



HomeBASE Admin Plan Updates

May 30, 2024



Summary of Updates

In addition to the changes listed below, the HomeBASE admin plan has been updated to be more user friendly.

New Allowable Items	Problem we are addressing	How this helps	New or Updated
"Holding payment" equal to one month of rent, if needed to secure a unit	Quickly securing a unit for exit	Enables immediate payment to quickly secure a unit given the competitive rental market	New
Provider Letter of Intent	Quickly securing a unit for exit	Formal letter for providers to share with landlords to hold units until HB payments are made	New
Master Leasing: Lease-subleasing to an exiting family	Securing a unit or multiple units for exit	Enables providers and RAAs to submit requests for Master Leasing Pilots to HLC	Updated - Language Clarification
Master Leasing: Co-signing a lease with an exiting family	Securing a unit and boosting family credibility in the market	Enables providers and RAAs to submit requests for Master Leasing Pilots to HLC	Updated - Language Clarification



Holding Payments

HomeBASE funds can be used to reimburse a one-time “holding payment” needed to secure a unit.

A forward payment equivalent to one month of rent can be made as a “holding payment” to secure a unit.

- EOHLC encourages using SRI funds for initial holding payments; If used for holding payments, SRI funds will not be reimbursed with HomeBASE.
- If a holding payment is made from non-SRI funds, it can be reimbursed with HomeBASE and then rolled into a landlord bonus for a unit.
- The landlord and provider must sign a pre-lease agreement committing to entering a lease with a HomeBASE family for the landlord to receive payment.

- ▶ **In the case of termination:** If a family vacates the rental unit due to an eviction, abandonment or other for fault reasons, the landlord can retain the balance of this holding payment.
- ▶ **Reimbursement contingent upon successful lease up:** In no event will reimbursement be made until the landlord has entered into a lease with a family that has been determined HomeBASE eligible. **If the unit falls through (i.e. there is no lease up) you will not be reimbursed.**



Pre-Lease Agreement Guidelines

To receive a holding payment, the landlord must sign a pre-lease agreement with the sponsoring entity. A pre-lease agreement is a signed legally binding contract.

At a minimum, a pre-lease agreement should:

Act as legally binding agreement that the landlord will enter into a written lease with a family exiting, or diverted from shelter using HomeBASE or MRVP if the holding payment is made

Include the expected dates and address at which tenancy will begin and the duration of the lease

Specify that if one HomeBASE family does not work out for whatever reason pre-tenancy, the landlord commits to housing another family using HomeBASE in the “held” unit



Provider Letter of Intent

Providers can share a HomeBASE Letter of Intent with landlords, explaining that a family is eligible for funding and will be supported as a tenant.

A Letter of Intent submitted by a provider can help a family secure a unit by:

Detailing how HomeBASE works, that the family intends to secure funding, and how the program works for the landlord

Sharing the landlord-focused HomeBASE informational flyer, which is included in the Letter of Intent

Acting as a hard copy resource that providers can give to landlords who are considering renting to a HomeBASE eligible family



Master Leasing: Lease-sublease

Providers and RAs may lease a unit from a landlord and sublease the unit to a HomeBASE family.

Interested agencies **must reach out to HLC for approval to proceed with master leasing pilots**

Master Tenant Responsibilities:

- Entering a lease for anywhere from 12 – 24 months with landlord
- Paying full contract rent
- Receiving family contribution + HomeBASE payment
- Having a clear system for documenting family rent payment and gathering/verifying landlord info

Family responsibilities: paying at least 30% of income as rent (all other HomeBASE requirements apply)

Payment & Reimbursement:

- No cash payments to the master leasing agency are permitted
- First/Last/Security can be paid with SRI or other funds if a family is not qualified for HomeBASE at time of lease
- Non-SRI funds can be reimbursed out of HomeBASE
- SRI funds can be used to make up to 1 month of vacancy payments in a 12-month period

**For RAAs who are also providers: concurrent, and ideally pre-HLC approved, documentation is needed to approve any reimbursement using HB.*



Master Leasing: Co-signing leases

RAAs and Providers may co-sign leases for HomeBASE families to encourage landlords to rent to families they might not otherwise accept as tenants.

Interested agencies **must reach out to HLC for approval to proceed with master leasing pilots**

Co-signer Responsibilities:

- Getting a pre-approved agreement with an RAA
- Documenting arrangement in E2E
- Paying contract rent in the event of termination

Family Responsibilities:

- Paying at least 30% of income to rent (HB payment goes to LL)
- All normal HB requirements apply
- Co-signing with an authorized entity does not constitute a co-share

Payment & Documentation:

- SRI can be used to update sponsor insurance policies
- SRI can make up to 1 month of vacancy payments, additional may be approved by HLC in extenuating circumstances
- No HB payment will be allowed for a unit in which a family is not residing



Technical Details: Holding Payments



Holding Payments Guidelines

If a sponsoring entity and RAA choose to enter into this type of agreement, they should record the holding payment agreement in End2End.

