



**Annual overview and analysis
of Metro Housing|Boston's
Residential Assistance for
Families in Transition program**

NOVEMBER 2019



RAFT IN REVIEW

Fiscal Year 2019

Annual overview and analysis of
Metro Housing|Boston's Residential
Assistance for Families in Transition program

NOVEMBER 2019



People First. Housing Always.

3. ECONOMIC SECURITY



2. HOUSING STABILITY



1. HOMELESSNESS PREVENTION



METRO HOUSING|BOSTON

Helps families and individuals
address their housing needs
across the continuum toward
economic security.



KEY FINDINGS

Number of households assisted: 1,710	page 5
Number of communities with residents assisted: All 29 communities in Metro Housing's region	page 7
Total value of assistance to Metro Housing communities: \$4.4 million	page 5
Total value of assistance to Metro Housing communities in FY13: \$2.4 million	page 5
Average dollar amount of assistance: \$2,599	page 5
Median household income: \$16,902	page 6
Savings to Emergency Assistance shelter system: \$33 million	page 6
Expanded population: The FY19 expanded population guidelines allowed for households of all sizes and configurations , including but not limited to elders, persons with disabilities, and unaccompanied youth.	page 10
Expanded population II: 525 households received RAFT support through this expansion, almost one-third of all FY19 RAFT recipients.	page 10
Top payment type: Rent arrearage remains the top payment type (46 percent of total), double the total for security deposits, the second most common payment type.	page 9
Assistance to subsidized households: Households receiving a housing subsidy (public housing or rental voucher) account for 77% of the RAFT funding distributed in Metro Housing's region, up from 71% in FY18.	page 13
Repeat participants: Although eligible families can access RAFT funds once per calendar year, only 6% of FY19 recipients also received support in FY18.	page 9
Repeat participants II: 22% of FY19 recipients had accessed RAFT at least once between FY15 and FY18.	page 9
Homelessness prevention in the City of Boston: 1,760 households in Boston received assistance from RAFT and four other programs administered by Metro Housing. More than 1,200 of those households benefitted from RAFT.	page 12

I. INTRODUCTION

RAFT ELIGIBILITY:

To qualify, a family of any household composition (including individuals living alone) who is in housing crisis must have a household income that is not more than 50 percent of the area median income. In the Boston region during fiscal year 2019, this was \$53,350 for a family of three.

In FY17, eligibility for the program was expanded to include households of all sizes, including elders, persons with disabilities, and unaccompanied youth. Launched as a small pilot program and broadened slightly in FY18, this expanded population represented nearly one-third of the total RAFT funding distributed in Metro Housing's region in FY19.

One of the most beneficial aspects of the RAFT program is the ability to stabilize at-risk families whose incomes make them ineligible for Emergency Assistance (EA) shelter. Almost half of the families that Metro Housing served in FY19 would be classified as over-income for EA shelter.

RESIDENTIAL ASSISTANCE FOR FAMILIES IN TRANSITION (RAFT)

(RAFT) is a homelessness prevention program for families with very low incomes¹ experiencing a housing crisis. Eligible families can apply for up to \$4,000 in emergency assistance to help retain existing housing, obtain new housing, or otherwise avoid becoming homeless. RAFT is funded through the Department of Housing and Community Development (DHCD) and is distributed by 11 regional administering agencies throughout the state. Metro Housing|Boston administers RAFT in Boston and 28 surrounding communities.

This proactive approach makes significant fiscal sense for the Commonwealth as well. In FY19, 992 families were potentially eligible for shelter but, with the assistance of RAFT, remained stably housed. RAFT lets families stay in their homes, helps them move out of homelessness into new homes, keeps utilities on, and provides stability. Boston is one of the top five most expensive cities to live in in the United States, making it extremely difficult for families to afford their rent and other associated costs.

