

THE MASSACHUSETTS RAFT PROGRAM

PREVENTING HOMELESSNESS, PROVIDING FAMILY STABILITY

A Report on the Residential Assistance
for Families in Transition Program,
Community Teamwork, Inc.,
Fiscal Year 2018



SUMMARY

Community Teamwork, Inc. provided assistance to 896 households through the RAFT program in FY 2018, representing a 25 percent increase over FY 2017. The average RAFT payment was \$2,477. Seventy-six households that received RAFT from CTI in FY 2018 also received assistance from the agency in FY 2017, accounting for more than ten percent of the families that received RAFT from CTI in FY 2017.¹

NEED FOR RAFT: HOUSING COSTS AND INCOME IN CTI'S SERVICE TERRITORY

Rental units account for approximately 36 percent of all housing in Essex County and 37 percent Middlesex County, but renters far outnumber homeowners in the largest communities that CTI serves. Sixty-nine percent of Lawrence residents live in rental units and nearly 55 percent of Lowell residents are renters.²

The 2018 HUD Fair Market Rent for a two-bedroom apartment is \$1,392 in Lowell and \$1,187 in Lawrence and Haverhill.³ To afford a two-bedroom apartment at the Fair Market Rent in Lowell, a household would need an annual income of \$55,680.⁴ The median income of the households that received RAFT from CTI in FY 2018 was \$20,190. The Fair Market Rent for a two-bedroom apartment in Lowell represents almost 83 percent of the household income of the typical recipient of RAFT in the area.

The households that received RAFT from CTI in FY 2018 are a very small percentage of the region’s residents struggling to pay for housing. In Haverhill, Lawrence and Lowell, at least 54 percent of renters—an estimated 27,807 households—pay more than 30 percent of their income toward housing costs. The families that received RAFT in these three communities in FY 2018 represent less than three percent of rent-burdened households. There are an estimated 7,531 households with children in Haverhill, Lawrence and Lowell living in poverty; more than 70 percent of these families are single mothers with children.⁵

CTI’S REGION BY THE NUMBERS

Families with Children Living in Poverty - Essex and Middlesex Counties	26,663
Poverty Level for Family of Three	\$ 20,780
Affordable Rent at Poverty Level	\$ 519
Fair Market Rent for Two Bedroom Apartment in Lowell	\$ 1,392
Rental Housing Vacancy Rate in Lowell	5.12 %

CTI’S RAFT PROGRAM

CTI administers the RAFT program in Essex County and parts of Middlesex County.⁶ In FY 2018, CTI provided a total of \$2,219,324 in RAFT assistance to 896 households. Households received RAFT from CTI in 15 communities. Eighty-four percent of households that received RAFT lived in Haverhill, Lawrence and Lowell, accounting for 82 percent of total assistance provided by CTI. Approximately one percent of all households in Lowell received RAFT in FY 2018, which represents the highest percentage of RAFT recipients in any municipality statewide.

TABLE 1: CTI RAFT ASSISTANCE BY COMMUNITY, FY 2018

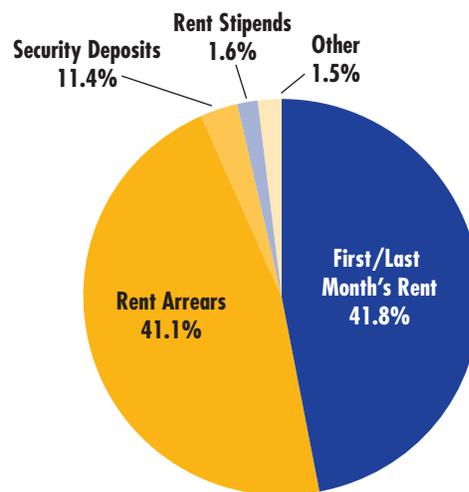
Town	Assistance	% of Assistance	Households	% of Households
AMESBURY	\$ 35,307	1.6 %	13	1.5 %
ANDOVER	\$ 4,000	0.2 %	1	0.1 %
BILLERICA	\$ 19,374	0.9 %	10	1.1 %
CHELMSFORD	\$ 28,137	1.3 %	17	1.9 %
DRACUT	\$ 47,465	2.1 %	18	2.0 %
HAVERHILL	\$ 465,016	21.0 %	174	19.4 %
LAWRENCE	\$ 458,668	20.7 %	176	19.6 %
LOWELL	\$ 907,084	40.9 %	401	44.8 %
MERRIMAC	\$ 2,800	0.1 %	1	0.1 %
METHUEN	\$ 148,310	6.7 %	45	5.0 %
NEWBURYPORT	\$ 3,600	0.2 %	1	0.1 %
NORTH ANDOVER	\$ 40,619	1.8 %	15	1.7 %
TEWKSBURY	\$ 27,467	1.2 %	10	1.1 %
TYNGSBORO	\$ 8,674	0.4 %	4	0.4 %
WESTFORD	\$ 22,803	1.0 %	10	1.1 %

