

# THE MASSACHUSETTS RAFT PROGRAM

## PREVENTING HOMELESSNESS, PROVIDING FAMILY STABILITY

A Report on the Residential Assistance  
for Families in Transition Program,  
Central Massachusetts Housing Alliance, Inc.,  
Fiscal Year 2018



## SUMMARY

Central Massachusetts Housing Alliance, Inc. (CMHA) provided assistance to 148 households through the RAFT program in FY 2018. The average RAFT payment was \$2,665. Three households that received RAFT in FY 2018 also received assistance from the program in FY 2017, accounting for two and a half percent of the families that received RAFT from CMHA in FY 2017.<sup>1</sup>

## NEED FOR RAFT: HOUSING COSTS AND INCOME IN WORCESTER

The city of Worcester has a high percentage of renters. Statewide, approximately 38 percent of housing units are rentals, and 34 percent of Massachusetts residents are tenants. In Worcester, rentals make up nearly 58 percent of housing units, and 54 percent of the city's residents are tenants.<sup>2</sup>

The 2018 HUD Fair Market Rent for a two-bedroom apartment in Worcester is \$1,192, an increase of \$132 or 12.4 percent compared to 2017.<sup>3</sup> To afford a two-bedroom apartment at the Fair Market Rent, a household would need an annual income of \$47,680.<sup>4</sup> The median income of the households that received RAFT from CMHA in FY 2018 was \$16,996. Fair Market Rent for a two-bedroom apartment in Worcester represents more than 84 percent of household income for the typical recipient of RAFT from CMHA.

The households that received RAFT from CMHA in FY 2018 are a very small percentage of the area's residents who struggle to pay for housing. In the City of Worcester, nearly 55 percent of renters, representing a total of 20,647 households, pay more than 30 percent of their income toward housing costs. The families that received RAFT from CMHA in Worcester in FY 2018 represent less than one percent of rent-burdened households in the city.<sup>5</sup> There are 4,756 families with children living in poverty in Worcester; nearly two thirds are single women with children.<sup>6</sup>

### CITY OF WORCESTER BY THE NUMBERS

Families with Children Living in Poverty	4,756
Poverty Level for Family of Three	\$ 20,780
Affordable Rent at Poverty Level	\$ 519
Fair Market Rent for Two Bedroom Apartment	\$ 1,192
Rental Housing Vacancy Rate	4.8 %

## CMHA'S RAFT PROGRAM

CMHA is one of two agencies that administers the RAFT program in Worcester County.<sup>7</sup> In FY 2018, CMHA provided a total of \$392,290 in RAFT assistance to 148 households.

Households received RAFT from CMHA in 16 communities in Worcester County in FY 2018.<sup>8</sup> More than 80 percent of these households were in the City of Worcester.

**TABLE 1: CMHA RAFT ASSISTANCE BY COMMUNITY, FY 2018**

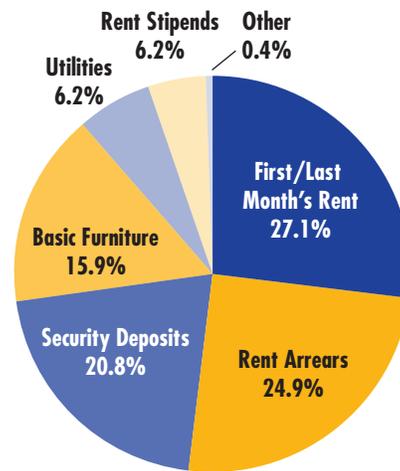
Town	Assistance	% of Assistance	Households	% of Households
BARRE	\$ 2,335	0.6 %	1	0.7 %
BOYLSTON	\$ 3,993	1.0 %	1	0.7 %
CLINTON	\$ 3,000	0.8 %	1	0.7 %
DUDLEY	\$ 7,651	1.9 %	2	1.4 %
FITCHBURG	\$ 8,000	2.0 %	2	1.4 %
GARDNER	\$ 2,012	0.5 %	1	0.7 %
HOLDEN	\$ 3,401	0.9 %	1	0.7 %
LEOMINSTER	\$ 3,856	1.0 %	1	0.7 %
MILLBURY	\$ 7,512	1.9 %	2	1.4 %
NORTHBRIDGE	\$ 4,600	1.2 %	2	1.4 %
OXFORD	\$ 5,240	1.3 %	2	1.4 %
SHREWSBURY	\$ 4,000	1.0 %	1	0.7 %
SOUTHBRIDGE	\$ 5,403	1.4 %	2	1.4 %
SPENCER	\$ 3,421	0.9 %	1	0.7 %
WEBSTER	\$ 8,271	2.1 %	3	2.0 %
WORCESTER	\$ 318,634	81.1%	124	83.8%

Eighty-two percent of households that received RAFT from CMHA were headed by women. The typical household that received RAFT included a woman and two children. Sixty-two percent of heads of household that received RAFT identified as white, and 39 percent identified as Black/African-American. Twenty-nine percent identified as Hispanic/Latino. The average age for heads of household that received RAFT from CMHA in FY 2018 was 37. Thirty-five percent of the households that received RAFT from CMHA in FY 2018 had subsidized housing.