The release of this report marks the sixth consecutive year that Metro Housing has disseminated accumulated RAFT data and major findings. Much of the demographics and other data points are consistent with prior years, and the conclusions are clear: RAFT in metropolitan Boston alone likely saved the Commonwealth more than \$33 million; geographic distribution of the

RAFT resources throughout the region remains a hallmark of the program; families with other housing subsidies (public housing or mobile voucher) benefited from RAFT payments at a relatively high level; and a pilot program started several years ago allows Metro Housing to use RAFT to provide critical homelessness prevention assistance to hundreds of individuals, referred to as the "expanded population."

This report also provides – for the first time – an aggregated view of Metro Housing's homelessness prevention services within the City of Boston. One of these programs was a one-time, homelessness prevention effort dedicated specifically to residents of the City of Boston using DHCD's Moving to Work (MTW) authority.

¹ Very low income is defined by the U.S. Department of Housing and Urban Development as income of less than 50 percent of the area median income, and extremely low income is income of less than 30 percent of the area median income. In metropolitan Boston very low income was \$53,350 and extremely low income was \$32,000 for a family of three during FY 2019.

II. COMMUNITY NEED

TABLE 1: Income demographics of select communities

Community	Poverty Level*	Median household income for Metro Housing Section 8 participant	Median household income*
Boston	20.5%	\$15,521	\$62,021
Braintree	5.0%	\$14,878	\$88,993
Brookline	11.4%	\$16,503	\$111,289
Cambridge	13.5%	\$14,244	\$89,145
Chelsea	19.5%	\$13,394	\$51,839
Everett	13.9%	\$16,197	\$57,254
Malden	15.9%	\$12,281	\$62,361
Quincy	10.5%	\$13,648	\$71,808
Revere	13.0%	\$14,178	\$53,794
Somerville	12.4%	\$14,688	\$84,722

Sources: * 2017 American Community Survey Five-Year Estimates Data Profiles

The need for assistance to people seeking homes in the region can be demonstrated in several ways. By looking at data from other Metro Housing programs broken down by select communities, we see that participants in the Housing Choice Voucher program, who have income levels similar to RAFT recipients (Table 1), have median household incomes well below the medians of their hometown peers. In reviewing 10 communities in Metro Housing's region, in only a few cities (Boston, Chelsea, Everett, and Revere) does the typical participant earn even one-quarter of the median household income in that community.

Additionally, using the concept of "housing wage" from the National Low Income Housing Coalition, the hourly wage required to afford a two bedroom

home at fair market rent in metropolitan Boston is \$42.19, for an annual income of nearly \$88,000. (Table 2.) A single parent earning the current minimum wage in Massachusetts falls far short of the housing wage. In fact, a household would have to work almost four full time jobs at the minimum wage (\$12 per hour as of January 1, 2019) to reach that threshold.

There is a severe shortage of affordable housing in the Metro Boston area. According to the April 2019 Federal Reserve Bank of Boston study, *The Growing Shortage of Affordable Housing for the Extremely Low Income in Massachusetts*, affordable and available units in Massachusetts are in short supply. In 2016, there were 48.6 affordable and available units per 100 extremely low income households,

down from 50.2 in 2011.² Research from Mass Housing Partnership³, the National Low Income Housing Coalition⁴, and the City of Boston 2030 study⁵ all provide supporting data.

Additionally, rent burden remains a significant issue for the lowest income households as rents are pushed higher by the booming real estate market. Nearly 300,000 renters in Massachusetts have extremely low incomes, defined in metropolitan Boston as a family of three earning less than \$32,000.⁶ Seventy-nine percent of these households are rent-burdened, with almost 60 percent classified as severely rent-burdened (spending over 50% of household income for housing), and likely having difficulty affording other daily necessities.⁷

² Nicholas Ciumenti, *The Growing Shortage of Affordable Housing for the Extremely Low Income in Massachusetts*, New England Policy Center, Federal Reserve Bank of Boston, April 2019, 15

³ Clark Ziegler, Presentation: *The Four Big Housing Challenges in Metro Boston*, Massachusetts Housing Partnership, May 2019

⁴ National Low Income Housing Coalition, *Out of Reach 2019*, Washington, DC, June 2019

⁵ Office of Mayor Marty Walsh. *Housing a Changing City: Boston 2030*, Boston, MA, September 2018

⁶ Ciumenti, *The Growing Shortage of Affordable Housing for the Extremely Low Income in Massachusetts*, 6

⁷ Ibid, 14



Many families in Greater Boston, Massachusetts, and the country as a whole are living paycheck to paycheck, often a single unplanned expense away from being in housing jeopardy. RAFT provides a safety net for families when they are in crisis and need support.

