



<b>Health Care Agency</b> <b>Behavioral Health Services</b> <b>Policies and Procedures</b>	Section Name:	Administration
	Sub Section:	Housing
	Section Number:	04.0402
	Policy Status:	<input checked="" type="checkbox"/> New <input type="checkbox"/> Revised

	SIGNATURE	DATE APPROVED
Deputy Director Behavioral Health Services		6/25/2026

**SUBJECT:** Behavioral Health Bridge Housing (BHBH) Landlord Outreach and Mitigation Funds

**PURPOSE:**

The Orange County Behavioral Health Bridge Housing (BHBH) Program provides financial assistance to incentivize landlords to lease and maintain safe, affordable rental housing capacity for BHBH participants housing programs. These Policies and Procedures describe the obligations and resources available to participating Landlords as well as the reimbursement processes under BHBH. Landlord Outreach and Mitigation Funds may be utilized to support the efforts to house participants of the BHBH program. These funds may include incentives and other means of support that are intended to encourage property owners to rent to BHBH participants.

**POLICY:**

It is the policy of the Orange County Health Care Agency Behavioral Health Services that specific procedures and criteria shall be followed for landlord outreach and mitigation funds for BHBH participants.

**SCOPE:**

This policy is applicable to Orange County Health Care Agency BHBH programs, landlords and BHBH participants.

**REFERENCES:**

[California Department of Health Care Services Behavioral Health Bridge Housing Program County Behavioral Health Agencies Request for Applications \(RFA\) \(buildingcalhhs.com\)](http://buildingcalhhs.com)

**DEFINITIONS:**

Behavioral Health Bridge Housing – Short and mid-term residential settings with a goal to connect individuals to long-term housing stability. Bridge housing may include, but is not limited to, emergency/interim housing, rental assistance and auxiliary funding in assisted living settings.

**SUBJECT: BHBH Landlord Outreach and Mitigation Funds**

---

Landlord Outreach - Targeted engagement with property owners that rent to BHBH participants, which may include offering property owners supports and incentives.

Mitigation Funds – Financial assistance aimed at removing barriers to housing and support participants in meeting their immediate housing needs.

**PROCEDURE:**

- I. Overview of Allowable Costs
  - A. Landlord Outreach may include presentations and outreach materials, while Mitigation Funds may include holding fees, lease up bonuses, security deposits and funding for repairing damages to housing units caused by BHBH participants.
  - B. Mitigation Funds are limited to \$2,000 per participant; request exceeding \$2,000 shall require approval from the County program administrator.
  - C. Outreach funds may be utilized to recruit and support landlord relations and retention, including marketing materials, landlord appreciation awards, and thank you cards.
  - D. BHBH Providers must keep record of funds expended for the use of Landlord and Mitigation Funds and provide this information to the County as requested.
    1. This documentation shall include the participant's name, amount of assistance, reason for assistance, dates payments were made, transaction number, receipt of purchase and payment address, if applicable.
  - E. BHBH providers shall have a Landlord Outreach and Mitigation Funds Agreement document approved by the County that outlines the terms of the Landlord Outreach and Mitigation Funds.
  - F. BHBH funding shall not be used to supplant any alternative funding sources available for landlord outreach and mitigation for the purposes of housing individuals with serious behavioral health conditions experiencing homelessness including those who may be justice involved and/or Community Assistance, Recovery, and Empowerment (CARE) Court participants.
- II. BHBH Providers shall:
  1. Conduct outreach, engagement, and recruitment of landlords willing to rent to BHBH participants
  2. Explain available incentives, mitigation supports and expectations to property owners

3. Verify a participant's eligibility for BHBH funding prior to committing any financial assistance
4. Assist participants with obtaining required documentation completing rental applications and moving into units.
5. BHBH provider shall inspect the unit for habitability and ensure that all units meet housing quality standards.
6. Submit complete, accurate, and timely requests for landlord incentives and mitigation reimbursements, including all required receipts and forms
7. Maintain all required documentation in accordance with County and DHCS retention requirements
8. Monitor tenancies, provide housing stabilization services and intervene early to prevent eviction when possible
9. Report any suspected fraud waste, or abuse to the County as required
10. Work with Landlords to ensure Landlords abide by the terms outlined in the Landlord Participation Agreement

III. BHBH Fund Distribution

- A. BHBH Fund distribution is contingent on signed landlord agreements, which set precise terms and documentation requirements. Disbursements are made only as the agreement's conditions are fulfilled -ensuring accountability and adherence to program policies
- B. BHBH funds shall not pay damages or lost rent if it is found that the Landlord has breached the lease agreement

