

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 2018



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SUMMARY

Berkshire Housing Development Corporation (BHDC) provided assistance to 210 households through the RAFT program in FY 2018. The average RAFT payment was \$2,905. Thirteen households that received RAFT in FY 2018 also received assistance from the program in FY 2017, representing 8.5 percent of 2017 RAFT recipients.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 thirty percent of the county's housing units. The 2018 HUD Fair Market Rent for a two-bedroom apartment in Pittsfield is \$1,000, which represents an increase of almost 13 percent from 2017.³ To afford a two-bedroom apartment at the Fair Market Rent, a household would need an annual income of \$40,000.⁴ The median income of households that received RAFT in Berkshire County in FY 2018 was \$9,923. The Fair Market Rent for a two-bedroom apartment represents more than 100 percent of household income for the typical recipient of RAFT in Pittsfield in FY 2018.

The households that received RAFT in Berkshire County in FY 2018 are a very small percentage of the region’s residents who struggle to pay for housing. In Berkshire County, more than 50 percent of renters, representing a total of 8,015 households, pay more than 30 percent of their income toward housing costs. The families that received RAFT in FY 2018 represent less than three percent of rent-burdened households in the county. There are an estimated 1,868 families with children in Berkshire County living in poverty. Seventy-five percent are women with children, and more than half of Berkshire County families with children living below the poverty line are in Pittsfield.⁵

BERKSHIRE COUNTY BY THE NUMBERS

Families with Children Living in Poverty	1,868
Poverty Level for Family of Three	\$ 20,780
Affordable Rent at Poverty Level	\$ 519
Fair Market Rent for Two Bedroom Apartment	\$ 1,000
Rental Housing Vacancy Rate	6.7 %

BHDC RAFT PROGRAM

Berkshire Housing Development Corporation administers the RAFT program in Berkshire County in partnership with Berkshire County Regional Housing Authority. In FY 2018, 210 households in seven communities received a total of \$610,029 in RAFT assistance in the region. Almost three-quarters of Berkshire County RAFT recipients in FY 2018 lived in Pittsfield. The RAFT administrators for the region believe that there is high need for more RAFT assistance in the Northern Berkshire sub-region, which includes North Adams and Adams, where residents have more limited access to RAFT program staff, who are primarily based in Pittsfield due to program resource limitations.

TABLE 1: BERKSHIRE COUNTY RAFT ASSISTANCE BY COMMUNITY, FY 2018

Town	Assistance	% of Assistance	Households	% of Households
ADAMS	\$ 43,543	7.1 %	15	7.1 %
CHESHIRE	\$ 3,850	0.6 %	1	0.5 %
DALTON	\$ 5,045	0.8 %	2	1.0 %
LEE	\$ 7,939	1.3 %	2	1.0 %
NORTH ADAMS	\$ 94,204	15.4 %	35	16.7 %
PITTSFIELD	\$ 452,206	74.1 %	153	72.9 %
STOCKBRIDGE	\$ 3,242	0.5 %	2	1.0 %

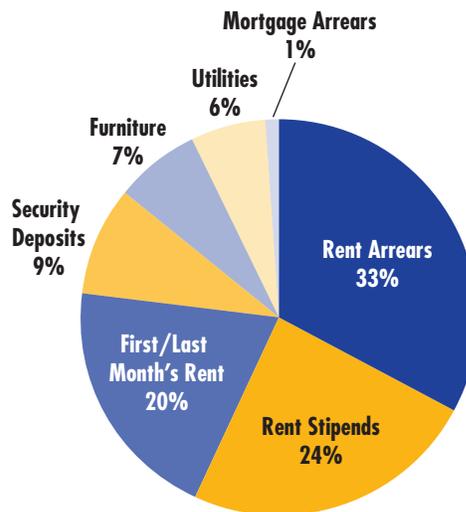
Almost 90 percent of Berkshire County households that received RAFT were headed by women. The average household size was three people. Seventy-eight percent of heads of household identified as white and 17 percent as Black/African-American. Thirteen percent identified as Hispanic/Latino. The average age for heads of household that received RAFT was 34.

Twenty-three Berkshire County households that did not include children under age 21 received RAFT in FY 2018, representing 11 percent of the region’s RAFT recipients. These were all single-person households. The average age of these recipients was 47.

