

THE MASSACHUSETTS RAFT PROGRAM

PREVENTING HOMELESSNESS, PROVIDING FAMILY STABILITY

A Report on the Residential Assistance
for Families in Transition Program,
RCAP Solutions, Fiscal Year 2018



SUMMARY

RCAP Solutions (RCAP) provided assistance to 400 households through the RAFT program in FY 2018. The average RAFT payment was \$2,658. Five households that received RAFT in FY 2018 also received assistance from the program in FY 2017, accounting for approximately two percent of the families that received RAFT from RCAP in FY 2017.¹

NEED FOR RAFT: HOUSING COSTS AND INCOME IN WORCESTER COUNTY

Worcester County is a large and diverse region, encompassing both rural and suburban communities as well as the Commonwealth's second-largest city. Across the county as a whole, 31 percent of residents are renters, but in the City of Worcester, rentals make up nearly 58 percent of housing units, and 54 percent of the population are tenants.²

The 2018 HUD Fair Market Rent for a two-bedroom apartment in the region ranges from \$922 in Athol and rural areas in Western Worcester County to \$1,276 in the eastern suburban communities. To afford a two-bedroom apartment at the 2018 Fair Market Rent of \$1,192 in the City of Worcester, a household would need an annual income of \$47,680.³ The median income of the households that received RAFT from RCAP in FY 2018 was \$17,220. Fair Market Rent for a two-bedroom apartment in Worcester represents more than 83 percent of household income for the average RCAP recipient of RAFT in Worcester County.

The households that received RAFT from RCAP in FY 2018 are a very small percentage of the area's residents who struggle to pay for housing. In Worcester County, nearly 49 percent of renters, representing a total of 49,155 households, pay more than 30 percent of their income toward housing costs. The families

that received RAFT from RCAP in FY 2018 represent less than one percent of rent-burdened households in the county.⁴ There are 11,162 families with children living in poverty in Worcester County; two thirds are female-headed households.⁵

WORCESTER COUNTY BY THE NUMBERS

Families with Children Living in Poverty	11,162
Poverty Level for Family of Three	\$ 20,780
Affordable Rent at Poverty Level	\$ 519
Fair Market Rent for Two Bedroom Apartment	\$ 922 - \$1,276
Rental Housing Vacancy Rate	5.1 %

RCAP'S RAFT PROGRAM

RCAP is one of two agencies that administers the RAFT program in Worcester County.⁶ In FY 2018, RCAP provided a total of \$1,063,267 in RAFT assistance to 400 households. Households in 29 communities received RAFT from RCAP in FY 2018. Approximately half of these households were in the city of Worcester.

Eighty-six percent of households that received RAFT from RCAP in FY 2018 were headed by women. The typical household that received RAFT was a woman with two children. Ninety percent of heads of household identified as white and nine percent as Black/African-American. Fifty-nine percent identified as Hispanic/Latino. The average age for heads of household that received RAFT from RCAP in FY 2018 was 37. Only 12 percent of households that received RAFT from RCAP had subsidized housing; this is much lower than the statewide average.

RCAP provided RAFT to 58 households that did not include children under the age of 21 in FY 2018. An overwhelming majority of these RAFT recipients were single-person households. Forty-one percent of these heads of household were men; the average age of these recipients was 50. Median income for these households was \$14,440. RCAP staff report that these households consisted of individuals that were chronically homeless, elderly or disabled, and persons displaced by disasters.

Thirty-eight percent of the households that received RAFT from RCAP in FY 2018 were facing eviction, mostly from private housing. A third were living with other families and were asked to leave. Fourteen percent experienced a housing crisis due to fire, flood or natural disaster, including 50 families that were displaced when Hurricane Maria hit Puerto Rico. Fourteen families had their utilities shut off and 12 households reported a crisis due to domestic violence. Uses of RAFT funds are shown in Figure 1.

