



North Sound BH-ASO

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North Sound BH-ASO Memorandum 2026-06

DATE: September 16, 2026

TO: North Sound BH-ASO Community Behavioral Health Rental Assistance (CBRA) Providers

FROM: North Sound BH-ASO Contracts

RE: CBRA Emergency Housing and Recovery Residence Requirements

Dear North Sound Behavioral Health Administrative Services Organization (North Sound BH-ASO) Providers,

Emergency Housing and Recovery Residence Requirements

Based on guidance provided by the Department of Commerce, recovery residences, including Oxford housing, are considered emergency shelter or short-term housing **unless the housing arrangement meets the applicable lease or rental agreement and tenancy requirements outlined in the CBRA Guidelines.**

Under the Guidelines, housing supported with CBRA funds must generally be governed by a lease or rental agreement that establishes a landlord-tenant relationship consistent with applicable landlord-tenant law. Program-based, transitional, or recovery housing is allowable when the participant has tenant protections consistent with a lease or rental agreement and occupancy is not contingent on program participation requirements beyond standard tenancy obligations.

When these tenancy requirements are not met, CBRA assistance may be used on a short-term basis, generally not to exceed 90 days, to facilitate transition to compliant housing. Continued assistance beyond 90 days requires a documented, case-by-case exception consistent with the Guidelines.

Commerce has also indicated that CBRA assistance may not continue for stays exceeding one year in housing arrangements that do not meet the applicable lease or rental agreement and tenancy requirements.

Required Provider Actions

Accordingly, North Sound BH-ASO will require all CBRA Providers to prioritize the transition of participants who have been residing in emergency, transitional, recovery, or other program-based housing that does not meet CBRA tenancy requirements for 90 days or more to housing governed by a compliant lease or rental agreement.

Providers should begin assessing these situations promptly and work with participants to identify appropriate housing options, document barriers to transition, and develop a plan for securing compliant housing.

Monthly Reporting Requirements

Beginning with the October 2026 monthly deliverable, providers with CBRA participants residing in emergency, transitional, recovery, or other program-based housing that does not meet CBRA tenancy requirements must submit a monthly report along with the regular CBRA deliverable and HMIS report.

The report must include:

- The number of CBRA participants currently residing in emergency, transitional, recovery, or other program-based housing that does not meet CBRA tenancy requirements;
- The type of housing being utilized;
- The entry date of each participant into the housing arrangement;
- The length of time each participant has resided in the housing arrangement;
- The participant's transition plan, including anticipated next steps, barriers, and expected timeline;
- Whether a written exception has been requested or approved, if applicable; and
- The anticipated transition date, if known.

Providers must submit an initial report identifying affected participants and their transition plans as part of the current monthly report.

Reimbursement Requirements Effective January 1, 2027

Effective January 1, 2027, CBRA expenditures for participants who remain in emergency, transitional, recovery, or other program-based housing that does not meet CBRA tenancy requirements beyond 90 days **will not be reimbursable unless North Sound BH-ASO has approved a written exception, in consultation with the Department of Commerce.**

If an exception is approved for a stay beyond 90 days, funding may continue on a month-to-month basis, subject to ongoing review, for no more than **12 months total from the participant's initial entry date into the noncompliant housing arrangement.**

For participants who, as of January 1, 2027, have already exceeded 12 months in emergency, transitional, recovery, or other program-based housing that does not meet CBRA tenancy requirements, reimbursement for that housing arrangement will cease. These participants must either be transitioned to housing that meets CBRA requirements or transitioned out of the CBRA program before January 1, 2027, unless another allowable funding arrangement is identified.

North Sound BH-ASO will work with CBRA Providers who have participants in these circumstances to explore potential options for ongoing rental assistance and support transition planning.

Relevant Guidelines

The relevant Department of Commerce Guidelines language regarding emergency housing, recovery residences, and lease or rental agreements is included as an attachment for reference.

4.4.1. Emergency Housing Costs

Funds may be used to provide emergency housing for no more than 90 days when no suitable shelter bed is available, and program staff support the grantee with permanent housing search.*

Emergency Housing Includes:

- ✓ *Hotel/Motel Stays*
- ✓ *Transitional Housing that does not require the participant to maintain a lease for a specific period of time.*
- ✓ ***Recovery residences***
- ✓ *Other, as approved by Commerce.*

** A suitable shelter bed is one that meets the emergency housing needs of the participant, is rooted in participant choice, and does not cause undue hardship to the participant.*

***Please note, short-term rental agreements and walk-through inspections are encouraged for hotel/motel stays if owners wish to access landlord reimbursement programs like the Landlord Mitigation Program.*

5.3.2. Lease or Rental Agreements

*A lease or rental agreement between the eligible household and the landlord must be executed at the time of payment of rental assistance. Leases or rental agreements must contain standard lease provisions as shown in **5.3.2.1 Lease or Rental Agreement**.*

The lease or rental agreement and any subsequent leases or rental agreements must be kept in the client file.

Housing supported with CBRA funds must be governed by a lease or rental agreement that establishes a landlord-tenant relationship consistent with applicable landlord-tenant law.

Residency in program-based, transitional, or recovery housing settings is allowable only when the participant has tenant protections consistent with a lease or rental agreement, and occupancy is not contingent on program participation requirements beyond standard tenancy obligations.

Participant preference for a specific housing type does not waive the requirement for tenancy protections under this program.

In limited circumstances, CBRA assistance may be used on a short-term basis, not to exceed 90 days, to support participants residing in transitional, recovery, or other program-based housing settings that do not meet the tenancy requirements outlined above, for the purpose of facilitating transition to compliant housing.

Grantees must document a plan to transition the participant to housing that meets program requirements within this timeframe. Continued assistance in housing that does not meet tenancy requirements beyond 90 days is not considered long-term eligible housing under this program.

If compliant housing has not been secured within 90 days due to barriers beyond the participant's control, assistance may continue on a temporary, case-by-case basis with documented justification to prevent a return to homelessness.

Please contact **Linda Crothers, North Sound BH-ASO Clinical Specialist**, at linda_crothers@nsbhaso.org with any questions regarding these requirements or the exception process.

Thank you for your attention to this matter and for your continued partnership in ensuring that CBRA funds are used in accordance with applicable program requirements.

Cc: North Sound BH-ASO Contracts; North Sound BH-ASO Staff