

THE MASSACHUSETTS RAFT PROGRAM

PREVENTING HOMELESSNESS, PROVIDING FAMILY STABILITY

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



SUMMARY

Housing Assistance Corporation provided assistance to 98 households through the RAFT program in FY 2017. The average RAFT payment was \$2,633. The average household that received RAFT assistance from HAC had three family members; most were female-headed households with children. Four households that received RAFT in FY 2017 also received assistance from the program in FY 2016, accounting for approximately four percent of the families that received RAFT from HAC in FY 2017.¹

NEED FOR RAFT: HOUSING COSTS AND INCOME ON CAPE COD

The Cape and Islands region has been developed as a seasonal resort community. At least 38 percent of housing units in Barnstable County are vacant for seasonal use.² A recent survey of second home owners on the Cape found that 71 percent of the owners of seasonal homes did not rent to others during the last five years.³ Approximately 20 percent of the population in Barnstable County are renters,⁴ who compete for scarce year-round dwellings in a market that is driven by the value of vacation homes. The shortage of affordable rental housing is particularly severe in the summer, when seasonal workers are added to the mix of tenants. Many year-round residents in the region work multiple seasonal and part-time jobs, and still lack sufficient income to afford market rent.

The HUD Fair Market Rent for a two-bedroom apartment on the Cape is \$1,240.⁵ To afford a two-bedroom apartment at the Fair Market Rent, a

household would need an annual income of \$49,600.⁶ The average income of the households that received RAFT from HAC in FY 2017 was \$20,443. Fair Market Rent for a two-bedroom apartment in Hyannis represents 70 percent of household income for the average HAC RAFT recipient.

The households that received RAFT from HAC in FY 2017 are a very small percentage of the region’s residents who struggle to pay for housing. In Barnstable County, **44 percent of renters, representing a total of 7,699 households, pay more than 35 percent of their income toward housing costs.** The families that received RAFT on the Cape in FY 2017 represent less than 1.2 percent of rent-burdened households in Barnstable County. There are more than 2,000 families with children on the Cape living in poverty; nearly two-thirds are single mothers.⁷ 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.

BARNSTABLE COUNTY BY THE NUMBERS

Families with Children Living in Poverty	2,017
Poverty Level for Family of Three	\$ 20,420
Affordable Rent at Poverty Level	\$ 511
Fair Market Rent for Two Bedroom Apartment	\$ 1,240
Rental Housing Rate in Town of Barnstable	4.3 %

HAC’S RAFT PROGRAM

HAC administers the RAFT program on the Cape and Islands.⁸ In FY 2017, HAC provided a total of \$258,026 in RAFT assistance to 98 households. Households received RAFT from HAC in 12 communities in Barnstable and Dukes counties.⁹

TABLE 1: HAC RAFT ASSISTANCE BY COMMUNITY, FY 2017

Town	Assistance	% of Assistance	Households	% of Households
Barnstable	\$ 85,238	33.0 %	31	31.6 %
Bourne	\$ 20,503	7.9 %	7	7.1 %
Brewster	\$ 5,432	2.1 %	4	4.1 %
Dennis	\$ 24,458	9.5 %	9	9.2 %
Eastham	\$ 1,761	0.7 %	1	1.0 %
Edgartown	\$ 809	0.3 %	1	1.0 %
Falmouth	\$ 31,750	12.3 %	10	10.2 %
Harwich	\$ 2,369	0.9 %	1	1.0 %
Mashpee	\$ 25,847	10.0 %	9	9.2 %
Oak Bluffs	\$ 4,000	1.6 %	1	1.0 %
Sandwich	\$ 5,289	2.0 %	2	2.0 %
Yarmouth	\$ 42,857	16.6 %	17	17.4 %

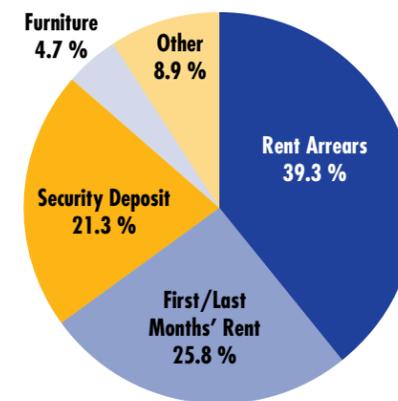
Approximately one-third of the households that received RAFT from HAC lived in the Town of Barnstable, mostly in the village of Hyannis.

Eighty-eight percent of RAFT households that received assistance from HAC were headed by women. Seventy-three percent of households identified as white, 21 percent as black/African American, three percent as American Indian/Native Alaskan and two percent as Native Hawaiian/Pacific Islander. Eight percent identified as Hispanic/Latino. The average age for heads of household that received RAFT in FY 2017 was 35.6.