TABLE 2: HOUSING WAGE IN METRO BOSTON

	Hourly	Annually*
Metro Boston wage to afford a 2-bedroom apartment at fair market rate (Out of Reach 2019)	\$42.19	\$87,755
Massachusetts minimum wage	\$12.00	\$24,960
Median household wage of RAFT recipient household	NA	\$16,902

* Hourly rate X 8 hours per day X 260 workdays per year.

III. OVERVIEW AND DEMOGRAPHICS

With the start of the FY20 budget year, DHCD and housing advocates implemented a new policy that gives administering agencies the authority to qualify any households that can demonstrate they are behind on rent prior to court action being taken by the property owner. This policy pushes the “upstream” and preventative nature of the program even further for households in rent arrears. This is considered significant improvement for the equitable outreach for families facing the stress and anxiety of a potential eviction or an unstable housing situation.

The FY20 report will have an in-depth special section on this new category.

In FY19, the RAFT program at Metro Housing served 1,710 families (Table 3A), representing a 23 percent increase in the number of families compared to FY18. Although RAFT spending increased 19 percent, the average benefit received by a family continued to range between \$2,600-\$2,700, the same range since FY16.

As highlighted in previous RAFT reports, Massachusetts has steadily increased resources for families in need of financial assistance in the Greater Boston area (Table 3B). Because of this investment, last year Metro Housing used RAFT to assist 86 percent more families than in FY13. Successive administrations and legislative sessions have continued this commitment to RAFT, yielding a line item that has increased from \$8.8 million in FY13 to \$21 million in FY20.

The impact of the program on the state’s budget in FY19 was positive and significant. RAFT served a critical role in maintaining families’ tenancies in their communities of choice and close to medical, educational, and social networks.

TABLE 3A: Metro Housing RAFT funding and clients served, FY18 and FY19

	FY18	FY19	% change FY18-FY19
Amount spent	\$3,742,694	\$4,444,781	19%
Clients Assisted	1,392	1,710	23%
Average benefit received	\$2,688	\$2,599	-3%

TABLE 3B: Metro Housing RAFT funding and clients served, FY13 and FY19

	FY13	FY19	% change FY13-FY19
Amount spent	\$2,366,959	\$4,444,781	88%
Clients Assisted	919	1,710	86%