CMHA provided RAFT to 29 households that did not include children under the age of 21 in FY 2018, accounting for 20 percent of CMHA’s RAFT clients and 16 percent of RAFT assistance. Most of these RAFT recipients were single-person households. Sixty-two percent had a female head of household. The average age of these heads of household was 50. Median income for these households was just \$10,373, approximately 61 percent of the median income of all households that received RAFT from CMHA.

Thirty-nine percent of households that received RAFT from CMHA in FY 2018 were living with other families and were asked to leave. Thirty-six percent were facing eviction, mostly from private housing. CMHA saw an increase in the number of households that experienced housing crises due to fire, flood, or natural disaster due to the significant influx of Hurricane Maria evacuees in Worcester County. Twelve RAFT clients sought assistance due to utility shut-offs. Uses of RAFT funds are shown in Figure 1.

**FIGURE 1: USES OF CMHA RAFT FUNDS, FY 2018**



## ESTIMATED SAVINGS FROM THE CMHA 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.<sup>9</sup> The income eligibility threshold for a family of three to receive Emergency Assistance was \$23,892. Approximately 67 percent of the

**TABLE 2: ESTIMATED EA SAVINGS FROM RAFT PROGRAM, FY 2018**

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%	8	\$ 292,772	\$ 27,571	\$ 265,201
25%	20	\$ 731,930	\$ 68,928	\$ 663,003
50%	40	\$ 1,463,861	\$ 137,855	\$ 1,326,006
75%	60	\$ 2,195,791	\$ 206,783	\$ 1,989,009
100%	80	\$ 2,927,722	\$ 275,710	\$ 2,652,011

families that received RAFT from CMHA in FY 2018, 80 households, had incomes below this threshold.<sup>10</sup> Table 2 shows estimated savings from the CMHA 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.<sup>11</sup>

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 Cinthia, her husband and their three children, ages seven, five and seven months.

*Cinthia and her family fled Puerto Rico shortly after Hurricane Maria devastated the island on September 20, 2017. They felt they had no other option as they struggled to find enough clean water and food for their three young children as supplies became increasingly scarce. Worried for their children's well-being, they accepted an offer from a relative to stay with them in Worcester. Cinthia's husband was able to secure employment after they arrived, but they had to use the disaster relief funds provided by FEMA to purchase a vehicle for his 45-minute daily commute. In the meantime, the landlord where they were staying asked them to leave and the family was forced to relocate to a hotel paid for by FEMA. As the first FEMA deadline for hotel benefits quickly approached, Cinthia and her family were able to find an apartment they could afford, but were not able to save enough for the first/last month's rent and security deposit the landlord required to lease up. Fortunately, they qualified for RAFT funding. CMHA provided funds that allowed them to secure the unit, and purchased beds for the family. They were able to move in shortly before Christmas, and enjoyed the holiday in a place of their own.*

## ABOUT CMHA

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Central Massachusetts Housing Alliance, Inc. provides a comprehensive set of homelessness prevention and rehousing services in Worcester County. Its programs include housing counseling, emergency shelter and assistance, education and workforce development for homeless families and elder home repair and maintenance. For more information, please contact Miurka Torres, 774-243-3831, mtorres@cmhaonline.org or Grace Carmark, 508-791-7265 ext.104, gcarmark@cmhaonline.org.

## REPORT FOOTNOTES

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- <sup>1</sup> All data on RAFT provided by CMHA and Tracker Systems, the Commonwealth's software vendor for the program.
- <sup>2</sup> U.S. Census, American Community Survey, 2013-2017, 5-year estimates.
- <sup>3</sup> 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.
- <sup>4</sup> 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.
- <sup>5</sup> A total of 322 households in Worcester received RAFT in FY 2018. RAFT assistance provided by all RAFT administering agencies to households in Worcester accounted for 1.6 percent of renters that pay more than 30 percent of their income toward housing costs in the city.
- <sup>6</sup> U.S. Census, American Community Survey, 2013-2017, 5-year estimates.
- <sup>7</sup> Both CMHA and RCAP Solutions, Inc. offer RAFT assistance in all towns in Worcester County. Families may apply for the program at either agency.
- <sup>8</sup> CMHA also provided \$1,590.50 in assistance to one family that moved outside the region.
- <sup>9</sup> Commonwealth of Massachusetts, Department of Housing and Community Development, DHCD EA Monthly Report, Statewide Summary, June 2018.
- <sup>10</sup> 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.
- <sup>11</sup> 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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