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# Administrative Plan on the Uses of Strategic Rehousing Initiative (SRI) Funding

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## 1. Summary

EOHLC has released a series of announcements about Strategic Rehousing Initiative (SRI) funds clarifying the amounts and allowable uses of Fiscal Year 2024 (FY24) SRI funds. **This guidance supersedes the earlier released memos about SRI funds** and aims to provide further clarity for FY25 SRI funds, including required documentation, approval process, and clearly eligible uses. EOHLC plans to issue a similar administrative plan for FY25 Enhanced Diversion (ED) and Strategic Prevention Initiative (SPI) funds.

## 2. Definitions

### Strategic Rehousing Initiative (SRI) funds

SRI funds provide flexible financial assistance to **aid families in exiting shelter**, where additional funds exceeding the allowances under the HomeBASE program are necessary.



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### Eligible Family

An eligible family for SRI follows the same definition as an eligible family for HomeBASE, as specified in section B of the [HomeBASE Administrative Plan](#).

As with HomeBASE, to be considered eligible for SRI funds, a family must have either been placed into EA Family Shelter (based on a full eligibility determination or presumptive placement) or determined fully eligible for EA Family Shelter under all applicable EA regulations and EOHLC guidance, including both current and future Housing Stabilization Notices that further interpret or clarify the regulations.

## 3. SRI Allowable Uses

SRI funds must be used to help a family exit shelter to stable housing, and/or to keep a family in stable housing once exited.

EOHLC interprets the parameters of both funds broadly and encourages providers to use SRI flexibly and creatively. Expenses specifically listed in the Moving Expenses and Unit Expenses sections below are clearly related to helping a family exit shelter or maintain stable housing. Providers do not need prior approval from EOHLC to use SRI funds to cover expenses that are specifically listed below in these categories, and for which the total expenditure for the family is \$9,000 or less. If the expense is not clearly in one of the listed categories below but it does aid a family in exiting shelter, then the provider should speak to their EOHLC Housing Search Specialist (HSS) to obtain approval for SRI to cover the expense.

### Expenses Which Do Not Require Prior EOHLC Approval

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SRI expenses that **do not** require prior EOHLC approval because they are clearly allowable and related to helping a family with exit from shelter are listed below. A provider must retain records and relevant documentation of these expenses for their own records and for invoicing EOHLC. Failure to present documentation of an expense upon request will factor negatively into a provider's performance evaluation. A provider can incur a total of \$9,000 of expenses per family for the categories written below without receiving prior approval from EOHLC. Providers are expected to verify funding levels and availability internally before approving any expenses.



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For uses of SRI funds that are not listed below, or which exceed \$9,000 per family, please refer to the next section.

### **Moving Expenses**

SRI can cover moving expenses both in and out of state. Expenses which do not require prior approval from EOHLC are:

- Renting a moving truck
- Cost of Moving Related Travel Expenses, including:
  - Gas or gas voucher
  - Plane, bus, or train ticket
- Transportation expenses, such as a bus or train ticket, or a carshare or taxi fare
- Auto related expenses, including:
  - Vehicle repair
  - Vehicle registration
  - Costs of getting a driver's license
- Fees for a storage unit
- Furniture, up to \$2,500

#### **Required documentation:**

For payments in this category, providers are expected to keep an invoice or receipt on file to confirm payment date, payee, and amount. Providers will also need to keep a record of the payee's W-9. Providers should be prepared to share documentation with EOHLC upon request.

### **Unit Expenses**

SRI can cover rent or landlord-related payments that are not being covered by another program, such as HomeBASE or the voucher program. Units for which SRI is used must comply with the inspection requirements of any other funds that the family is using to support rental payment. At a minimum, units must comply with the state sanitary code and buildings built before 1978 with children under the age of six moving into them must provide a letter of lead compliance (LOC).



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Expenses which do not require prior approval from EOHLC are:

- First month's rent (this must be non-duplicative with HomeBASE and cannot be used if a family is using a voucher to rent the unit)
- Last month's rent (this must be non-duplicative with HomeBASE and cannot be used if a family is using a voucher to rent the unit)
- Security deposit (this must be non-duplicative with HomeBASE)
- Landlord bonus payment equal to up-to one month's rent **OR** a "Holding Payment" to secure units prior to lease signing, equal to up-to one month's rent. Holding payments cannot be paid in addition to the landlord bonus but can constitute an advance payment of the landlord bonus. Additional guidance on these payments can be found in the [HomeBASE Administrative Plan](#) section 2(3).

**Required documentation:**

For payments made in this category, providers are expected to keep an invoice or receipt on file to confirm payment date, payee, and amount. Providers will also need to keep a record of the payee's W-9. Providers should be prepared to share documentation with EOHLC upon request. For funds used to secure units built prior to 1978 for the move in of families with children under the age of six, providers must also keep a copy of the letter of lead compliance (LOC) on file.

If providers make holding payments on units that fall through for any reason, they must notify EOHLC in writing in the event they are not able to recover the payment.

**\$9,000 per-family limitation without EOHLC approval**

Providers can use SRI to help a family with exit from shelter without receiving prior approval from EOHLC if the funds are used for the clearly-eligible specific activities listed above. The Provider may spend up-to \$9,000 total per family on the eligible expenses without receiving approval from EOHLC. For family expenses in excess of \$9,000, request approval from EOHLC using the process outlined below.

**Invoicing process for uses not requiring prior approval**

Providers must submit monthly invoices to EOHLC by the 10th of each month. These invoices must include the information required as outlined in the SRI invoice forms. Providers must collect and hold in their records payee information for expenses, to be supplied to EOHLC on request. Providers are responsible for providing clear documentation in invoices for monthly uses of SRI that are allowable and do not need prior EOHLC approval.