Eighty-two percent of RAFT households that received assistance from CTI were headed by women. The typical households that received RAFT was a woman with two children. Seventy-two percent of heads of household that received RAFT identified as white, 21 percent as Black/African-American, and five percent as Asian. Thirty-nine percent identified as Hispanic/Latino. The average age for heads of household that received RAFT from CTI in FY 2018 was 36.

One hundred eighteen households without children under the age of 21 received RAFT from CTI in FY 2018, representing 13 percent of all RAFT households. On average, these households had 1.4 members, and their median income was \$15,042. The average age of these RAFT recipients was the same as CTI's RAFT heads of household overall. More than a dozen were young adults under the age of 25.

More than 52 percent of the households that received RAFT from CTI in FY 2018 were facing eviction. Thirty percent of households were living with other families and were asked to leave. Fewer than 13 percent of households that received RAFT from CTI in FY 2018 had subsidized housing, which is substantially lower than the statewide average. Uses of RAFT funds are shown in Figure 1.

FIGURE 1: USES OF CTI RAFT FUNDS, FY 2018



“RAFT expansion has been proven to be a terrific resource for households without minors. In the past, too many of these folks didn't qualify for the Emergency Solutions Grant program, as they could not meet the federal definition of homelessness. This forced individuals into shelter just to obtain this designation. These funds have also been used to help tenants with medical issues relocate to apartments that are safe and accessible.”

— Kristin Ross-Sitcawich, CTI

ESTIMATED SAVINGS FROM CTI'S 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 2018.⁷ The income eligibility threshold for a family of three to receive Emergency Assistance was

TABLE 2: ESTIMATED EA SAVINGS FROM CTI'S 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 %	47	\$ 1,707,300	\$ 160,780	\$ 1,546,520
25 %	117	\$ 4,268,250	\$ 401,951	\$ 3,866,300
50 %	234	\$ 8,536,501	\$ 803,901	\$ 7,732,599
75 %	352	\$ 12,804,751	\$ 1,205,852	\$ 11,598,899
100 %	469	\$ 17,073,002	\$ 1,607,803	\$ 15,465,199

\$23,892. Approximately 60 percent of the families that received RAFT from CTI in FY 2018, 469 households, had incomes below this threshold.⁸ Table 2 shows estimated savings from the CTI 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 Helen (not her real name) and her children:

“At the time I applied for RAFT, I had been displaced from my home due to domestic violence. My former spouse told me and my children – ages 2, 4 and 7 – to leave. We wound up staying with family and friends over the next few months, and then in a hotel. In the middle of all that was happening, I developed a heart condition, which reduced my hours at work as I went through treatment. I went to CTI’s workshop and they walked me through the process of apartment search. I finally found a place and RAFT was able to get me and my kids out of the hotel, into a new apartment, and back to work full time. If RAFT wasn’t available, I don’t know where we would be.”

ABOUT COMMUNITY TEAMWORK, INC.

CTI is a nonprofit Community Action Agency, regional nonprofit housing agency, and a community development corporation serving 63 cities and towns in Middlesex and Essex Counties. CTI provides a wide range of housing and other services, including but not limited to rental assistance and rental housing, housing and homebuyer education and information, emergency housing assistance, fuel assistance, and home modification loans. For more information, please contact Kristin Ross-Sitcawich, (978) 654-5617, or Kross@commteam.org.

REPORT FOOTNOTES

- ¹ All data on RAFT provided by CTI 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. In some areas of Essex and Middlesex County, the FMR is even higher at \$1,740 a month.
- 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 CTI offers RAFT assistance in the following towns: Amesbury, Andover, Billerica, Chelmsford, Dracut, Dunstable, Groveland, Haverhill, Lawrence, Lowell, Merrimac, Methuen, Newburyport, North Andover, Salisbury, Tewksbury, Tyngsborough, Westford, and West Newbury.
- ⁷ Commonwealth of Massachusetts, Department of Housing and Community Development, DHCD EA Monthly Report, Statewide Summary, June 2018.
- ⁸ 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.
- 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.

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