Annual overview and analysis

of Metro Housing|Boston's

EMERGENCY HOUSING PAYMENT

ASSISTANCE programs

DECEMBER 2022

METRO HOUSING|BOSTON

RAFT/EHPA IN REVIEW

FISCAL YEAR 2022

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BOSTON
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INTRODUCTION

Since 2013, Metro Housing|Boston has examined its Residential Assistance for Families in Transition (known as RAFT) program in a fiscal year report that highlights the program, looks at how it benefits households in Metro Housing's service area, and discusses what we learned. Year after year, we have compared annual emergency housing assistance data, drawn conclusions, and made recommendations focused on improved housing opportunities for the households we serve.

Over the years, RAFT program funding has increased as its importance in providing housing stability for households with low incomes became more apparent. Repeatedly data has proven that RAFT is a cost-effective tool to help individuals and families avoid emergency shelter or become homeless. For households that are eligible for Massachusetts Emergency Assistance, RAFT offers an alternative to emergency shelter. For families not eligible for state Emergency Assistance but still at risk of losing their housing, RAFT has been a vital housing stabilization tool.

In FY22, Metro Housing was able to provide more than 18,000 households $162.5 million in housing assistance. Without it, many – if not most – of them would have lost their homes.

In many ways, the COVID-19 global pandemic that started in March 2020 threw Massachusetts housing emergency assistance into a tailspin. As unemployment – especially in lower-paying service jobs – escalated, more and more households found themselves in the precarious situation of being unable to pay their rent with no end in sight. The need was unprecedented, and, at least initially, the dollars were limited. Then, as federal assistance and supplemental state dollars came online, Metro Housing and other regional RAFT administrators became the conduit for that assistance. It dramatically changed the way we did business.

Leveraging RAFT's already-established administrative framework for state and federal emergency assistance distribution proved both a challenge and a success. The challenge: ramping up and evolving the existing RAFT framework to accommodate the need for assistance and the timely distribution of funds. The numbers speak to the success: In FY22, Metro Housing was able to provide more than 18,000 households $162.5 million in housing assistance. Without it, many – if not most – of them would have lost their homes.





Last year, our FY21 RAFT report, Metro Housing|Boston's EHPA IN REVIEW Fiscal Year 2021, departed from previous years' publications and encompassed additional funding streams that came online as a result of the COVID-19 pandemic, which continues with the writing of this FY22 report. RAFT became EHPA – Emergency Housing Payment Assistance – for reporting purposes to ensure all RAFT-like assistance was highlighted. This FY22 report follows suit.

Comparison of FY22 RAFT/EHPA with Metro Housing's previous years' emergency rental assistance must be made with caution and must include the perspective of the impacts of the COVID-19 pandemic. As the pandemic reached full stride, as state and federal government responded to its financial impacts, and as financial assistance streams came online and in some cases were depleted, the delivery of rental assistance services needed to be more agile than ever before. The sheer amount of funds that became available required an unprecedented ramp up of staffing and necessitated a way to integrate changing regulations. Systems and protocols had to become less cumbersome and needed to accommodate staff work-from-home scenarios. Households that in the past never would have sought, or even needed to seek, assistance had to be coached on how to navigate an unfamiliar, bureaucratic system. In other words, this is not the RAFT of nine years ago, when Metro Housing started reporting on RAFT participants and assistance. Starting in March 2020, this was a whole new world.

Therefore, any look at RAFT/EHPA FY22 requires the perspective of that which came before. This includes an understanding of the timeline of events that shaped FY22's unprecedented assistance administered by Metro Housing: $162,483,624 awarded to 18,317 households in Boston and 28 surrounding communities. To help with that perspective, the following is a timeline of significant events that impacted how Metro Housing provided services in FY22. Many occurred before July 1, 2021 – the beginning of Metro Housing's 2022 fiscal year – but all impacted how we were able to assist more than 18,000 households in just 12 months.

TIMELINE OF KEY EVENTS

March 2020	Onset of COVID-19 pandemic and work from home initiated for Metro Housing staff
June 2020	Federal Emergency Rental and Mortgage Assistance Program (ERMA) begins.
July 2020	Start of Metro Housing Fiscal Year 2021
December 2020	Federal Emergency Rental Assistance Program approved (ERAP 1)
March 2021	Federal Emergency Rental Assistance Program additional funding approved (ERAP 2)
June 30, 2021	Metro Housing's 2021 fiscal year ends.
July 1, 2021	Metro Housing's Fiscal Year 2022 begins.
August 2021	Federal eviction moratorium lifted.
September 2021	Implementation of DHCD's statewide centralized application process.
December 2021	End of ERMA application acceptance
March 2022	Hiring of Metro Housing's training and development manager
April 2022	Massachusetts eviction moratorium lifted
April 15, 2022	End of acceptance of ERAP applications[1]
June 30, 2022	End of FY22
March 2023	Anticipated eviction protections for tenants with pending RAFT applications expires[2]

[1] Although ERAP applications filed by the deadline were processed, and previously awarded rent stipends continued, this marks the official end of federal EHPA funds and the return to RAFT-only (state) funding.

[2] This is discussed further in the final section of this report.

FUNDING SOURCES

Metro Housing's emergency housing assistance funding for FY22 came from three programs: RAFT, ERAP, and ERMA. Each program by design targeted distinct groups of households with different needs, allowing Metro Housing to leverage the most appropriate assistance for each qualifying applicant.

Residential Assistance for Families in Transition (RAFT) is a homelessness prevention program for households with low incomes that are experiencing a housing crisis. It is a state-funded program through the Department of Housing and Community Development (DHCD) and is distributed by 11 regional administering agencies. Metro Housing administers RAFT in Boston and 28 surrounding communities. Traditionally, eligible households could apply for up to $4,000 in emergency assistance over 12 months to retain existing housing, obtain new housing, or otherwise avoid becoming homeless.