- HomeBASE may reimburse the sponsoring entity if they used funds other than SRI to make a holding payment.
- EOHLC strongly encourages providers to try using SRI for holding payments first.
- If reimbursing a holding payment with HomeBASE in End2End, the RAA/EA/Diversion worker should record the reimbursement as an “other” payment request in the “moving/additional request” section of the family’s End2End application and note that the funds are for a holding payment reimbursement.
- Sponsoring entities and RAAs should use a holding payment to fund either the security deposit on the unit or a landlord bonus. The use of the holding payment should be noted in the “moving/additional request” section of the family’s End2End application.
- If a holding payment is used for a security deposit, the security deposit cannot also be charged to HomeBASE.
- If SRI funds are being used for the holding payment or landlord bonus, they do not need to be documented in End2End and should be approved by the EA Provider’s Contract Manager.
- If the RAA is also the EA shelter provider, documentation of any reimbursement should be sent to their EOHLC Housing Search Specialist before or at the same time the transaction is entered in End2End.



Example

Moving/Additional Expenses

Progress indicator: 12 steps, step 11 is active.

Moving/Additional Expenses

Do you require assistance with moving expenses? *

Yes No

Add Moving or Additional Expense (If known)

Expense Category	Estimated Amount	Company Name
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Add Moving or Additional Expense (If known)

Expense Category *
Other

Estimated Amount *
\$ 2,000.00

Company Name *
Test RA Name

Brief Description (Other) *
Holding Payment, please reimburse Test RA Name



Required Documentation in End2End

If the entity that paid the holding fee is requesting reimbursement, the following documentation must be uploaded as part of the HomeBASE application in E2E:

- Pre-lease agreement
- Proof of payment from RAA, or other third-party entity using private funding, to Landlord
- W9 for RAA or EA Provider who needs to be reimbursed
- Documentation of written approval from HLC for the reimbursement, if the RAA is also an EA provider and is therefore reimbursing themselves.



Technical Details: Master Leasing



Master Leasing Guidelines

If a sponsoring entity and RAA choose to enter into this type of agreement, they should record the master leasing agreement in End2End.

- To enter into master leasing agreement, the sponsoring entity and the RAA must contact EOHLC and get written approval from DHS leadership to proceed.
- If a sponsoring entity is signing a lease on behalf of the family as the “master tenant”, they should create a profile as a “property manager” in End2End. The sponsoring entity is agreeing to be the “authorized agent” for the property.
- The sponsoring entity is responsible for collecting, recording, and documenting the legal ownership information and entering it into End2End.
- Because the sponsoring entity will take on responsibility of paying the full contract rent to the landlord, they will set themselves up as a Payee in End2End to receive payment from HomeBASE and will separately collect rent from the tenant.
- If the RAA is also the EA shelter provider, then documentation of any payments should be sent to HLC before or at the same time the transaction is entered in End2End.
- If SRI funds are being used for the payment of first/last/security or for vacancy payments, they do not need to be documented in End2End, but they should be approved by the EA Provider’s Contract Manager.



Registering as a Property Manager in an E2E Master Lease Scenario

*Before creating the profile/application for the Landlord, a Tenant Application should be submitted by the EA/Diversion worker. While submitting the Tenant Application, the EA/Diversion worker should enter the email of the user who will complete the Landlord section in the application. **This should be the email of the responsible staff member for the organization that is signing the master lease with the landlord.***

*This will trigger an email to that user (the Master Lease Holder) and give them the **tenant match code** that they will need later in this process.*

1. Register as a new user at [User Registration \(mass.gov\)](https://www.mass.gov) and Select ‘Property Manager’ as the type of User Registration.
2. Once registration is complete, log in and complete all three sections on ‘Your Profile’.
3. Click on Payee and Enter the Legal Name of the organization responsible for the Master Lease, phone numbers, and address
4. On the next page, select ‘Add Owner’ to add a Payee. Select ‘Business’ and complete the required fields.
 - In a master lease scenario, the Payee will be the EA/RA that entered into the Master Lease. The name and TIN should be that of the master lease holder.



Registering as a Property Manager in an E2E Master Lease Scenario

5. Upload Required Documents:

- ✓ Proof of Identity – license, passport, business card, proof of connection to the organization you work for
- ✓ W9 – this should be the W9 for the master lease holder/payee
- ✓ Property Manager Authorization – ***Note: in Master-leasing arrangements, this should also include the lease signed by the provider and landlord, the sublease signed by provider and tenant, and a copy of HLC approval for the pilot.***

6. Back on Home screen, **click on ‘Properties’** and **select the payee** in landlord/owner.

- **Enter key info** and **upload property ownership documents** (Deed, Mortgage Statement, Accessors Website, etc) showing that the owner on the Property Manager Authorization is the true legal owner of the unit.
- A new property will need to be created for any additional master lease scenarios.

7. On the Home Screen **click on ‘Payment Method’** and **Select the Preferred Method of Payment** (Paper Check or Direct Deposit)

8. **Complete the rest of the application** as you normally would.