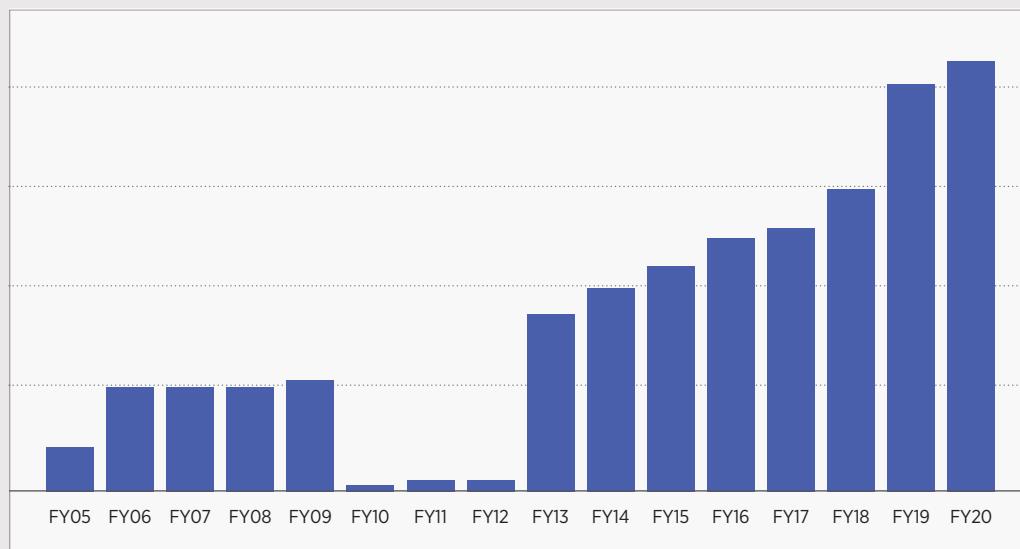


HISTORY OF STATEWIDE RAFT FUNDING

The history of RAFT extends before FY13. RAFT began in FY05 with a \$2 million line item to support households with \$2,000 per family to be used for security deposit, first and last month's rent, moving expenses, and utility arrears. Between FY10 and FY12, state support for RAFT decreased dramatically. Massachusetts allotted no more than \$260,000 to specific regional programs and did not include metropolitan Boston. When RAFT was reintroduced in FY13, the program took on the programmatic characteristics it exhibits today.

Fiscal Year	Budget Amount
FY05	2,000,000
FY06	5,000,000
FY07	5,000,000
FY08	5,000,000
FY09	5,500,000
FY10	160,000
FY11	260,000
FY12	260,000
FY13	8,760,000
FY14	10,000,000
FY15	11,000,000
FY16	12,500,000
FY17	13,000,000
FY18	15,000,000
FY19	20,000,000
FY20	21,000,000

CHART A: RAFT FUNDING IN MASSACHUSETTS BUDGET: FY05-FY20 |



In Metro Housing's region, RAFT also saved Massachusetts more than \$33 million that would have been spent had 992 families entered the Emergency Assistance shelter system.⁸

The household demographics for families receiving RAFT in FY19 show more variability than in previous years due to the larger share of the “expanded population” of households that received almost one-third of FY19 benefits in Metro Housing’s

region (Table 4). Since FY13, the average age has ranged between 36 and 41, including in FY19 (41 years). The percentage of female heads of households, however, fell to 86 percent in FY19, lower than its prior range of 91-94 percent. Although the average household size has remained steady at three, the median annual income has increased from approximately \$15,000 in every previous year to \$16,902 in FY19 (Table 4). For more comparisons

between the traditional population and the expanded population, please see page 10.

Meanwhile, the racial and ethnic demographics of RAFT participants served by Metro Housing have remained mostly constant. (Table 5) The majority of RAFT heads of households (63 percent) in FY19 identified themselves as Black/African American. Hispanic heads of household (who can be of any race) were the second-largest identified

⁸This assumes that the 992 families with incomes of less than 115 percent of Federal Poverty Level (FPL) would have entered the Emergency Assistance shelter system and stayed for an average of 351 days (“The Growing Challenge of Family Homelessness,” prepared by Westat for The Boston Foundation, February 2017) at a monthly cost of \$3,000, for a total cost of \$36,020,000. The approximate value of the RAFT assistance to these 992 families at an average of \$2,599 is \$2,578,000. Other savings were likely achieved for families above 115 percent of FPL.

OVERVIEW AND DEMOGRAPHICS (CONTINUED)

group at 24 percent, with non-Hispanic White reported by 22 percent of respondents.

CITIES AND TOWNS RECEIVING BENEFITS

Families from all 29 cities and towns¹⁰ received RAFT funding in FY19 (Table 6). The majority of RAFT funds – 72 percent, or \$3.2 million – were utilized by 1,269 families in Boston, making it the largest eviction prevention program in the city.

(See page 12 for information about other programs in the City of Boston.)

TABLE 4: FY19 Household demographics

Average age of head of household	41
% of head of household female	86%
% of head of household male	14%
Average household size	3
Average annual income	\$18,859
Median annual income	\$16,902

Families from all 29 cities and towns received RAFT funding in FY19. The majority of RAFT funds were utilized by 1,269 families in Boston, making it the largest eviction prevention program in the city.

Three neighborhoods in Boston – Dorchester, Mattapan, and Roxbury, in addition to the neighborhoods making up central Boston – each had more than 100 families receive RAFT funds. Similar to other Metro Housing programs, Dorchester – the largest neighborhood in Boston – accounted for nearly one out of every three families assisted, with 599 families receiving RAFT assistance.