RAFT/EHPA ELIGIBILITY LEVELS FOR A FAMILY OF THREE FOR FY22

Classification	% of AMI	Annual income Threshold
Extremely low income	≤ 30% of AMI	$37,860
Very low income	50% of AMI	$63,100
Low income	80% of AMI	$100,960

Prior to the March 2020 onset of the COVID-19 pandemic, to qualify for RAFT assistance a household of any size and any composition experiencing a housing crisis must have had a household income that was not more than 50% of the area median income (AMI)[3] for that size household. In response to the coronavirus pandemic that raged throughout FY21, and as additional state and federal funds were made available for housing assistance, RAFT qualification guidelines were expanded to 80% AMI[4] (see an example of FY22 guidelines above.) For FY22, the state continued to fund RAFT at a significantly higher level than pre-pandemic dollars to help Massachusetts residents remain housed. As Table 2 shows, FY22 RAFT assistance was more than twice that of FY20, and five times that of FY13[5].

In FY22, Metro Housing assisted 2,812 households with RAFT's almost $11.7 million. Although RAFT funding was lower in FY22 than FY21, it is important to note that this is directly related to the availability of federal funding through ERAP and ERMA. Metro Housing was able to maximize assistance to as many households as possible by focusing first on using federal assistance, which had end dates, then focusing on RAFT assistance once federal dollars were no longer available.

[3] Area Median Income is established by the U.S. Department of Housing and Urban Development. The AMI for the Boston/Cambridge/Quincy area is $112,160 for a family of two and $140,200 for a family of four. Source: Regional Housing Services Office, https://www.rhsohousing.org/home/faq/what-are-income-limits

[4] The RAFT income threshold for assistance reverted to 50% AMI in April 2022.

[5] Year-to-year comparative RAFT funding is examined more closely later in this report.

The federal **Emergency Rental and Mortgage Assistance Program (ERMA)** was announced in June 2020. It expanded eligibility for rental and especially mortgage assistance to more households with low incomes (up to 80% of AMI) impacted by the pandemic by adjusting the income threshold for qualification. As with ERAP, ERMA was administered by the existing Regional Administering Agencies (RAAs). In FY21, Metro Housing helped 327 households with a total of $1.8 million in ERMA assistance. Those numbers declined to 86 households and $529,438 for FY22 as ERMA funds neared depletion. The application window for ERMA assistance ended in December 2021.

The federal **Emergency Rental Assistance Program (ERAP)** initially came online in December 2020 (known as ERAP1) and made funding available to help households unable to pay rent or utilities. Additional funds (known as ERAP2) were authorized in March 2021. By design, ERAP funds were for eligible households earning up to 80% AMI and, in Massachusetts, were administered by the RAAs that already were responsible for RAFT. It is estimated that 1 in every 50 families in Massachusetts was assisted with ERAP funds in FY22. In FY21, Metro Housing assisted 3,167 households with a total of more than $26.8 million in ERAP assistance. Those numbers jumped to 15,419 households and almost $150.3 million for FY22. Applications for ERAP were accepted through April 15, 2022, as funding neared depletion.

At the start of FY22, Metro Housing had significantly streamlined its application process, due in large part to the state's centralization of the online application[6] for all emergency funding streams and our familiarity and experience with the various funding options and their requirements. Metro Housing was able to provide between $9 million and $17 million *each month* to help stabilize housing for area households.

It was a strategy that worked. The dramatic uptick in our ability to provide assistance from FY21 to FY22 ($63.2 million and $162.5 million, respectively) was due in large part to Metro Housing's success in upscaling its RAFT infrastructure to accommodate the massive increase in applications, to increase participant assistance and interaction, to utilize programmatic awareness for strategic planning around various funding stream qualifications and deadlines, and to expedite payment processing. This will be covered in greater detail later in this report.

TABLE 1:
TOTAL PAYMENT BY MONTH

Month	Payments
July 2021	$10,295,052
August 2021	$15,740,636
September 2021	$14,557,171
October 2021	$12,567,631
November 2021	$13,035,673
December 2021	$12,137,430
January 2022	$16,303,579
February 2022	$17,002,317
March 2022	$15,345,706
April 2022	$12,032,078
May 2022	$14,434,953
June 2022	$9,031,399

[6] Alternative, paper-based application services also were available for those who were unable to access the online application process to ensure access for all households.

TABLE 2: RAFT/EHPA ASSISTANCE BY FUNDING STREAM

	FY22	FY21	FY20	FY19	FY13
RAFT	$11,665,447	$34,496,070	$5,112,200	$4,444,781	$2,366,959
Total households	2,812	6,757	1,805	1,710	919
ERAP	$150,288,739	$26,875,638			
Total households	15,419	3,167			
ERMA	$529,438	$1,850,058			
Total households	86	327			
Total dollars	$162,483,624	$63,221,766	$5,112,200	$4,444,781	$2,366,959
Total households	18,317	10,251	1,805	1,710	919

FUNDING NEEDS

As in years past, the single largest category for RAFT/EHPA assistance in FY22 was households with rental arrears. In FY13, the first fiscal year that Metro Housing published RAFT data, rental arrears comprised 75% of RAFT assistance. In FY22, as the effects of the pandemic on employment and housing crises took root, that percentage declined to 49%; but it was still the largest assistance category and by far the most rental arrears assistance awarded to date: $80 million.

This relative decline likely occurred because, as the pandemic lingered and chronic unemployment/underemployment persisted, households took advantage of the ability to apply for future rent shortages in the form of stipends.[7] Starting in the spring of 2021, applications for arrears that met certain criteria were also eligible for stipends to ensure short-term stability.

