials: _____

Household Configuration

- The unit being offered with the lease has:
 - Minimum occupancy of _____ persons.
 - Maximum occupancy of _____ persons.
- This lease is being offered based on an occupancy of _____ persons.
- At any given time, at least one adult on the lease must meet the HSH Adult Homeless Definition in order to remain eligible for the subsidy.

Tenant(s) Initials: _____

RENT:

- Rent shall be calculated at _____% of household gross income.
- If tenant has no documented and regular income, a minimum of \$_____.00 per month rent is required. ☐ Applicable ☐ Not applicable ☐ Waived
- At the time of the signing of the lease and this addendum for this unit, the current full underlying restricted rent for this unit is \$_____ per month. This amount changes over time.

Tenant(s) Initials: _____

ON-GOING COMPLIANCE: The eligibility for LOSP subsidy related to this unit requires:

- The Housing Provider be notified of any adults or minors added to the household within the timeline stated in the lease. The Housing Provider's screening protocol and approval process must be followed and all applicable certification and lease documents signed.

Tenant(s) Initials: _____

DAH Program Rule

Local Operating Subsidy Program (LOSP) – ADULT Eligibility Requirements and Lease Addendum

- Current tenants must confer with the Housing Provider and the tenant lease before an adult is added to or removed from the unit. The Housing Provider will communicate with HSH accordingly to process the request.

Tenant(s) Initials: _____

- The tenant must report changes in household income to the Housing Provider within the timeline in the lease agreement. The Housing Provider will adjust the rent amount according to the lease agreement and/or regulatory agreements.

Tenant(s) Initials: _____

- Unit occupancy (household size) remains within the minimum and maximum number of persons required for the unit as noted in the Household Configuration section.

Tenant(s) Initials: _____

- The Housing Provider will recertify the household income and configuration on an annual basis. The Housing Provider may request additional recertification to verify changes in household income or configuration. Compliance with requests for recertification is a requirement for continuing to receive the LOSP subsidy.

Tenant(s) Initials: _____

- Tenant participation in Third Party Rent Payment Services covering all benefits and/or income. All benefits and/or income will be directed to a reputable Third Party Rent Payment Services provider and all rent will be paid directly through this service provider. (Applicable to DAH Program).

Tenant(s) Initials: _____

DAH Program Rules

Local Operating Subsidy Program (LOSP) – ADULT Eligibility Requirements and Lease Addendum

- Tenant participation in maximizing income and securing all benefits for which they qualify. (Applicable to DAH Program)

Tenant(s) Initials: _____

- Tenant, or a health provider on behalf of tenant, requesting prior authorization from support services if the tenant will be away from the unit for more than 30 days and continuing to request authorization every 30 days thereafter, for up to 90 days. Tenant will also maintain unit as primary residence. (Applicable to DAH Program)

Tenant(s) Initials: _____

SUBSIDY REVOCATION:

- I/We understand that the LOSP is not an entitlement program but rather an eligibility-based program and that the terms and conditions above must be met at time of placement and throughout tenancy in order to qualify for the LOSP subsidy. I/We receive the subsidy based solely on meeting and maintaining the eligibility and on-going compliance requirements of the program.

Tenant(s) Initials: _____

- If notified of a potential loss of the subsidy due to ineligibility or noncompliance, I/We agree to communicate with the Housing Provider and onsite services staff by responding to all notifications and requests for additional information within the timelines issued by the Housing Provider.

Tenant(s) Initials: _____

- I/We understand that if the subsidy is terminated, I/we will be responsible for paying the current full underlying restricted rent and that failure to do so may lead to eviction.

Tenant(s) Initials: _____

**All adults on housing provider's lease
are required to sign lease addendum.**

**Local Operating Subsidy Program (LOSP) – ADULT
Eligibility Requirements and Lease Addendum**

- If the LOSP subsidy is terminated for any reason and I/We are not able to pay the full underlying restricted rent, I/We understand on-site services staff will be available to assist in securing appropriate housing. I/We understand that while there is no guarantee of an alternative housing placement, cooperation with the Housing Provider and on-site services staff is a great way to explore such options.

Tenant(s) Initials: _____

My/Our signature below signifies my/our understanding and agreement to the terms, eligibility and on-going compliance conditions of the LOSP. All adults on the Housing Provider lease are required to sign this addendum.

Tenant Name (Print)

Property Management Name (Print)

Tenant Signature Date

Property Management Signature Date

Tenant Name (Print)

Tenant Signature Date

