**Section 145.220 Contracts with Landlords or Property Management Entities**

HAP contracts are required for DHS-DMH funded PSH units where the tenant holds the lease. Flexible leasing options may be made available through alternative PSH programs/models funded by DMH, but PSH Providers will be responsible for compliance with leasing terms and other contractual arrangements as stipulated in their executed contract and/or PSH program-specific guidance provided by DMH. For rental assistance/subsidy-based units:

a) The SA or PSH Provider shall enter into a HAP contract with each landlord or property management entity for all units that the landlord has negotiated to receive rental payments.

b) The HAP contract shall provide that the SA or PSH Provider will make rental assistance payments to the landlords as instructed by DMH.

c) The HAP contract shall identify the landlord and SA or PSH Provider.

d) The term of the HAP contract shall not be less than 12 months (unless pre-approved).

e) The units to receive rental assistance must be identified by address and unit designation.

f) The rent amount to be charged is to be set forth for each unit and will identify the tenant's portion of rent (all contracts shall not be greater than the FMR or rent amount approved by DMH).

g) The landlord shall abide by the requirements of this Part as detailed in the HAP contract.

(Source: Amended at 45 Ill. Reg. 11027, effective August 30, 2021)