TABLE 3: FUNDING NEEDS

	FY22	FY21	FY20	FY13
Rental Arrears	$80,157,318 (49%)	$43,545,690 (69%)	$3,056,293 (60%)	$1,334,565 (75%)
Security Deposits	$1,924,926 (1%)	$1,350,744 (2%)	$926,351 (18%)	$231,759 (10%)
First/Last Month's Rent	$1,305,016 (1%)	$877,504 (1%)	$443,653 (9%)	$305,813 (13%)
Utilities Arrears	$5,962,665 (4%)	$934,334 (1%)	$242,529 (5%)	$150,150 (6%)
Furniture	$305,554 (0%)	$152,318 (0%)	$113,268 (2%)	$147,529 (6%)
Rental Stipends	$67,671,745 (42%)	$13,673,354 (22%)	$176,841 (3%)	$93,585 (4%)
Moving Costs	$211,618 (0%)	$73,303 (0%)	$72,403 (1%)	$48,057 (2%)
Mortgage Arrears	$1,841,331 (1%)	$2,546,399 (4%)	$61,444 (1%)	NA
Other/Miscellaneous	$3,103,450 (2%)	$68,119 (0%)	$19,419 (2%)	$55,501 (2%)

[7] The Massachusetts Department of Housing and Community Development defines rental stipends as assistance given for prospective rent, costs related to upcoming rent as opposed to rent that is in arrears. Source: Federal Emergency Rental Assistance (ERAP) Program FAQ, April 23, 2021.

Additionally, households with federal or state housing vouchers that were undergoing their annual recertification process during the second half of calendar year 2021, and that qualified for RAFT/EHPA assistance, could receive three months of stipend funding to further assist with their housing stability.

Accordingly, rental stipends increased dramatically in response to household needs, from $176,000 or 3% in pre-pandemic FY20 to $67 million or 42% in FY22. During the pandemic it became clear that in addition to temporary rental arrears assistance, which made families current with their property owners, future stability was equally critical.

In FY22, Metro Housing helped 1,336 households keep the heat on and the water running with almost $6 million in utility assistance.



Together, rental arrears and stipends dominated the demand for assistance in FY22. For FY21, the first full year of the pandemic, rental arrears and rental stipends made up 91% of RAFT/EHPA assistance. That trend continued in FY22, with 91% of RAFT/EPHA assistance going toward rental arrears and rental stipends, and with security deposits and first/last months' rent comprising another 2% of total assistance.

There were two main causes of this increase: (1) Households that due to pandemic-related unemployment/underemployment needed additional help with upcoming rental payments, and (2) households that were relocating because they lost their leases, or that moved for other reasons such as lower monthly rent, needed assistance with future rent payments. Relocation began to accelerate in FY21 as pandemic-related eviction moratoria ended[8] and households were forced to seek other living arrangements.

This is not surprising. For 2022, the National Low Income Housing Coalition ranks Massachusetts third highest of all states in housing wage, the income required to afford a two-bedroom, fair market rate apartment without spending more than 30% of wages on housing. That wage is $37.97/hour. For the Greater Boston area, the housing wage is even higher: $46.13/hour or almost $96,000/year.[9]

[8] As noted in the earlier timeline, the federal eviction moratorium ended in August 2021 and the Massachusetts eviction moratorium expired in April 2022.

[9] National Low Income Housing Coalition, Out of Reach 2022, Washington, D.C., 2022

Housing affordability issues in FY22 were compounded by lingering unemployment. Although greater Boston's pandemic-influenced unemployment peaked in April 2020 at almost 15%, it was still at 5.4% in July 2021, the start of the 2022 fiscal year. The numbers do show a slow but steady reduction in area unemployment in FY22, from 5.4% in July 2021 to 3.1% in June 2022 (which neared its pre-pandemic unemployment of 2.8% in January 2020).[10]

However, any disruption in employment combined with an expensive rental market can threaten housing stability. Even short lapses in employment can compound housing expense issues; households with lower incomes can ill afford to pay their current rent as well as catch up on rental arrears. The rental arrears and rental stipend assistance – 91% of assistance provided in FY22 – helped keep thousands of families from losing their homes.

Another important factor in housing stability is being able to afford utilities. This became especially significant in FY22. Due to the ongoing pandemic and the unresolved supply chain issues, plus related sales and services sluggishness and the February onset of the war in Ukraine, inflation accelerated in FY22. One of the hardest hit areas was energy costs. The consumer price index, the federal government's measure of change over time of consumers' costs for a spectrum of goods and services, rose 8.3% from September 2021 to August 2022. However, energy costs outpaced that rise significantly. During the same 12 months, fuel oil increased 68.8%, natural gas increased 33%, and electricity increased 15.8%.[11]

Even short lapses in employment can compound housing expense issues; households with lower incomes can ill afford to pay their current rent as well as catch up on rental arrears.

In FY13, $150,000 or 6% of total RAFT assistance awarded went to help households with utility costs and/or arrears. Although the FY22 utility assistance percentage – 4% of all dollars awarded – seems in line with years past, the real story is in the amount of assistance awarded. In FY22, Metro Housing helped 1,336 households keep the heat on and the water running with almost $6 million in utility assistance.

FY22 saw a decline in mortgage assistance from FY21, from $2.5 million to $1.8 million. This was mostly due to the mid-year ending of the ERMA program. As of the end of December 2021, applications for ERMA assistance were no longer accepted as the fund was depleted, and ERAP was only for rentals.

[10] U.S. Bureau of Labor Statistics, Labor Market Information, https://data.bls.gov/timeseries/LAUDV257165400000003?amp%253bdata_tool=XGtable&output_view=data&include_graphs=true

[11] U.S. Bureau of Labor Statistics, Consumer Price Index data, https://www.bls.gov/charts/consumer-price-index/consumer-price-index-by-category.htm

Metro Housing's FY21 RAFT/EHPA report noted an interesting shift in the types of households that applied for assistance: greater participation among households without housing subsidies (federal Housing Choice Voucher Program, Massachusetts Rental Voucher Program, or public housing assistance).

In March 2020, Metro Housing's RAFT participant households with state or federal housing subsidies comprised 76% of households served; households without subsidies made up 24%. By July 2020, that distribution changed to 43% and 57%, respectively. However, by January 2021, the distribution was 23% and 77% – a complete inverse from March 2020 and which continued through the end of the fiscal year.