TABLE 5: Race and Ethnicity of Heads of Households

Race		
White	565	33%
Black/African American	1,083	63%
Indian/Native Alaskan	8	0%
Asian	9	1%
Hawaiian/Pacific Islander	10	1%
Multi-Racial	35	2%

Ethnicity (can be any race)		
Hispanic	402	24%
Non-Hispanic	1,308	76%

Race and Ethnicity		
Non-Hispanic White	376	22%



¹⁰ Lynn Housing Authority and Neighborhood Development administers RAFT in Lynn, which is in Metro Housing's region



TABLE 6: FY19 RAFT funding in all Metro Housing cities and towns

	FY19 #	FY19 \$			
Allston	10	\$28,523	Chelsea	62	\$184,063
Boston ¹¹	114	\$271,227	Everett	31	\$88,306
Brighton	14	\$32,737	Lexington	2	\$4,919
Charlestown	28	\$69,366	Malden	31	\$87,444
Dorchester	599	\$1,528,855	Medford	13	\$38,009
East Boston	21	\$54,291	Melrose	6	\$16,175
Hyde Park	93	\$228,191	Milton	1	\$4,000
Jamaica Plain	18	\$34,651	Newton	14	\$46,306
Mattapan	107	\$280,275	North Reading	3	\$9,285
Roslindale	49	\$119,920	Quincy	47	\$137,538
Roxbury	178	\$431,561	Reading	1	\$195
South Boston	29	\$80,661	Revere	30	\$86,465
West Roxbury	9	\$25,862	Somerville	24	\$75,438
BOSTON SUBTOTAL	1,269	\$3,186,121	Stoneham	1	\$750
Arlington	5	\$18,038	Wakefield	4	\$12,641
Bedford	2	\$2,013	Waltham	21	\$61,794
Belmont	4	\$11,819	Watertown	9	\$26,706
Braintree	27	\$79,451	Wilmington	6	\$23,509
Brookline	4	\$ 16,000	Winchester	1	\$3,433
Burlington	1	\$804	Winthrop	5	\$13,246
Cambridge	58	\$123,019	Woburn	14	\$45,485
			OTHER COMMUNITIES SUBTOTAL	427	\$1,216,862
			TOTAL	1,710	\$4,444,781

¹¹ "Boston" neighborhoods include Aquarium, Back Bay, Battery Wharf, Beacon Hill, Chinatown, Common and Government Center, Fenway, North End, and Seaport.

IV. FUNDING BY PAYMENT TYPE

TABLE 7: Comparison of housing assistance provided, FY13 and FY19

Payments by type	FY13		FY19		Change in total funds FY13 to FY19
	Total	Percentage	Total	Percentage	
Rental arrears	\$1,334,565	57%	\$2,030,948	46%	52%
Security Deposits	\$231,759	10%	\$918,111	21%	296%
First/Last Month's Rent	\$305,813	13%	\$532,239	12%	74%
Utilities	\$150,150	6%	\$480,620	11%	220%
Furniture	\$147,529	6%	\$207,959	5%	41%
Stipends	\$93,585	4%	\$121,463	3%	30%
Moving	\$48,057	2%	\$103,320	2%	115%
Others (Mortgage arrears, child care, transportation)	\$55,501	2%	\$50,119	1%	-10%
TOTALS	\$2,366,959		\$4,444,781		88%

The high cost of acquiring or keeping housing again dominated the types of support for which RAFT was used in FY19. Consistent with each year previously reported, payment of rental arrears remained the largest assistance

category in FY19, followed by security deposits and first/last month's rent. (Table 7). These three payment types have been the dominant categories since Metro Housing began tracking RAFT data. Although arrears and first/last

month's rent payment amounts have not increased at the same rate in proportion to the overall budget, increases in security deposits, utilities, and moving expenses categories each far surpassed the average increase.