FIGURE 1: USES OF RCAP RAFT FUNDS, FY 2018

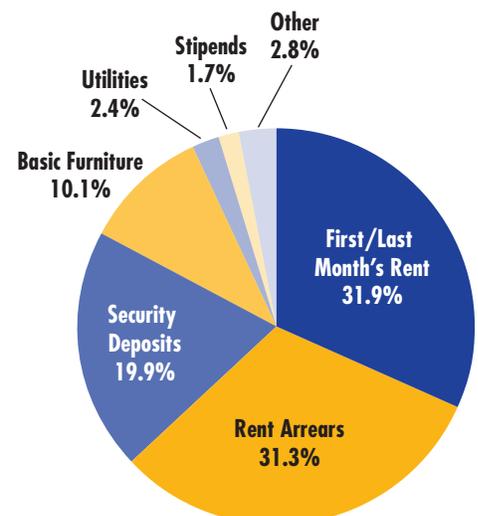


TABLE 1: RCAP RAFT ASSISTANCE BY COMMUNITY, FY 2018

Town	Assistance	% of Assistance	Households	% of Households
ATHOL	\$ 12,144	1.1 %	5	1.3 %
AUBURN	\$ 7,300	0.7 %	2	0.5 %
BARRE	\$ 1,950	0.2 %	1	0.3 %
CHARLTON	\$ 2,797	0.3 %	3	0.8 %
CLINTON	\$ 10,023	0.9 %	3	0.8 %
DUDLEY	\$ 2,400	0.2 %	1	0.3 %
FITCHBURG	\$ 121,758	11.5 %	46	11.5 %
GARDNER	\$ 36,790	3.5 %	13	3.3 %
GRAFTON	\$ 8,000	0.8 %	2	0.5 %
HARDWICK	\$ 5,979	0.6 %	2	0.5 %
HOLDEN	\$ 3,750	0.4 %	1	0.3 %
LEICESTER	\$ 7,150	0.7 %	2	0.5 %
LEOMINSTER	\$ 56,085	5.3 %	19	4.8 %
LUNENBURG	\$ 2,408	0.2 %	2	0.5 %
MILFORD	\$ 15,035	1.4 %	4	1.0 %
NORTH BROOKFIELD	\$ 4,000	0.4 %	1	0.3 %
NORTHBRIDGE	\$ 12,585	1.2 %	4	1.0 %
OXFORD	\$ 307	0.0 %	1	0.3 %
ROYALSTON	\$ 11,986	1.1 %	5	1.3 %
SHREWSBURY	\$ 4,529	0.4 %	2	0.5 %
SOUTHBOROUGH	\$ 4,000	0.4 %	1	0.3 %
SOUTHBRIDGE	\$ 103,479	9.7 %	44	11.0 %
SPENCER	\$ 10,170	1.0 %	2	0.5 %
STURBRIDGE	\$ 4,000	0.4 %	1	0.3 %
SUTTON	\$ 307	0.0 %	1	0.3 %
TEMPLETON	\$ 3,193	0.3 %	1	0.3 %
WEBSTER	\$ 38,414	3.6 %	16	4.0 %
WINCHENDON	\$ 3,193	0.3 %	4	1.0 %
WORCESTER	\$ 529,530	49.8 %	198	49.5 %

ESTIMATED SAVINGS FROM THE RCAP 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 \$23,892.

Approximately 74 percent of the families that received RAFT from RCAP in FY 2018, 251 households, had incomes below this threshold.⁸ Table 2 shows estimated savings from the RCAP 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

TABLE 2: ESTIMATED EA SAVINGS FROM THE RCAP 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 %	25	\$ 915,288	\$ 86,195	\$ 829,094
25 %	63	\$ 2,288,221	\$ 215,487	\$ 2,072,734
50 %	126	\$ 4,576,442	\$ 430,974	\$ 4,145,468
75 %	189	\$ 6,864,663	\$ 646,461	\$ 6,218,203
100 %	251	\$ 9,152,884	\$ 861,948	\$ 8,290,937

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 Carlos and his family.

Carlos and his family, including four children, were displaced by Hurricane Maria, which devastated Puerto Rico in September 2018. Carlos worked full-time in Puerto Rico, and was able to support his family, but the storm completely destroyed his house and community. They evacuated to Massachusetts, where they initially stayed in a hotel, then with friends. RCAP used RAFT to pay for first and last month's rent, a security deposit and basic furniture for their own apartment. With stable housing, Carlos was able to find work. He has since received a promotion, and RCAP staff report that he is now enrolled in a first-time homebuyer's class as the family prepares to purchase a home.

ABOUT RCAP

RCAP Solutions provides a range of services to communities, individual and families, primarily but not exclusively in central Massachusetts. RCAP's housing programs include affordable rental units, rental assistance, property management, homelessness prevention, housing education, and counseling for homebuyers, homeowners and tenants. For more information, please contact Jahaira Gonzalez, (978) 630-6610, jgonzalez@rcapsolutions.org.

REPORT FOOTNOTES

- ¹ Data on RAFT provided by RCAP and Tracker Systems, the Commonwealth's software vendor for the program.
- ² U.S. Census, American Community Survey, 2013-2017, 5-year estimates.
- ³ 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.
- ⁴ A total of 535 households in Worcester County received RAFT in FY 2018. RAFT assistance provided by all RAFT administering agencies to households in the county accounted for 1.1 percent of renters that pay more than 30 percent of their income toward housing costs in the region.
- ⁵ U.S. Census, American Community Survey, 2013-2017, 5-year estimates.
- ⁶ Both RCAP Solutions and Central Massachusetts Housing Alliance, Inc., offer RAFT assistance in all towns in Worcester County. Families may apply for the program at either agency.
- 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.