The trend continued in FY22, with one caveat. Participant households without subsidies more than doubled the number of those with subsidies: 11,964 (65%) to 5,237 (29%).[12] This reinforces the observation from FY21 that households living in subsidized housing, where rent is determined based on the household's income, were better protected from the fiscal effects of the pandemic. Additionally, the introduction of the state's Subsidized Housing Emergency Rental Assistance (SHERA) program might have further mitigated the number of subsidized households that used RAFT/EHPA. As stated in a DHCD program overview:

> *"Under the SHERA program, qualified owners of MassHousing, Massachusetts Housing Partnership (MHP) and DHCD- financed properties with income-restricted units, as well as local/public housing authorities (L/PHAs), could apply for help on behalf of all of their eligible residents with up to 18 months of rental arrears."*

Nevertheless, Metro Housing believes that overall the income sources of subsidized households were likely less affected by unemployment and rising rents, and their housing subsidies were adjusted based on change in income if it did occur.







[2] The balance of the FY23 assistance was for non-rental needs, such as mortgage assistance

ADMINISTRATION & ADAPTATION

As noted earlier, the influx of federal dollars for pandemic-related rental and mortgage assistance was to be administered via existing or newly created assistance programs; in Massachusetts, the distribution system that was used was RAFT. As detailed in Metro Housing|Boston's EHPA IN REVIEW Fiscal Year 2021, Metro Housing had to reinvent how it administered RAFT/EHPA by moving from a short-term, limited assistance program toward a disaster relief operation. One Metro Housing manager used the analogy of building the airplane and at the same time learning to fly it while in the air.

Throughout FY22, application requirements were adjusted, qualification guidelines changed, and deadlines loomed as funding streams neared depletion.

Gearing up to manage a twelve-fold increase in assistance from FY20 to FY21 required unprecedented changes. Offices closed and a work-from-home system was developed almost overnight. Tools for training existing staff and onboarding the necessary new hires were developed and revised in real time. Application, screening, verification, and payment processes had to be adapted and fine-tuned across the state. Electronic documentation replaced the existing paper system.

If FY21 was the building of an airplane while learning to flying it, FY22 was flying the plane under ever-changing conditions. Metro Housing's financial assistance workload more than doubled again. Throughout FY22, application requirements were adjusted, qualification guidelines changed, and deadlines loomed as funding streams neared depletion.

Efficiencies, patterns, and best practices emerged. There was an ongoing effort not to just increase staff in response to the workload but also to ensure the staff being hired were the right fit for the jobs. Training needs were reviewed and revised in real time. Strategies evolved to best leverage funding options to help as many households as possible, and application management improved.

A pivotal event early in FY22 helped Metro Housing significantly expedite its application process. In September 2021, the state implemented a statewide, centralized, online application system for RAFT/EHPA assistance. This allowed any renter or homeowner in the state to apply for assistance online from anywhere, and the applications were routed automatically by the state via ZIP Code to the appropriate regional agency for processing. It was a change that Metro Housing and other regional agencies had requested, and which proved to be helpful in tracking and managing applications for better outcomes.

The centralized application process made it easier to apply for assistance, allowed for better tracking and quantifying of applications, and provided a more efficient

way to manage applications. Staff could track the status of applications more easily, process them more quickly, identify and follow up on missing or incomplete information promptly, and ultimately shorten the time between application submission and funding. The centralized application system, in combination with ongoing staff training, cut the application-to-funding time from 7-8 weeks before the system went online to 3-4 weeks once the system was online and staff were trained. Additionally, DHCD tracked applications by region and utilized a third-party to assist with application processing to help avoid delays where applications were busiest.[13]

Concurrent with the implementation of the centralized application function was the focus on staff training and staff development at Metro Housing. Consistent with past practice, training a new staff member was the responsibility of that person's manager at the beginning of FY22. Metro Housing had been examining this training practice throughout FY21, evaluating its effectiveness, and collecting feedback from current employees and during exit interviews with departing staff. With the goal of maximizing efficiency to better manage the sheer amount of work required to administer millions of dollars of assistance each month, several areas were identified for improvement.

What resulted from this extensive analysis was implementation in March 2022 of a new manager of training and development to smooth the staff training process and, ultimately, improve staff efficiency, shorten the application process, and improve customer service.

New staff members needed to be trained more quickly so they could carry full caseloads sooner. Existing staff who were struggling with an aspect of their work needed focused, additional training to improve efficiency. Changes in funding criteria or processes needed a system for uniform implementation. Managers could be more effective managing their own groups if freed from training responsibilities. A lack of standardization in materials, messaging, and processes related to the regularly updated state regulations for the RAFT/EHPA programs complicated the training process and contributed to inconsistent outcomes.

[13] In January 2021, Massachusetts initiated its Rental Assistance Processing (RAP) Center, a DHCD-based program to assist the 11 regional housing agencies in processing applications for RAFT/EHPA assistance. All financial assistance to the Metro Housing service area provided by the RAP Center prior to Feb. 26, 2022, is reflected in Metro Housing's data presented in this report. On Feb. 26, the RAP Center became a separate agency and awarded an additional $7.7 million to a total of 1,976 households during the remainder of FY22 in the Metro Housing service area beyond what is highlighted in this report.

What resulted from this extensive analysis was the hiring in March 2022 of a new manager of training and development to smooth the staff training process and, ultimately, improve staff efficiency, shorten the application process, and improve customer service. The manager became responsible for training all new financial assistance staff members as well as helping existing staff with focused, individualized training. They developed centralized training tools and processes and created scripts for consistent messaging with applicants and program participants.

The result: Staff onboarding and training time was reduced from 8-12 weeks to 6-7 weeks. Department managers were better able to focus on their groups' productivity. Efficiency improved and messaging became more consistent. Programmatic changes were more easily and consistently implemented.

The benefits of implementing the new training and development manager extended outside Metro Housing as well. The training and development manager was tasked with developing materials for partnering organizations to use for better awareness and understanding of RAFT as well as serving as liaison to these organizations.

Improved staff awareness and training were important to the successes of FY22 especially because it was a year of shifting programmatic priorities, changes, and deadlines that affected how Metro Housing prioritized its work. One of the most significant examples of this was the anticipated end of ERAP.

ERAP was scheduled to be depleted in the spring of 2022. It was the preferred funding stream for rental assistance; it's income qualification threshold (80% of AMI) was more generous than that of RAFT (traditionally 50% of AMI) and in some cases applications could receive up to 18 months of assistance. Aligned with state policy, Metro Housing prioritized using ERAP funds to help with rental arrears, rental stipends, and other qualifying uses until the funds were depleted. Once ERAP funds were no longer available, RAFT funding was used. This strategy of leveraging funding streams was pivotal in Metro Housing being able to assist so many families and individuals.