V. OVERVIEW OF FAMILIES RECEIVING RAFT MULTIPLE YEARS

Examining Metro Housing's data for the last five years, few families receive RAFT assistance more than once. Because of changing restrictions for households receiving RAFT across multiple years, the comparisons are not exact. Nevertheless, of all of the year-to-year comparisons for FY19 participants, the largest frequency of a repeat benefit was FY17 with 157 households, or 9 percent. (Table 8) All other comparison years show between five and eight percent of households utilizing assistance more than once.

However, when comparing FY19 and all years between FY15 and FY18, the data shows that 22 percent of FY19 recipients received support at least once since FY15. That may be a higher percentage than expected; however, it highlights that small payments can mitigate crises and keep vulnerable

families out of shelter. It is also clear that greater investments are required to solve poverty or address underlying issues.

TABLE 8: Repeat RAFT Participants, FY15-FY19

	FY15	FY19
Repeat participants FY18 & FY19	102	6%
Repeat participants FY17 & FY19	157	9%
Repeat participants FY16 & FY19	137	8%
Repeat participants FY15 & FY19	81	5%
Repeat participants FY19 and any other year	442*	22%*

* Figures do not represent a tally of numbers above. Some households received assistance more than twice over this time period.



VI. EXPANDED POPULATION: RAFT FOR HOUSEHOLDS OF ALL COMPOSITIONS

TRADITIONAL POPULATION: Households at or below 50 percent AMI with a dependent under the age of 21.

This definition has been mostly unchanged since the beginning of the program.

EXPANDED POPULATION: Households of any composition (individuals included) at or below 50 percent AMI.

Funding for this population was \$400,000 statewide in FY17, \$1.37 million in FY18, and at least \$3 million in FY19.

The FY17 state budget allocated \$400,000 to a pilot program offering RAFT eligibility to an “expanded population” of households of any composition. Metro Housing’s share of funding in FY17 (\$128,616) served 60 households, 31 of whom were individuals and 27 whose head of household had a disability. The pilot was further expanded in the FY18 budget and again in FY19, totaling approximately \$3 million in statewide funding. In FY19, Metro Housing was able to serve 525 households who qualified under the expanded population, with assistance valued at \$1.3 million.

TABLE 9A: Comparison of standard RAFT and expanded definition: Demographics

	Traditional RAFT Recipient FY 19	Expanded Population FY 19
Amount spent	\$3,107,871	\$1,336,910
Clients Assisted	1,185	525
Average benefit received	\$2,694	\$2,143
Average age of HOH	38	47
% Female HOH	94%	70%
% Male HOH	6%	30%
Average HH size	3.2	1.2
Average annual income	\$20,108	\$16,041
Median Annual Income	\$17,914	\$14,028
White	29%	41%
Black	67%	55%
Hispanic	27%	16%
Non-Hispanic White	17%	34%
Head of household with a disability	17%	38%

Differences between the traditional recipients and those who qualified under the expanded definition include: (Tables 9A and 9B):

- **Older:** The average age of individuals assisted was 47, significantly older than the 38 years of the traditional RAFT recipient.
- **More male:** More than one quarter (30 percent) of the heads of households for individuals were men, compared to 6 percent of the traditional population.
- **Poorer:** Median incomes (\$14,028 vs. \$17,914) were lower for those participants under the expanded definition, likely because of the high percentage of recipients whose head of household had a disability (38 percent compared to 17 percent).
- **Whiter:** 41 percent white head of household compared to 29 percent white.
- **Needed more help with arrearages and first/last month's rent:** 50 percent of the funds from the expanded population subgroup was spent on arrearages, compared to 44 percent of the traditional participants, suggesting that participants in the expanded group were at greater risk of facing eviction due to being behind on rent.
- **Needed less help with security deposits and utilities:** Only 15 percent of the funds for the expanded definition group were directed toward security deposits (compared to 23 percent), and only 8 percent for utilities (compared to 12 percent.)

Compared to the first two pilot years, the expanded population cohort in FY19 was similar in regards to gender, race, age, and median income.