More than half of the Berkshire County households that received RAFT in FY 2018 were facing eviction, and another 27 percent of households were living with other families and were asked to leave. Thirty-one percent of the county’s RAFT recipients had subsidized housing. Uses of RAFT funds are shown in Figure 1.

RAFT recipients in Berkshire County have the lowest incomes of all recipients of RAFT statewide by far. Median income of the households that received RAFT in FY 2018 in Berkshire County was \$9,923, compared to \$18,504 for median income of RAFT recipients overall. Elton Ogden, president of BHDC, explains, “The percentage of people with very low incomes and those living in poverty is increasing rapidly in Berkshire County, unlike in other regions. Job growth is lagging behind the rest of Massachusetts, and the growth that is happening is in low-wage service industry positions. That translates to fewer options for those presenting at our front door, and the high percentage of households with zero or very low incomes.”

FIGURE 1: USES OF RAFT FUNDS IN BERKSHIRE COUNTY, FY 2018



Given the extremely low incomes of RAFT recipients in Berkshire County and the scarcity of subsidized and affordable housing in the region, BHDC and Berkshire County Regional Housing Authority (BCRHA) have been extremely effective in using RAFT assistance to prevent homelessness. In FY 2018, just 17 families entered the Emergency Assistance shelter program in the region, compared to 30 families in Franklin County, which is significantly smaller in population and has fewer than half the number of families with children living in poverty. BCRHA uses RAFT as a homelessness prevention strategy through its Tenancy Preservation Program and Mediation Center. According to the Massachusetts Office of Public Collaboration, from July 1, 2017 through October 31, 2018, the BCRHA mediated 290 summary process eviction cases, with a result of 281 mediated agreements or 96.9 percent success rate. Out of the 281 mediated agreements, 185 resulted in the preservation of the tenants’ tenancy, or out of all cases mediated, 64 percent resulted in a tenancy being preserved.

ESTIMATED SAVINGS FROM THE BERKSHIRE COUNTY 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 \$46,450 on each family that used the Emergency Assistance Program in FY 2018.⁶ The income eligibility threshold for a family of three to receive Emergency Assistance was \$23,892. More than 88 percent of the families that received RAFT from BHDC in FY 2018, 166 households, had incomes below this threshold.⁷ 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.⁸

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 @ \$46,450/ Household	Cost of RAFT @ \$3,130/ Household	Estimated Savings
10 %	17	\$ 603,087	\$ 56,794	\$ 546,293
25 %	41	\$ 1,507,717	\$ 141,985	\$ 1,365,732
50 %	83	\$ 3,015,434	\$ 283,970	\$ 2,731,464
75 %	124	\$ 4,523,151	\$ 425,955	\$ 4,097,195
100 %	166	\$ 6,030,868	\$ 567,940	\$ 5,462,927

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 Sandra (not her real name) and her children.

"I applied for RAFT at the beginning of this year. I had gotten behind in my rent and was facing eviction. I am a single mom with four young children. My only income was disability, and that barely covered my bills. At the time, I didn't have any kind of rental assistance and my rent was more than 75 percent of my income. I had major surgery at the end of January. I had to pay for extra daycare, and I fell short on my rent for several months. RAFT provided me with the funding to pay my back rent to my landlord as well as a stipend to pay a portion of my rent each month for a few months, which allowed me to use the extra money to pay back old debts and bring my accounts up to good standing. I had been on the Section 8 waiting list for seven and a half years, and the staff at RAFT really pushed and supported me in getting my voucher. Last month, me and my family moved into a beautiful four-bedroom apartment from our tiny two-bedroom. I am working part-time at a job that I love and I can provide my children with everything they need and most of what they want. If it wasn't for RAFT, we would have been evicted and had to move into a family shelter. Our life is just amazing today."

ABOUT BHDC

Berkshire Housing Development Corporation 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.
- ² U.S. Census, American Community Survey 2013-2017, 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 2018. 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 2013-2017, 5-year estimates.
- ⁶ Commonwealth of Massachusetts, Department of Housing and Community Development, DHCD EA Monthly Report, Statewide Summary, June 2018.
- ⁷ This is a rough estimate of the number of EA-eligible households, assuming average family size of 3 and subtracting the number of households that would be categorically ineligible for Emergency Assistance.
- ⁸ 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.

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