TABLE 4: EHPA/RAFT BY INCOME TIER FY22

INCOME TIER	ERAP	RAFT	ERMA	TOTAL	TOTAL %
Zero income	3,552	378	0	3,930	21
1-15% AMI	3,661	886	0	4,547	25
15-30% AMI	3,940	869	0	4,809	26
30-50% AMI	2,891	622	0	3,153	19
50-80% AMI	1,351	0	86	1,437	8
Other	24	57	0		

It should be noted that the vast majority of funds went to households below 50% of AMI, the historical category for RAFT. Households at 50-80% of AMI comprised only 8% of those assisted in FY22. However, households with AMIs of 0-50% made up 92% of all households helped in FY22. Clearly, these lower-income households were most at risk of homelessness. In fact, it is plausible that those households previously between 50-80% were pushed into a lower income tier because of pandemic-related loss of income.

ERAP also provides a good example of the importance of staff program awareness and training. Prior to January 2022, ERAP could be used for either or both rental arrears and rental stipends. Effective Jan. 1, stipend-only requests for ERAP funding were no longer accepted, with limited exceptions. Additionally, April 15 had been set as the end of ERAP applications as the fund neared depletion. Keeping staff apprised of these changes and trained in how to manage applications accordingly was important as Metro Housing worked to keep helping as many households as possible through the end of the fiscal year.

Applying for assistance became easier with the advent of the statewide centralized application system – with accommodations for those who could not access the online portal – and related staff training.

It worked. As the deadline approached, Metro Housing and its partnering advocates pivoted to ensure as many applications as possible were received and in process before April 15. As a result, the application numbers jumped from 787 the week of March 21 to 1,333 the week of April 11. Financial assistance staff pivoted to cover the increased application processing so that as many households as possible could be helped with ERAP dollars before the application window closed.

In mid-FY22, with the end of ERMA in December and the end of ERAP on the horizon, Metro Housing was faced with another challenge: what to do about staffing. Rather than taking a downsizing approach, managers instead took a "right-sizing," forward-thinking approach to the inevitable need for fewer staff. Staff members who were well-suited to other positions within Metro Housing were encouraged to apply for transfers when vacancies occurred. Those who expressed long-term career interests in the housing field were encouraged to apply for other jobs in the field, even if outside of Metro Housing. Staff who wanted to look at careers other than housing were supported in their search for alternate jobs. Those who wanted to remain in financial assistance at Metro Housing were supported in that decision and offered additional training if warranted to improve their proficiency.

As a result of this "right-sizing" approach, no layoffs were needed to reduce staffing as federal funding ended. In fact, when the FY23 state budget was approved, Metro Housing found itself needing to hire additional staff for the FY23 RAFT program.

Much has been discussed here about the pandemic's impact on staffing in FY22, particularly as programmatic changes occurred and funding streams were depleted. But a year of intensive work, frequent change, and constant reevaluation of training, communications, and services internally translated to a more seamless, more consistent, more customer service-friendly experience for applicants/participants.

Applying for assistance became easier with the advent of the statewide centralized application system – with accommodations for those who could not access the online portal – and related staff training. Applicants did not need to navigate the various assistance options to determine which they qualified for; that was done by staff upon receipt of the application. Applicants received quicker feedback from staff regarding application completeness, and missing information could be added easily. In essence, once a renter or homeowner applied for assistance and provided the necessary documentation, Metro Housing staff would look at what funding sources were available for that particular need and do their best to leverage the funding to best help the applicant.

This applicant-friendly approach is important; loss of income has a powerful effect on a household regardless of income level. Those seeking assistance were in crisis, facing the possible loss of their homes. Many feared homelessness and were desperate, sad, and even angry. As Metro Housing Director of Financial Assistance Kristin Ross-Sitcawich noted, "Kudos to the team for keeping the people whom we serve in the forefront of their efforts."



'I wanted to let you know the good you're doing here'

Ben lost his hotel-based job shortly after the pandemic hit, and he did not get rehired for 18 months. He was unable to pay his rent, and even when he was brought back to work, he could not catch up on his rental arrears.

Ben turned to Metro Housing for assistance. His financial assistance administrator was able to connect him with ERAP funds for his rental arrears and a stipend for a few months' future rent to help him get back on his feet.

"I wanted to let you know the good you're doing here," he wrote. "I may be able to extend another year here at my current apartment because I will have cleared my debt with the landlords. I am so grateful for your work and I wanted to share how this is potentially giving me a new start in life."

Ben said it was a "long, horrible, jobless two years" but the rental assistance he received will help him regain some of his previous life. "Thank you for your work."

DATA & DEMOGRAPHICS

Any examination of participant data – demographics, age, reasons for needing assistance, etc. – must carry the caveat that, like FY21, the ongoing pandemic made FY22 an extraordinary year. Even households that returned to work after prolonged pandemic related unemployment still faced months of digging out from debt resulting from rental or mortgage arrears, unpaid utility bills, pandemic-related medical expenses, and so on. Essentially, their debt was compounded by the longevity of the pandemic and aggravated by inflation. Without RAFT/EHPA assistance, thousands of households in Metro Housing's service area – many of whom would never have been eligible for RAFT assistance if not for the widespread economic effects of the pandemic – would have experienced a housing crisis and potential homelessness.

One significant trend of note, however, was the shift in the proportional distribution of total dollars between the last full pre-pandemic year (FY19) and the most recent year (see Table 4.) Assistance to the City of Boston saw a 27% decline in the proportion of total assistance, even though Boston's FY22 dollars were almost 23 times that of FY19. All but four of Metro Housing's service area communities experienced proportional increases in assistance, most significantly Chelsea, Everett, Malden, Quincy, Revere, Somerville, and Waltham. Most of these communities correlate directly to structured partnerships with community-based organizations (see below) through targeted advertising and increased outreach efforts.