EXPANDED POPULATION: RAFT FOR HOUSEHOLDS OF ALL COMPOSITIONS (CONTINUED)

TABLE 9B: Comparison of standard RAFT and expanded population: Type of payments

	Traditional		Expanded		Total	
	Sum	%	Sum	%	Sum	%
Arrearage	\$1,359,096	44%	\$671,852	50%	\$2,030,948.49	46%
Security Deposit	\$716,679	23%	\$201,432	15%	\$918,110.97	21%
First/Last Month Rent	\$353,012	11%	\$179,228	13%	\$532,239.94	12%
Utility	\$372,498	12%	\$108,123	8%	\$480,620.24	11%
Furniture	\$162,925	5%	\$45,035	3%	\$207,959.57	5%
Movers	\$79,842	3%	\$23,478	2%	\$103,319.93	2%
Stipend	\$40,747	1%	\$80,716	6%	\$121,463.16	3%
Mortgage	\$5,476	0%	\$20,347	2%	\$25,823.82	1%
Misc.	\$14,608	0%	\$5,968	0%	\$20,575.98	0%
Transportation	\$2,988	0%	\$731	0%	\$3,718.82	0%
Total	\$3,107,871		\$ 1,336,910		\$4,444,780.92	



VII. HOMELESSNESS PREVENTION IN BOSTON: MTW, EMERGENCY ASSISTANCE, AND ESG

RAFT is not the only homelessness prevention program in the City of Boston. The privately-funded Emergency Assistance Fund of Metro Housing, the City of Boston's Innovative Stable Housing Initiative Flex Funds, and the Emergency Solutions Grant (ESG) are three other long-standing programs targeting the lowest income families in Boston.

Additionally, between April 2018 and June 2019, Metro Housing implemented a program, called Moving to Work, with funding from DHCD to help residents of the City of Boston at risk of

homelessness. These funds totaled \$740,068 and assisted 229 families in FY19.¹² Because these funds overlapped fiscal years, elsewhere in this report when MTW funds are mentioned, for ease of comparison they refer only to funds disbursed in FY19.

Overall, the five programs administered by Metro Housing in the City of Boston assisted 1,760 households with \$4.3 million in housing stabilization assistance.

TABLE 10: Overview of homelessness prevention programs for Boston residents

	# of Households	\$ Total	Average	Eligibility
RAFT	1,269	\$3,186,121	\$2,511	<ul style="list-style-type: none"> Up to \$4,000 every 12 months Household of any configuration Income limit: 50 percent AMI State budget line item
MTW	229	\$740,068	\$3,232	<ul style="list-style-type: none"> Traditional RAFT regulations Must live in or moving to City of Boston Cannot live in federally-funded housing (public housing, tax credit, or voucher) Federal Housing Choice Voucher Program budget through DHCD
ESG	157	\$241,165	\$1,536	<ul style="list-style-type: none"> Up to \$2,000 every 12 months Household of any configuration Income limit: 30 percent AMI HUD funding through City of Boston
Flex Funds	85	\$159,999	\$1,882	<ul style="list-style-type: none"> Up to \$2,000 every 12 months Household of any configuration Income limit: 80 percent AMI City of Boston operating budget
Emergency Assistance Fund	20	\$10,831	\$541	<ul style="list-style-type: none"> The most flexible of all homelessness prevention funds available. Funds used when households are not eligible for any other program. Income limit: 80 percent AMI Funded by private donors to Metro Housing, such as United Way and Blue Hills Bank
TOTAL	1,760	\$4,338,184		

¹² MTW funds also helped an additional 35 households with \$98,015 in assistance between April 1 and June 30, 2018, for a total programmatic impact of \$838,082 for 264 households over 15 months.

VIII. COMPARING SUBSIDIZED AND UNSUBSIDIZED HOUSEHOLDS

The percentage of households with housing subsidies receiving RAFT continued to increase in FY19. Since FY16, it has grown from 58 percent to 77 percent. (Chart B) When MTW funding (which cannot be used for families with federally-funded housing) is included in the analysis, the total percentage of funding for subsidized households increased, but only to 74 percent. (Chart C).

