

THE MASSACHUSETTS RAFT PROGRAM

PREVENTING HOMELESSNESS, PROVIDING FAMILY STABILITY

A Report on the Residential Assistance
for Families in Transition Program,
Berkshire Housing Development Corporation,
Fiscal Year 2017



P.O. Box 1180, Pittsfield, MA 01202-1180
Tel 413-499-1630 Fax 413-496-9831 www.berkshirehousing.com

SUMMARY

Berkshire Housing Development Corporation (BHDC) provided assistance to 153 households through the RAFT program in FY 2017. The average RAFT payment was \$2,852. The average household that received RAFT assistance from BHDC had two family members; most were women with a child. Twelve households that received RAFT in FY 2017 also received assistance from the program in FY 2016, accounting for less than eight percent of the families that received RAFT from BHDC in FY 2017.¹

NEED FOR RAFT: HOUSING COSTS AND INCOME IN BERKSHIRE COUNTY

Thirty-nine percent of housing units in Berkshire County are rentals, and slightly less than 32 percent of county residents are tenants. County-wide, 11 percent of homes are vacant for seasonal, recreational or occasional use.² The market for seasonal and vacation homes in Berkshire County likely makes housing less affordable for year-round residents.

The City of Pittsfield accounts for 34 percent of the population of Berkshire County and 30 percent of the county's housing units. The HUD Fair Market Rent for a two-bedroom apartment in Pittsfield is \$887.³ To afford a two-bedroom apartment at the Fair Market Rent, a household would need an annual income of \$35,440.⁴ The average income of the households that received RAFT from BHDC in FY 2017 was \$10,453. The Fair Market Rent for a two-bedroom apartment represents 98 percent of household income for the average recipient of RAFT in Pittsfield in FY 2017.

The households that received RAFT from BHDC in FY 2017 are a very small percentage of the region's residents who struggle to pay for housing. In Berkshire County, **more than 39 percent of renters, representing a total of 6,311 households, pay more than 35 percent of their income toward housing costs.** The families that received RAFT from BHDC in FY 2017 represent less than two and a half percent of rent-burdened households in the county. There are an estimated 2,169 families with children in Berkshire County living in poverty. Seventy-two percent are women with children and more than half of Berkshire County families with children living below the poverty line are in Pittsfield.⁵ A tight rental market results in families spending more than they can afford to rent apartments that are often too small and in poor repair.

BERKSHIRE COUNTY BY THE NUMBERS

Families with Children Living in Poverty	2,169
Poverty Level for Family of Three	\$ 20,420
Affordable Rent at Poverty Level	\$ 511
Fair Market Rent for Two Bedroom Apartment	\$ 866
Rental Housing Vacancy Rate	6.1 %

BHDC RAFT PROGRAM

Berkshire Housing Development Corporation administers the RAFT program in Berkshire County.⁶ In FY 2017, BHDC provided a total of \$436,416 in RAFT assistance to 153 households.

Households received RAFT from BHDC in eight communities. More than three-quarters of Berkshire County RAFT recipients in FY 2017 lived in Pittsfield.

TABLE 1: BERKSHIRE COUNTY RAFT ASSISTANCE BY COMMUNITY, FY 2017

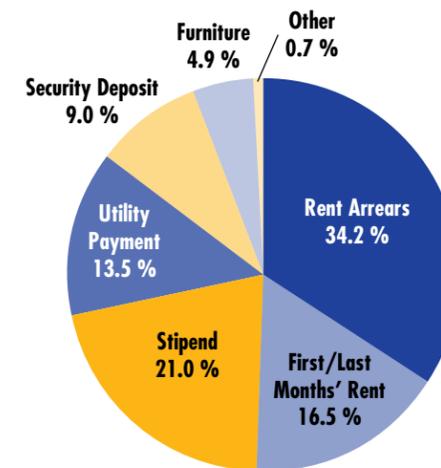
Town	Assistance	% of Assistance	Households	% of Households
Adams	\$ 38,927	8.9 %	11	7.2 %
Cheshire	\$ 679	0.2 %	1	0.7 %
Great Barrington	\$ 9,759	2.2 %	3	2.0 %
Lee	\$ 995	0.2 %	1	0.7 %
Lenox	\$ 2,550	0.6 %	1	0.7 %
North Adams	\$ 48,487	11.1 %	19	12.4 %
Pittsfield	\$ 333,995	76.5 %	116	75.8 %
Williamstown	\$ 1,024	0.2 %	1	0.7 %

Ninety percent of RAFT households that received assistance from BHDC were headed by women. Seventy-nine percent of households identified as white and 21 percent as black/African American. Nine percent identified as Hispanic/Latino. The average age for heads of household that received RAFT in FY 2017 was 33.

Seven households received RAFT from BHDC under new eligibility criteria in FY 2017. A majority of these households were disabled individuals living on fixed incomes. Some used RAFT to move to housing that offered rent subsidies. Two individuals had been hospitalized and needed to have their tenancies preserved due to loss of income after falling ill. One already had a rental voucher, but was being required to move due to his house being condemned. The tenant was disabled and needed help with moving costs and a security deposit to avoid interruption of his Section 8 benefits.

Forty-nine percent of the Berkshire County households that received RAFT in FY 2017 were facing eviction, and another 24 percent of households were living with other families and were asked to leave. More than 12 percent of families experienced utility shut-offs. Uses of RAFT funds are shown in Figure 1.