9. On the Documents Page, under other documents, **upload a copy of the master lease** as well as **HLC approval of the pilot.**

10. An email with confirmation of submission will be sent to the email used in Profile Setup.



Examples



Holding Payment Scenario 1: Finding a unit before a family is identified

Unit Details:

- 3-bedroom unit
- Located in Fall River
- Rent is \$2,000 per month

Family Details:

- Not yet known

July 15, 2024: Unit becomes available

- EA provider or RA reaches out to landlord
- Landlord is interested in housing an EA family
- Landlord and Provider or RA sign a pre-lease agreement
- EA provider or RA puts down a \$2,000 holding fee using their own funds

August 01, 2024: Family lease begins

- EA provider or RA identifies family who is interested in the unit
- EA provider fills out HomeBASE application and uploads pre-lease agreement
- EA provider or RA uses SRI funds to pay first, last, and security deposit
- HLC reimburses EA provider or RA for the holding fee with proof of payment & signed lease for unit
- Landlord gets to keep holding fee as a landlord bonus



Example Scenario 1: Master Leasing with SRI, MRVP, and HB

Unit Details:

- 3-bedroom unit
- Located in Fall River
- Rent is \$2,000 per month

Family Details:

- Family's income is \$20,000 per year (\$1,666 per month)
- At 30% of the HHI, the maximum household contribution towards rent is \$500 per month for an MRVP

July 01, 2024: 12-month Master Lease Begins

- EA Provider signs a 12-month lease with a landlord
- Provider signs the lease, but does not have an EA family ready to move in
- Provider pays the security deposit, first month's rent, and last month's rent using SRI funds

August 01, 2024: 11-month family sub-lease begins

- Family working with provider exits shelter using an MRVP voucher
- Family enters an 11-month sub-lease for the unit with provider
- RAA provides family with \$1,000 HB funds to cover moving costs
- Starting Sept. 1, when rent is due, family contributes \$500/month

July 01, 2025: Master Lease Renewal, Family Moves

- EA Provider renews the master lease with landlord for one year
- Family moved out at the end of June, so provider uses SRI funds to pay July rent and keep the unit

August 01, 2024: New 11-month Family Sub-lease Begins

- Another family working with provider exits using an MRVP voucher
- Family enters an 11-month sub lease for the unit with provider
- RAA provides family with HB funds to cover moving costs

Example Scenario 2: Master Leasing with SRI, HB & Charitable Contributions



Unit Details:

- 3-bedroom unit
- Located in Fall River
- Rent is \$2,000 per month

Family Details:

- Family's income is \$20,000 per year (\$1,666 per month)
- At 30% of the HHI, the maximum household contribution towards rent is \$500 per month for an MRVP

July 01, 2024: 12-month Master Lease Begins, Donation Secured

- A family approved for HB exits shelter
- RA exiting family signs a 12-month lease with landlord
- Before signing the lease, RA secures a \$15,000 private donation

August 01, 2024: 11-month family sub-lease begins

- RA enters a sub-lease with the family with an Aug. 1 start date, one month after the start of the RA's master lease with landlord
- SRI from provider covers the up-front security deposit/first month's rent/last month's rent (total of \$6,000)
- HB funds are used to cover the family's moving costs (\$1,000)
- \$29,000 of HB funding remain available for rental stipends over next 2 years (\$1,208/month if spread evenly over 24 months)

September 01, 2024 – July 01, 2025

- For remaining 10 months of rental payments for the initial lease, family contributes \$500/month
- Charitable donation covers \$500/month (\$5,000 spread over first year of lease)
- HB covers the remaining \$1,000/month
- Remaining HB funds and donation are available to assist with second year's rent, future rent increases and/or furniture costs



Example Scenario 3: Master Leasing with SRI, HB & Co-Housed Tenants

Unit Details:

- 4-bedroom unit
- Located in Fall River
- Rent is \$2,700 per month

Family Details:

- Two families staying together in overflow shelter are interested in co-housing
- Both families have incomes of \$20,000/year (\$1,666/month)
- At 30% of HHI, the minimum contribution towards rent is \$500/month
- Together, their minimum rental contribution is \$1,000/month

July 01, 2024: 12-month Master Lease Begins, Donation Secured

- Provider exiting 2 families who have been approved for HB
- Provider signs a 12-month lease with landlord

August 01, 2024: 11-month family sub-lease begins

- Provider signs a sub-lease with the co-housed families with an Aug. 1 start date, one month after the start of the RA's master lease with landlord
- SRI covers the up-front security deposit/first month's rent/last month's rent (total of \$8,100)
- HB funds are used to cover the family's moving costs (\$2,000)
- \$58,000 of HB funding remain available for rental stipends over next 2 years (\$2,410/month if spread evenly over 24 months)

September 01, 2024 – July 01, 2025

- For remaining 10 months of rental payments for the initial lease, each family contributes \$500/month (\$1,000/per month total)
- Each family's HB covers \$850/month (\$1,700/month total)
- Remaining HB funds are available to assist with second year's rent, future rent increases and/or furniture costs