The variability for neighborhoods within Boston was somewhat greater than among municipalities (see Table 5.) Nine of the 14 neighborhoods demonstrated changes of greater than 1 percent between FY19 and FY22. Looking at the two neighborhoods with the most significant changes, while Dorchester remained the neighborhood with the largest share of funds assisted in FY22 (35.3%), it had the largest decrease (12.7%) from its FY19 high level of 48%. Meanwhile, East Boston picked up almost





TABLE 4: HOUSEHOLDS & FUNDING BY CITY, FY19 & FY22

		FY22		FY 19		
CITY	**Households**	**Payments**	**% of Total Payments**	**Payments**	**% of Total Payments**	**Change**
Arlington	83	$755,353	0.5%	$18,038	0.4%	0.1%
Bedford	31	$210,893	0.1%	$2,013	0.0%	0.1%
Belmont	71	$657,562	0.4%	$11,819	0.3%	0.1%
Boston	9,342	$72,827,041	44.8%	$3,186,121	71.7%	-26.9%
Braintree	236	$2,232,275	1.4%	$79,451	1.8%	-0.4%
Brookline	82	$719,591	0.4%	$16,000	0.4%	0.1%
Burlington	106	$1,092,434	0.7%	$805	0.0%	0.7%
Cambridge	411	$3,469,986	2.1%	$123,020	2.8%	-0.6%
Chelsea	1,472	$15,240,798	9.4%	$184,064	4.1%	5.2%
Everett	528	$5,712,364	3.5%	$88,306	2.0%	1.5%
Lexington	49	$503,475	0.3%	$4,919	0.1%	0.2%
Malden	694	$7,072,711	4.4%	$87,444	2.0%	2.4%
Medford	243	$2,604,997	1.6%	$38,009	0.9%	0.7%
Melrose	111	$1,020,009	0.6%	$16,175	0.4%	0.3%
Milton	73	$839,815	0.5%	$4,000	0.1%	0.4%
Newton	247	$2,419,293	1.5%	$46,307	1.0%	0.4%
North Reading	35	$350,226	0.2%	$9,285	0.2%	0.0%
Quincy	1,220	$11,133,706	6.9%	$137,538	3.1%	3.8%
Reading	46	$480,005	0.3%	$196	0.0%	0.3%
Revere	1,228	$13,029,682	8.0%	$86,466	1.9%	6.1%
Somerville	572	$5,485,747	3.4%	$75,439	1.7%	1.7%
Stoneham	99	$1,044,479	0.6%	$750	0.0%	0.6%
Wakefield	70	$645,019	0.4%	$12,641	0.3%	0.1%
Waltham	585	$6,172,434	3.8%	$61,795	1.4%	2.4%
Watertown	166	$1,630,377	1.0%	$26,707	0.6%	0.4%
Wilmington	52	$497,341	0.3%	$23,509	0.5%	-0.2%
Winchester	23	$171,868	0.1%	$3,433	0.1%	0.0%
Winthrop	174	$1,903,803	1.2%	$13,247	0.3%	0.9%
Woburn	250	$2,402,654	1.5%	$45,485	1.0%	0.5%
Other MA	14	$140,766	0.1%			
Out of State	4	$16,920	0.0%			
Total	**18,317**	**$162,483,624**	**100%**	**$4,444,781**	**100.0%**	

Social media messaging, targeted messaging by ZIP Code, postings on billboards, public service announcements, and increased awareness among Metro Housing's partnering agencies and advocate professionals helped spread the word that help was out there.



TABLE 5: HOUSEHOLDS & FUNDING BY BOSTON NEIGHBORHOOD, FY19 & FY22

	FY22			FY 19		
	Households	Payments	% of Total Payments	Payments	% of Total Payments	Change
Allston	168	$1,485,590	2.0%	$28,523	0.9%	1.1%
Boston	274	$1,846,294	2.5%	$271,227	8.5%	-6.0%
Brighton	555	$4,925,021	6.8%	$32,737	1.0%	5.7%
Charlestown	129	$ 815,888	1.1%	$69,366	2.2%	-1.1%
Dorchester	3332	$25,695,529	35.3%	$1,528,855	48.0%	-12.7%
East Boston	1062	$11,249,433	15.4%	$54,291	1.7%	13.7%
Hyde Park	608	$4,914,521	6.7%	$228,191	7.2%	-0.4%
Jamaica Plain	292	$2,021,407	2.8%	$34,651	1.1%	1.7%
Mattapan	694	$5,858,747	8.0%	$280,275	8.8%	-0.8%
Roslindale	348	$2,759,133	3.8%	$119,920	3.8%	0.0%
Roxbury	1622	$9,411,343	12.9%	$431,561	13.5%	-0.6%
South Boston	134	$767,341	1.1%	$80,661	2.5%	-1.5%
West Roxbury	124	$1,076,794	1.5%	$25,862	0.8%	0.7%
Total	9342	$72,827,041		$3,186,121		

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

that same amount to increase its share of RAFT funds in FY22 to 15.4%. This correlates with the shift from Black households to Latino households reflected in the race/ethnicity section below. This is also consistent with the experience of Revere and Chelsea, other communities with large Latino populations.

It was noted in Metro Housing|Boston's EHPA IN REVIEW Fiscal Year 2021 that efforts to increase public awareness of assistance availability across all Metro Housing communities were increased in FY21. As noted above, these efforts by both the state and Metro Housing to ensure broad equitability in assistance

TABLE 6: RACE AND ETHNICITY OF HOUSEHOLDS

Race	FY22 RAFT/EHPA	FY21 RAFT/EHPA	FY20 RAFT	FY19 RAFT
White	7,947 (43%)	4,624 (51%)	549 (30%)	565 (33%)
Black/African American	7,306 (40%)	3,456 (38%)	1,117 (62%)	1,083 (63%)
Indian/Native Alaskan	145 (1%)	53 (1%)	20 (1%)	8 (0%)
Asian	1,121 (6%)	602 (7%)	21 (1%)	9 (1%)
Hawaiian/Pacific Islander	126 (1%)	72 (1%)	13 (1%)	10 (1%)
Multiracial	52 (0%)	187 (2%)	85 (5%)	35 (2%)
*Not reported/collected	1,586 (9%)			
Ethnicity (can be any race)				
Hispanic/Latino	6,548 (36%)	3,289 (37%)	554 (31%)	402 (24%)
Non-Hispanic/Non-Latino	11,265 (61%)	5,678 (63%)	1,251 (69%)	1,308 (76%)
*Not reported/collected	504 (3%)			
Race & Ethnicity				
Non-Hispanic White	3,842 (21%)	2,423 (22%)	281 (16%)	376 (22%)

continued in FY22 across our service area. Social media messaging, targeted messaging by ZIP Code, postings on billboards, public service announcements, and increased awareness among Metro Housing's partnering agencies and advocate professionals helped spread the word that help was out there.