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## **Expenses Which Require Prior EOHLC Approval**

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For unit expenses and moving expenses that are not listed above, expenses that exceed the \$9,000 per-family limit, or other rehousing related expenses not listed in this document, EA providers should contact the EOHLC Housing Search Specialist assigned to work with you for SRI. Providers are expected to verify funding levels and availability internally before requesting EOHLC approval.

### **Common expenses requiring EOHLC pre-approval**

Key types of expenses that require prior approval from EOHLC include, but are not limited to:

- Unit expenses and moving expenses not listed above;
- Expenses in excess of \$9,000 per-family;
- Unit repairs in the event of inspection issues;
- Vacancy payments for providers who are in master leasing agreements; and
- Stabilization-related expenses.

### **All stabilization-related expenses require prior EOHLC approval**

All stabilization-related expenses require prior approval from EOHLC. When requesting approval, EA Providers should clarify how these stabilization expenses align with the family's stabilization plan. Expenses in this category include, but are not limited to:

- Childcare expenses not covered by other Commonwealth programs (e.g.: CCFA): Expenses that cover a childcare facility or individual provider, such as tuition or transportation to the facility. When requesting this expense, providers must provide documentation showing that shows childcare is required for employment.
- Employment-related expenses, such as professional licensure, securing critical documents, and training.
- Utility expenses not covered by LIHEAP and LIHWAP. When requesting this expense, providers must include shut-off notice and record of application to LIHEAP/LIWAP.
- Rental arrearages. When requesting this expense, providers must provide a notice of hardship. This expense is approved only in rare and extenuating circumstances.

### **Required documentation:**

For payments in this category, providers are expected to keep an invoice or receipt on file to confirm payment date, payee, and amount. Providers will also need to keep a record of the payee's W-9. Provider will need to retain a written record of EOHLC approval. Providers should be prepared to share documentation with EOHLC upon request. Other specific documentation requirements are noted in the expense type.



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## 4. SRI Approval and Invoicing Process

### Approval

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For the allowable moving or unit expenses outlined above that are less than \$9,000, providers may submit these expenses without prior approval through a monthly invoice to EOHLC. For all other expenses and any expense greater than \$9,000, EOHLC Housing Search Specialists must provide written approval of the expense before it is made, and the written approval must be attached to the provider's monthly invoice.

Use of SRI with other housing assistance: EA Providers may use SRI to cover expenses for families who are using other housing assistance programs, such as HomeBASE or a voucher. In this event, SRI may not be used to cover the same expense as those covered by the voucher or HomeBASE. EA Providers are responsible for ensuring that SRI funds do not duplicate expenses made by HomeBASE or a voucher. See attachment 1 for more details on how to use SRI with HomeBASE.

### Invoicing Process

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Providers must submit monthly invoices to EOHLC by the 10th of each month. These invoices must include the information required as outlined in the SRI invoice form. Providers must collect and hold in their records payee information for expenses, to be supplied to EOHLC on request.



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### Quick Reference: Criteria for SRI Expense Approval

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1. Is it on the list of pre-approved expenses and within the limit of \$9,000?
  - a. If so, then providers can use funds for this purpose without pre-approval from EOHLC, they must keep the receipts in case of audit risk and document in invoice.
2. Is this on the list of pre-approved and above the limit of \$9,000?
  - a. **If so, Providers:** Submit a request to EOHLC for approval.
  - b. **If so, EOHLC HSS team:** Use discretion to approve or deny.
3. Is this not on the list of pre-approved expenses and within the limit of \$9,000?
  - a. **If so, Providers:** Submit a request to EOHLC for approval.
  - b. **If so, EOHLC HSS team:** Use discretion to approve or deny. Otherwise, elevate the expense request for additional review if it is not clearly related to the list of approved expenses or to a family's rehousing.
4. Is this not on the list of pre-approved expenses and above the limit of \$9000?
  - a. **If so, Providers:** Submit a request to EOHLC for approval.
  - b. **If so, EOHLC HSS team:** Use discretion to approve or deny. Otherwise, elevate the expense request for additional review if it is not clearly related to the list of approved expenses or to a family's rehousing.

## 5. Attachment 1: Examples of Allowable Ways to combine SRI with HomeBASE

Please note that SRI and HomeBASE may **NOT be used to cover the exact same cost twice** (i.e. landlord bonus paid from HomeBASE as well as a landlord bonus paid from SRI for the same family and same unit lease-up). However, SRI may be used to cover a similar allowable expense under the HomeBASE program, to stretch and offset the HomeBASE benefit. Example:

### Example of allowed pairing:

#### **SRI Covered Expenses:**

First month rent, last month rent, security deposit, moving truck and utility arrears.

#### **HomeBASE Covered Expenses:**

Furniture, landlord bonus, broker fee, and rental stipends.

### Example of pairing that would not be allowed (with overlapping expenses covered):

#### **SRI Covered Expenses:**

First month rent, last month rent, security deposit, moving truck and utility arrears.

#### **HomeBASE Covered Expenses:**

Furniture, first month rent, last month rent, security deposit, landlord bonus, broker fee, and rental stipends.

### Quick refresher on allowable expenses under the HomeBASE Program:

- First month rent
- Last month rent
- Security deposit
- Broker fee
- Bonus payment to landlord or unit holding fee (equal to one-month rent)
- Monthly rental stipend (*only in MA and not for subsidized rents*)
- Relocation out of state
- Furniture (*up to \$2,500*)
- Moving expenses
- Utility and rental arrears (*up to \$5,000*)
- Education or training activities to further economic stability (*as approved by EOHLC case by case*)

If there is a cost that will support a family to successfully exit from shelter, but falls outside this list of allowable HomeBASE expenses, please consult your Housing Search Specialist (HSS) and EOHLC will determine if an exception can be made.