FIGURE 1: USES OF RAFT FUNDS IN BERKSHIRE COUNTY



ESTIMATED SAVINGS FROM THE RAFT PROGRAM

Families with children and single pregnant women earning up to 115 percent of the Federal Poverty Level may be eligible for Emergency Assistance, the state's family shelter program. On average, the Commonwealth spent \$41,990 on each family that used the Emergency Assistance Program in FY 2017.⁷ The income eligibility threshold for a family of two to receive Emergency Assistance was \$18,676 in FY 2017. Almost 84 percent of the families that received RAFT from BHDC in FY 2017, 128 households, had incomes below this threshold.⁸ Table 2 shows estimated savings from the RAFT program based on different assumptions about the percentage of RAFT recipients that might have become homeless and eligible for shelter without assistance from RAFT.⁹

In addition to representing savings from the avoided cost of the Emergency Assistance Program, RAFT also provides critical stability for families facing challenging circumstances, like Debra (not her real name) and her children.

“ There is very little employment in Berkshire County other than part-time, low paying service jobs. Most of the affordable rental housing stock is located in middle and northern Berkshire County. Public transportation is very limited and the tourism industry jobs tend to be in far southern Berkshire County. This leaves opportunities for employment and child care limited to within walking distance in the Pittsfield and North Adams areas. Very few lower income households have vehicles. Service jobs such as CNA, fast food, retail, and service jobs require evening and weekend hours. There is very little child care or public transportation available during those times. Berkshire County has been facing this crisis for many years. As a result of inconsistent employment income, lack of child care, transportation, and subsequent unstable housing, Berkshire County low income households face homelessness at an alarming rate. There are very few family shelter beds locally and nowhere for them to go in a crisis. Many families end up “couch surfing,” placing other low-income households at risk as well. RAFT funding is the only option for many of these families. ”

— Jane Pixley, BHDC

TABLE 2: ESTIMATED EA SAVINGS FROM RAFT PROGRAM

Assumed % of EA Eligible RAFT Clients That Could Have Needed Shelter	Number of EA Eligible RAFT Clients That Could Have Needed Shelter Based on Assumed %	Cost of EA	Cost of RAFT	Estimated Savings
10 %	13	\$ 537,472	\$ 39,478	\$ 497,994
25 %	32	\$ 1,343,680	\$ 98,695	\$ 1,244,985
50 %	64	\$ 2,687,360	\$ 197,390	\$ 2,489,970
75 %	96	\$ 4,031,040	\$ 296,085	\$ 3,734,955
100 %	128	\$ 5,374,720	\$ 394,781	\$ 4,979,939

After the unexpected death of her husband in 2016, Debra was left without enough income to support her family. She and her two children were being evicted due to non-payment of rent, and they had nowhere to go. One of Debra’s children has severe autism, and she feared the impact of homelessness would be very difficult for him. She was able to find a new apartment at a lower cost, but could not afford the move-in expenses. RAFT allowed this family to seamlessly move from one apartment to another and have utility service transferred. Without RAFT, Debra and her children may have had no alternatives other than the family shelter system, which could have required them to move out of town, away from her son’s doctors and services. With RAFT, Debra was able to transition her family without a lot of upheaval and her children are safely resettled in their new home.

ABOUT BHDC

Berkshire Housing Development Corporation & Housing Services Inc. provides a comprehensive set of housing-related services in Berkshire County. Programs include affordable rental housing and housing development, rental assistance, housing counseling and homebuyer education, and homelessness prevention. For more information, please contact Jane Pixley, (413) 344-4827, jpixley@berkshirehousing.com.

REPORT FOOTNOTES

- ¹ All data on RAFT provided by BHDC and Tracker Systems, the Commonwealth’s software vendor for the program. In preparing this report, RHN encountered inaccuracies in the data provided by Tracker Systems. All reasonable efforts were made to correct any apparent errors using data provided by BHDC. This resulted in discrepancies with Tracker data, and between data in different categories.
- ² U.S. Census, American Community Survey 2012-2016, 5-year estimates.
- ³ HUD Fair Market Rent (FMR) is used to determine payment standards for the federal Housing Choice Voucher (Section 8) program. FMRs reflect the cost of rent and utilities paid by tenants, and are determined regionally. FMRs must be both high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible. The standard represents the 40th percentile rent, i.e., the dollar amount below which 40 percent of the standard-quality private market housing units are rented.
- ⁴ National Low Income Housing Coalition, Out of Reach 2017. Housing costs, including rent and utilities, are considered to be affordable if they are no more than 30 percent of household income.
- ⁵ U.S. Census, American Community Survey 2012-2016, 5-year estimates.
- ⁶ BHDC offers RAFT assistance in all towns in Berkshire County.
- ⁷ Commonwealth of Massachusetts, Department of Housing and Community Development, Emergency Assistance Program Fiscal Year 2017, Fourth Quarterly Report.
- ⁸ This is a rough estimate of the number of EA-eligible households, assuming average family size of 2. Some of the families that received RAFT from BHDC had more than two members. The income threshold for EA is adjusted based on family size, so it is possible that more of these households that received RAFT would have been eligible for the family shelter program.
- ⁹ For the purpose of this table, the average cost of the RAFT program is a statewide figure that includes all administrative expenses for the program.

Report written by
Robin Sherman
for the Regional
Housing Network
of Massachusetts