Several local nonprofits and community-based organizations were especially supportive in helping us reach previously underserved communities in our service area, and they deserve recognition here: East Boston Neighborhood Health Center, WATCH, Action for Boston Community Development (ABCD), Vietnamese American Initiative for Development (VietAID), Asian Community Development Corporation, and The Neighborhood Developers (TND/CONNECT). These organizations not only served as conduits for getting information out to their populations, they also provided places for people to complete applications and get assistance with language barrier issues.

As a result of outreach efforts, FY22 race and ethnicity demographics followed FY21 trends. White households, which accounted for 30-33% of those who applied in FY19 and FY20 for RAFT-only assistance, made up 51% of RAFT/EHPA households in FY21 and 43% of households in FY22. More than 8 times as many White households that received assistance in FY20 were helped in FY21, and 14.5 times as many were helped in FY22.

Black/African American households represented about 62% of RAFT assistance in FY19 and FY20. In FY21 and FY22, that proportion decreased to 38% and 40%, respectively. However, the total number of Black/African American households helped increased to 3,456 in FY21 and in FY22 jumped to almost 8,000, a seven-fold increase over FY20.

Increases Among Asian Households

In FY20,

21 households, or 1%

of the total – were assisted

In FY22,

1,121 households, or 6%

of the total – received assistance.



Without question, it is significant that the proportion of Black/African American households assisted decreased even while the overall number of said households increased. These demographic shifts are further discussed in this report's conclusion section.

In Metro Housing|Boston's EHPA IN REVIEW Fiscal Year 2021, one of the most significant increases in groups served over pre-pandemic numbers was that of the number of Asian households assisted. This was attributed to improved partnerships with community-based organizations such as the Asian Community Development Corporation and VietAID that helped get the word out to those populations, bridged language barriers for better awareness and understanding, and aided in the application process. In FY20, 21 households – or 1% of the total – were assisted; in FY22, 1,121 households – 6% of the total – received assistance.

As a result, Metro Housing is formulating a new outreach plan that includes a series of conversations with community and advocacy groups to discuss how to leverage what we learned from the data into better grassroots service in our 29 communities. Considerations could include how to better target outreach, how to improve language and translation services, and how to adapt hours of operation

Permanent solutions rooted in law – such as codifying state vouchers, creating more public housing, and increasing the stock of affordable housing through development – are needed.

to accommodate more individuals and households. Additionally, our internal conversations and trainings will focus on these factors as well to ensure their integration into our mission of providing innovative and personalized services that lead families and individuals toward housing stability, economic security, and an improved quality of life.

CONCLUSIONS & RECOMMENDATIONS

As we emerge from the pandemic and begin to normalize, we encourage our state and federal officials to take their cues from this experience and work toward long-term, permanent solutions to affordable housing issues in our communities.

In so many ways, FY22 was an extension of FY21. The world was still in pandemic mode. Households continued to experience housing uncertainty due to underemployment and unemployment. COVID-19 was still claiming lives and causing serious illness across all populations. Housing-related financial assistance programs that came online in late FY20 and during FY21 were hitting administrative stride as FY22 began.

As noted in last year's report, implementing a RAFT-based response for federal dollars required designing a system in real time and making adjustments along the way to help as many households as possible. The unprecedented collaboration among providers, advocates, state and federal legislators and officials, community officials, community- and faith-based organizations, and the dedicated staff of the regional housing agencies enabled us to build an agile, efficient, and empathetic system to help tens of thousands of families statewide. If the mission of FY21 was to create the system, the action plan for FY22 was scaling it up.

As noted above, the overwhelming majority of funds (92%) disbursed through RAFT/EHPA went to households below 50% AMI, the historical focus population of RAFT. Given the dire nature of the pandemic and those most at risk of homelessness, it might have been a better use of the program's limited resources and capacity to remain focused on the traditional population of households below 50% AMI.

The National Low Income Housing Coalition noted it its 2022 report The Gap – A Shortage of Affordable Homes that, "The pandemic exacerbated an existing housing crisis for the lowest-income renters and exposed the inadequacy of the federal housing safety net." The report goes on to say that, "Investments in long-term federal policy solutions are needed to address the underlying housing crisis facing the lowest-income renters and to mitigate growing challenges to housing stability … Congress also has an obligation to adequately fund federal housing programs through the annual appropriations process." [14]

[14] National Low Income Housing Coalition, The Gap – A Shortage of Affordable Homes, Washington, D.C., April 2022





We agree, to a degree. Solution does require legislation, but doing so through the annual appropriation process opens the funding up to flux and uncertainty year to year. Similar dynamics exist at the state level. Permanent solutions rooted in law – such as codifying state vouchers, creating more public housing, and increasing the stock of affordable housing through development – are needed.

During FY22, the Greater Boston area experienced rental increases of as high as 30%. People with the lowest incomes were hit the hardest, with few options.[15] One significant – and successful – program helped many households weather the pandemic financial storm: the Massachusetts Rental Voucher Program. And although MRVP has been around for decades, its funding – and as a result the number of households served – has been eroded. In 1990, MRVP served 20,000 households statewide. A series of cuts over the years resulted in just 4,500 families being served in 2006. State reinvestment has raised that number to 10,000 currently; however, another year can bring another adjustment as annual budgets get set.