Analysis of these data suggests a variety of reasons for this trend of subsidized households receiving an ever-greater share of RAFT resources.

First, as reported in our FY18 report, for households with extremely low incomes, securing subsidized housing is the best long-term strategy to ensure housing stability. Generally, households that have housing vouchers or subsidized apartments pay 30 percent or 35 percent of their income toward housing costs. This does not, however, ensure that the remaining household income is sufficient to pay other expenses, such as childcare and medical bills, which are also notoriously high in the Greater Boston region. More than one-third of households that received RAFT in FY19 – 603 – had incomes of less than \$15,000. Once a family falls behind, it can become almost impossible to prevent the spiral into court involvement and eventual eviction, a costly process for all involved. If they are evicted, their housing options

become even more limited. Preservation of tenancy therefore represents a cost-effective, front-end solution prioritized by the City of Boston, community stakeholders, and many housing providers.

Another theory is that participants with subsidies are more knowledgeable about housing programs such as RAFT and other Metro Housing services. Additionally, existing participants in other programs may be more likely to interact with social service staff and advocates who refer their clients to RAFT more readily.

Finally, this may also be due in part to how earned income is treated when calculating rents for subsidized housing programs. The baseline for rent for subsidized programs is a percentage of the adjusted gross earned income, whereas the baseline for any other income (SSI, TAFDC) is the net income. For example, a household with \$1,000 in earned income will have its rent based on the full \$1,000. Meanwhile, another household with \$1,000 in unearned income (SSI, TAFDC) may pay the same rent, but will have access to a greater percentage of their income because that benefit income is not taxable. When taken into consideration with the high cost of all living costs in Boston, it is likely this policy contributes to subsidized households needing assistance like RAFT.

CHART B: Percentage of RAFT recipients with subsidized housing: FY 16 to FY 19

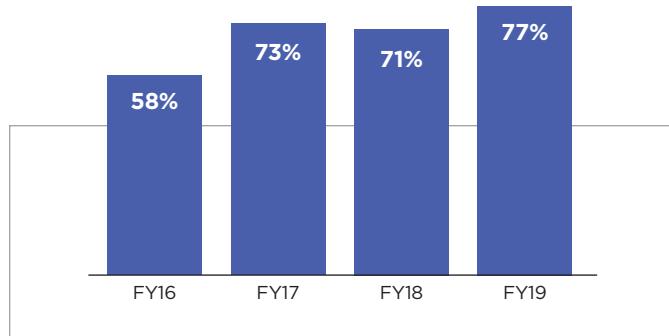
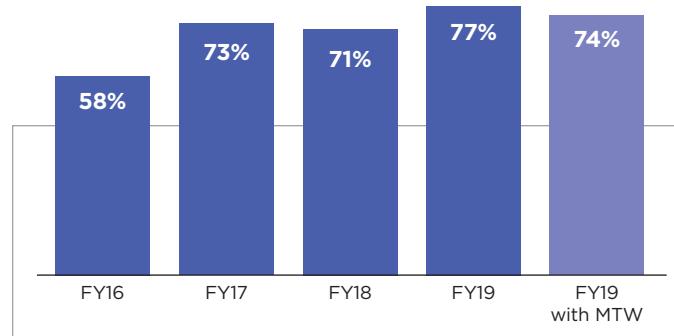


CHART C: Percentage of RAFT recipients with subsidized housing: FY 16 to FY 19 with MTW



X. CONCLUSION

RAFT continues to be a flexible tool for families with low incomes, helps families avoid homelessness, and plays an important role in the Commonwealth's comprehensive approach to addressing the needs of low income families and individuals. Additionally, RAFT is a program that works as it is intended by keeping families and individuals stably housed and in their home communities.

Although families and communities benefit enormously from the success of RAFT, and while it has proven itself to be beneficial to the state as an economically preferred option to shelter, it remains the case that the state still needs to address the core issues of poverty in the Commonwealth. Continued commitment from Massachusetts' elected officials for RAFT is welcome and worthwhile. Also, community partners like Metro Housing need to encourage the state to consider ways to treat the cause of poverty, not just the symptoms.



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