



March 7, 2023

Excellency Maura Healey
Massachusetts State House
Office of the Governor, Room 280
Boston, MA 02133

Dear Governor Healey –

On behalf of Metro Housing|Boston, thank you for the priorities that you outlined for the Commonwealth related to affordable housing and homelessness prevention as part of your first operating budget.

At Metro Housing we share your belief that safe, secure housing that is affordable based on a household's income is one of the most important issues facing residents of Massachusetts. We also agree that the lack of housing negatively impacts the state's competitiveness. Further, we believe that there are additional steps to take to achieve greater housing stability for all of our families, neighbors, and friends.

However, we believe that the funding levels you have allocated to our common priorities do not match our long-term goals. Therefore, we have recommendations that fall into the following categories:

- Massachusetts Rental Voucher Program
- Residential Assistance for Families in Transition
- Housing Consumer Education Center
- Public Housing Operating

Massachusetts Rental Voucher Program (7004-9024)

Thank you for more closely aligning MRVP with Section 8. However, taking additional steps will benefit program participants and simplify program administration. We will propose to the legislature that 100% of Fair Market Rent be adjusted because in high-cost regions it is not unusual to need to pay more than the FMR so that vouchers can be utilized. Capping the rent at 100% of FMR would increase the challenges participants have securing housing.

We appreciate the addition of the Small Area Fair Market Rent (SAFMR) language. Right now, an apartment in Dorchester and an apartment in Winchester are covered by the same FMR. This negatively impacts families who wish to relocate to higher opportunity areas. As drafted, the language makes using SAFMRs optional. Although we appreciate the clarity that the new language would provide, our request will be that the line-item include more specificity about when SAFMRs shall be used.

Finally, we are concerned about the lack of additional resources for MRVP. The \$168 million in the proposed budget for FY'24 is less than the total allocation for FY'23 when including carryover funds. Unfortunately, over the last few years there have been high levels of unspent funds in this line-item notwithstanding the significant need for permanent housing that reaches households with the lowest incomes. Our current process of relying upon and, indeed, expanding the emergency shelter system while perhaps necessary in the short term neglects the reality that it is housing that solves homelessness. Without an increase in public housing, only rental assistance voucher programs make it possible for many households to secure a safe and decent home. Therefore, we will be requesting that MRVP be funded at \$250 million.

1411 Tremont Street, Boston, MA 02120-3401

Phone 617-859-0400 | Toll-Free 800-272-0990 | info@MetroHousingBoston.org | MetroHousingBoston.org

Residential Assistance for Families in Transition (7004-9316)

The Residential Assistance for Families in Transition (RAFT) program has been instrumental in providing households with the opportunity to remain stably housed rather than entering emergency shelter. This was demonstrated quite clearly during the COVID pandemic. Although it is true that the proposed funding level is greater than what was being spent pre-pandemic, capping funding at \$7,000 every 24 months represents a cut to the \$4,000 every 12 months that was previously allowed. When coupled with changes the state has made to the program that make it more difficult to access, such as requiring applicants to provide a Notice to Quit, we are concerned that families who require assistance will not be able to receive it and may, instead, enter family shelter.

Ironically, this proposal retreats from previous efforts by advocates, the administration, and the legislature to coordinate HomeBASE and RAFT award levels so as not to drive applicants to one program or the other. Allowing families to access \$20,000 or more in HomeBASE funds every 24 months but only \$7,000 in RAFT assistance runs the unintended risk of people choosing to enter shelter to access a greater level of assistance. Therefore, to better meet the anticipated demand for RAFT assistance, we will request \$250 million.

Housing Consumer Education Center (7004-3036)

House1 eliminates the funding for the housing stabilization provision within this line item. The provision was included in the FY'23 budget for \$1.5 million to provide enhanced services and flexible funding (ie. child care, auto repairs, etc.) for households that received RAFT in the preceding 12 months. The program only very recently launched (Metro Housing was the first HCEC to launch in December 2022) so there is no history to suggest the program should be discontinued. Instead, this well-considered initiative of the HCEC should be given the time and support to prove itself. Metro Housing will support reinstating the funding for Housing Stabilization.

Public Housing Operating Subsidy (7004-9005)

Investments in the state's public housing stock has been stagnant for years. This housing serves elders and households that have among the lowest incomes in the state. Failing to adequately fund public housing so that it can operate effectively negatively impacts the housing itself and the health and safety of tenants. To more adequately respond to the needs of public housing residents, Metro Housing will request funding at \$184 million.

Sincerely,

Steven D. Farrell
Chief Operating Officer

cc: Matthew Gorzkowitz, Secretary of the Executive Office of Administration and Finance
Yvonne Hao, Secretary of the Executive Office of Economic Development
Jennifer Maddox, Undersecretary of Housing and Community Development