MRVP is only a line item in the state budget. It is not codified in state law and is therefore at greater risk of significant, destabilizing changes each budget year. Metro Housing has joined with the Citizens' Housing and Planning Association and other organizations and advocates in urging the Massachusetts legislature to put MRVP into state law. Codifying MRVP would make the program more reliable and predictable for current and future program participants, owners, and program administrators, and less likely to be changed every year.

[15] "Critical state housing voucher program should be codified," CommonWealth, July 8, 2022 (https://commonwealthmagazine.org/opinion/critical-state-housing-voucher-program-should-be-codified/)

Another consideration would be to provide MRVP vouchers to all eligible Massachusetts residents. While waiting for such vouchers, households often need emergency housing assistance/shelter, a significant cost to the state as those services are more expensive than funding vouchers. This promising approach is endorsed in a 2021 report by the Senate Committee on Reimagining Massachusetts and is being discussed by Metro Housing and other partners for further exploration and research.

However, until more permanent, viable solutions are identified and implemented, a safety net for those most at risk of homelessness needs to be dependably and heavily funded. RAFT has been a lifeline for thousands of households over the years, and its importance during the pandemic cannot be overstated. The 9,569 households assisted with $46 million in RAFT dollars in FY21 and FY22 attest to the need. Of the 2,812 households that received Metro Housing-administered RAFT dollars in FY22, 2,133 of them had incomes of 30% of AMI or less. When counting all households with incomes at or below 50% AMI, that FY22 number is 2,755 households – 98% of all assisted. These households that are most at risk of housing instability need RAFT.

Additionally, we recommend the state not enforce an anticipated change in eviction procedures that affect how RAFT is applied for and administered.

Permanent solutions rooted in law – such as codifying state vouchers, creating more public housing, and increasing the stock of affordable housing through development – are needed.

Currently, tenants who have an application for RAFT assistance in process are protected from eviction; this practice is slated to end in March 2023. Ending this protection could cause housing instability to many if not most of the families seeking help; it is conceivable that applicants could receive their rental assistance after they've already been evicted.

As the state continues to evolve and improve on its centralized application process, we recommend that the application and its supporting documents (e.g., FAQs, filing instructions) be available in more languages. Language barriers affect qualifying households from applying for – or even knowing about – rental financial assistance opportunities. Documentation compliance increases and application-to-funding cycles shorten when information has been translated and is easily accessed.

Collaboration among all stakeholder groups should be encouraged and nurtured. Good things came from working together on common goals; a case in point is the centralized application system. Systemic problem solving comes from ongoing and sincere collaboration, where all voices are heard and respected.

In last year's RAFT/EHPA report, we recommended that the state formulate a disaster plan that would better help us mitigate the impact of future calamities. We've learned a lot over the past two years, and we have more evolved systems and processes in place to use as both templates and cautionary tales. The best time to memorialize successes and opportunities for improvement is while they are occurring so a better plan for response can be built.

As we noted in last year's report, it is difficult to estimate the savings to the state's Emergency Assistance (EA) program that the combined RAFT/ERAP/ERMA funding provided. In Metro Boston's service area alone, the housing of more than

Codifying MRVP would make the program more reliable and predictable for current and future program participants, owners, and program administrators, and less likely to be changed every year.

18,000 households was stabilized through this assistance. Had these and similar households statewide been unable to sustain their housing, the effects would have been beyond comprehension and the EA program would have been overwhelmed. It is clear that the increased funding and focus on preserving people's housing was in the best fiscal, health, and social interests throughout the Commonwealth of Massachusetts. As we emerge from the pandemic and begin to normalize, we encourage our state and federal officials to take their cues from this experience and work toward long-term, permanent solutions to affordable housing issues in our communities.

This report would be remiss if it did not acknowledge the need for further research into the significant shift in the geographic distribution and racial and ethnic demographics of RAFT/EHPA participants before vs. during the pandemic. Aside from – and likely related to – the proportional shift in resources from Boston residents to households in other communities in our region, there was no bigger change in RAFT/EHPA assistance than this shift. The widespread economic impact of the pandemic increased overall demand for assistance for households that previously were not eligible for RAFT, according to our data. When combined with increased, targeted outreach, the demographics shifted significantly.

That is why Metro Housing remains committed to having conversations with our communities and local nonprofit partners to explore new processes, outreach, and service offerings to better align with the racial and ethnic makeup of our participating households. We believe that there are many reasons for the demographic shifts in households seeking assistance, some of which may be permanent. We also believe that we ourselves do not have all the answers; collaboration is key to better service. We acknowledge that any conclusions we come to need to be clearly explained to DHCD and future administrations to ensure ever-improving, equitable rental assistance services to those households who need it most.

Similarly, Metro Housing knows that additional research is underway related to the efficacy and role of community-based organizations in increasing access to and facilitating the administration of RAFT in specific communities. In fact, as this report was being drafted, DHCD has commissioned a group to research this dynamic and identify best practices. Metro Housing and our partner regional nonprofits across the Commonwealth look forward to learning more about how community-based organizations can make the program even more successful and impactful.







ADDITIONAL DATA

HOUSEHOLD DEMOGRAPHICS

	FY22 RAFT/EHPA	FY21 RAFT/EHPA	FY20 RAFT	FY19 RAFT
Average head of household age	42	41	41	41
% head of household female*	68%	74%	82%	86%
% head of household male*	31%	26%	18%	14%
Average household size		2.4	2.6	3.0

*In FY22, 1% of heads of household were either classified as other or were not reported/collected.

HOUSING CRISIS DATA BY CATEGORY

Rental arrears	80.2%
Utility arrears	7.3%
Eviction	3.6%
Mortgage arrears	3.0%
Health & safety	1.7%
Doubled-up/overcrowding living situation	1.6%

*The balance includes inability to make future mortgage payments, eviction assistance, foreclosure assistance, domestic violence assistance, and disaster assistance (such as fire, floor, or natural disasters).



Metro Housing™
BOSTON

RAFT/EHPA IN REVIEW

DECEMBER 2022

3. ECONOMIC SECURITY

2. HOUSING STABILITY

1. HOMELESSNESS PREVENTION

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