Four households received RAFT from HAC under new eligibility criteria in FY 2017. Three of these households consisted of a single person.

Approximately 40 percent of the households that received RAFT from HAC in FY 2017 were facing eviction, and another 20 percent of households were living with other families and were asked to leave. Eighteen of HAC’s RAFT clients sought assistance due to domestic violence, and nine families experienced utility shut-offs. Uses of RAFT funds are shown in Figure 1.

FIGURE 1: USES OF RAFT FUNDS BY HAC



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 2017.¹⁰ The income eligibility threshold for a family of three to receive Emergency Assistance was \$23,483 in FY 2017. More than 61 percent of the households that received RAFT from HAC in FY 2017 had incomes at or below this threshold.¹¹ 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.¹²

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 Chrystal (not her real name) and her daughters.

“RAFT has been a lifeline in our region for people who are the primary employees of our hospitality economy. With inconsistent paychecks and a shorter work year, families come to us frequently with arrears or utility shut offs. Due to the very high cost of housing and reduced housing stock, maintaining existing housing placements is extremely important for our region and economy. Due to the age and status of the housing stock on the Cape, utilities are often a significant issue throughout the year. RAFT has been able to bridge a gap where other existing programs (fuel assistance, weatherization) have not been available.”

— Cassi Danzl, HAC

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 %	6	\$ 251,940	\$ 18,505	\$ 233,435
25 %	15	\$ 629,850	\$ 46,263	\$ 583,587
50 %	30	\$ 1,259,700	\$ 92,527	\$ 1,167,173
75 %	45	\$ 1,889,550	\$ 138,790	\$ 1,750,760
100 %	60	\$ 2,519,400	\$ 185,053	\$ 2,334,347

Chrystal is a divorced mother of four girls under the age of 8. Her job does not pay enough to afford rent for her family. In 2017, after years of waiting, Chrystal’s family became eligible for federal rental assistance. Her existing apartment did not pass a required health and safety inspection. RAFT paid the family’s security deposit and first month’s rent so that she could move to a safe, new home. RAFT was the key tool that enabled Chrystal to take advantage of rental assistance, so that she can now afford her housing. “Our life has changed dramatically,” says Chrystal. “I am able to provide for my children in every way. I don’t have to worry about living in poor housing with no heat, no hot water, and even eviction. RAFT was the reason why my feet are on the ground & moving forward today!”

ABOUT HAC

HAC is a nonprofit agency that provides a variety of housing programs and other services, including but not limited to rental assistance, affordable housing development and rentals, emergency shelter and homelessness prevention, housing and homebuyer information, and counseling. For more information on HAC’s services, contact Laura Reckford, (508)771-5400 ext. 273, LReckford@haconcapecod.org.

REPORT FOOTNOTES

- ¹ All data on RAFT provided by HAC and Tracker Systems, the Commonwealth’s software vendor for the program.
- ² U.S. Census, American Community Survey, 2012-2016, 5-year data. Figure represents the percentage of homes reported vacant for seasonal use divided by all housing units.
- ³ UMass Donahue Institute, Cape Cod Second Homeowners: Technical Report of 2017 Survey Findings, Cape Cod Commission, 2017.
- ⁴ U. S. Census, American Community Survey, 2012-2016, 5-year data.
- ⁵ 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. The FMR of \$1,240 per month is for the Barnstable Town Metropolitan Statistical Area.
- ⁶ National Low Income Housing Coalition, Out of Reach FY 2017. Housing costs, including rent and utilities, are considered to be affordable if they are no more than 30 percent of household income.
- ⁷ U.S. Census, American Community Survey, 2012-2016, 5-year data.
- ⁸ HAC offers RAFT assistance in the following towns: Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Eastham, Edgartown, Falmouth, Gosnold, Harwich, Mashpee, Nantucket, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury, Truro, Wellfleet, West Tisbury and Yarmouth.
- ⁹ HAC also provided \$4,900 in assistance to two families with addresses in Plymouth County.
- ¹⁰ Commonwealth of Massachusetts, Department of Housing and Community Development, Emergency Assistance Program Fiscal Year 2017, Fourth Quarterly Report.
- ¹¹ This is a rough estimate of the number of EA-eligible households, assuming average family size of 3. Some of the families that received RAFT had more than three members, and some had fewer. The income threshold for EA is adjusted based on family size, so it is possible that more or fewer of these households that received RAFT would have been eligible for the family shelter program.
- ¹² For the purpose of this table, the average cost of the RAFT program is a statewide figure that includes all administrative expenses.

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