IV. Damage Reimbursements

- A. The BHBH program funds shall reimburse a participating Landlord for unpaid rent and/or physical damages to a rental unit up to the program limits caused by an eligible BHBH program participant.
- B. BHBH funds to reimburse damages are only available at the lease termination, eviction, rescission, or abandonment by an eligible BHBH participant.
- C. The BHBH program shall reimburse landlords for any unpaid rent owed up to the eviction or abandonment of the unit, including any administrative expenses related to the eviction or abandonment.
- D. Damage and Repair claims shall meet the following criteria:

1. Lease must be signed after February 27, 2024, and property damage must occur after February 27, 2024.
2. Property damage must be caused by a BHBH participant, while under a rental agreement at the time the damage occurred.
3. Damage or repair cannot be described as 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.
4. Reimbursement is only available for amounts more than any security deposit or third-party payments applied to the damages.
  - a) 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

E. Eligible Expenses - Damages may include but are not limited to:

1. Vandalism such as graffiti
2. Wall gouges and holes
3. Damages to doors and cabinets including their hardware
4. Damage to carpet or other flooring (ex: carpet stains or burns, cracked tiles)
5. Broken windows, blinds or other window coverings
6. Repair or replacement of minor household fixtures such as garbage disposal, toilet, sink and/or plumbing fixtures
7. Repair or replacement of lighting fixtures
8. Reasonable maintenance or special cleaning related to household tenancy
9. If a unit is leased as “furnished”, reasonable repair or replacement of damaged furniture or other appliances provided in lease may be included; furnishings must be listed in the lease or move-in checklist
  - a) If the lease provides a replacement cost schedule for provided furnishings or provided items, reimbursement shall be limited to replacement cost schedule amounts

10. Standard and reasonable legal fees related to the termination of the tenancy

V. Damage Reimbursement Process

- A. BHBH provider shall only reimburse for damages upon submission of a complete application package. The application package shall include the following:
  1. Verification and documentation that damage occurred during BHBH participant tenancy
  2. A copy of the signed "Landlord Agreement"
  3. A copy of the client lease covering the period of the damage
  4. A completed and signed W-9 form
  5. The BHBH Provider must review the reimbursement application and conduct inspection of damages prior to submitting the reimbursement claim

VI. Vacancy Reimbursements Eligibility Requires:

- A. A BHBH tenant has broken the lease agreement, abandoned unit, or was evicted prior to full lease term.
- B. Timely submission of documentation including:
  1. Tenant's move-out date
  2. Unit's vacancy duration
  3. Original rent amount
  4. Proof of solicitation for a new BHBH tenant
- B. Vacancy Losses
  1. After a BHBH tenant abandons their unit or is evicted prior to the end date of a BHBH participant 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 one month's rent.
  2. BHBH Providers may offer reimbursement to landlords for lost rent under the condition that they agree to lease the vacated unit to a new participant referred by BHBH. This can be facilitated through written confirmation of an approved tenant application or a commitment to reserve the unit, or a

comparable unit, for the referred participant, along with an indication of the unit's available date. Reimbursement for vacancy may not exceed one month's rent.

C. Holding Payment Eligibility

1. A BHBH Provider may utilize funds to hold or secure a unit for a limited time, if necessary, to ensure rental to a BHBH participant. To utilize a holding payment, the BHBH Provider must:
  - a) Verify that the property owner will rent the unit to a BHBH participant as documented in letter or another document provided to the BHBH provider; or,
  - b) Previously have leased a unit under this program with Landlord for a BHBH participant.
2. Amount Available – A holding payment is equal to the lesser of \$2,000 or the move-in deposit for the new lease. Once a move-in date is established, any pro-rated unexpended holding payment will be applied to the move in expenses of the new lease.

VII. Prevention of Fraud, Waste and Abuse

- A. The Orange County BHBH program shall ensure that funds made available are spent in accordance with DHCS standards for BHBH program and is administered effectively and according to the highest ethical and legal standards, as referenced in the individual contracts/Memorandum of Understanding (MOU).
- B. Regular Reviews completed by the BHBH Provider, shall include but are not limited to the following:
  1. Cost Reports
  2. Invoices
  3. Documentation review
  4. Rental Agreements
- C. BHBH providers shall complete trainings required by the County that reinforce the intent to eliminate program abuse.