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Rapid Re-Housing of Families Experiencing Homelessness in Massachusetts: Maintaining Housing Stability

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MAINTAINING HOUSING STABILITY

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See inside back cover for more information about CSP and the six agencies that contributed to this report.

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RAPID RE-HOUSING OF FAMILIES EXPERIENCING HOMELESSNESS IN MASSACHUSETTS:

MAINTAINING HOUSING STABILITY

EXECUTIVE SUMMARY

The American Recovery and Reinvestment Act of 2009 ("Recovery Act") provided $1.5 billion for the Homelessness Prevention and Rapid Re-Housing Program (HPRP), a temporary program that addressed both homelessness prevention and rapid re-housing of families already experiencing homelessness. The U.S. Department of Housing and Urban Development (HUD) allocated $44.5 million, including $26.1 million to individual Massachusetts communities and $18.4 million to the Commonwealth of Massachusetts.[1] Of its funds, the state allocated $8.3 million for rapid re-housing of families who were living in shelters or motels.[2] This report explores the experiences of 486 of these families who received rapid re-housing assistance from six agencies in four regions of the state. The Center for Social Policy (CSP) at the University of Massachusetts–Boston analyzed data about these families to develop a profile of the characteristics of participant families, their assets and barriers related to housing and economic stability, and housing outcomes after 12 to 18 months of program participation. In addition, CSP also completed interviews with staff of each agency, a focus group of Boston area staff, and a detailed review of a selection of case files to provide additional, rich details about the circumstances of individual families.

BACKGROUND

Communities and states had flexibility to design programs that met local needs and conditions. In Massachusetts, housing affordability is an acute problem. Massachusetts housing costs are among the highest in the country,[3] and 34 percent of homeowners and 49 percent of renters in the Commonwealth pay more than 30 percent of their income toward housing,[4] creating conditions in which a sudden loss of income can cause housing instability. With an increase in the state's unemployment rate from a low of 4.4 percent in February 2008 to a peak of 9.5 percent in January 2010,[5] many Massachusetts families have been economically threatened. According to the American Community Survey, the number of persons in poverty in the state increased from 10.0 percent in 2008 to 11.4 percent in 2010, a 14 percent increase in the number of people in poverty. The unemployment rate for those 16 and older in poverty increased from 25 percent to 37 percent over the same period.[6]

For some families already struggling to get by, the result was homelessness, and many turned to the state for assistance. Massachusetts is the only state[7] in which all families who meet eligibility requirements[8] can access the shelter system through the state's Emergency Assistance (EA) program. Because there are no limits on the number of families who can be served by the EA program, the number of eligible families increases and outstrips shelter capacity in times of economic crisis. When this occurs, the state has housed families in motels, as it did from 2001 to 2004.[9] In September 2008, 1,857 families were housed by the Massachusetts shelter system. A year later, this number had increased to 3,227, and of these, 1,015 families were housed in motels.[10]

At the same time that pressure was being placed on the EA program, the state was implementing a "Housing First" approach to homelessness, first outlined in 2007 by the Special Commission Relative to Ending Homelessness in the Commonwealth. The Commission recommended 1) **preventing homelessness**, 2) **increasing housing stability** for those who experience homelessness including (but not limited to) rapid re-housing, and 3) providing programming that would lead to **economic stability**.[11] Under a Housing First model, the need for shelters would decline, though costs would still be incurred for housing and stabilization services.

The Massachusetts HPRP built on the 2007 Commission's recommendations of homelessness prevention and housing stability. For families housed in motels, the goal was to provide short-term rental assistance and other services intended to provide a path toward long-term housing stability. For this program, "successful" outcomes were 1) a family secures a long-term housing subsidy (public housing, project-based subsidized housing or a housing voucher funded by HUD or

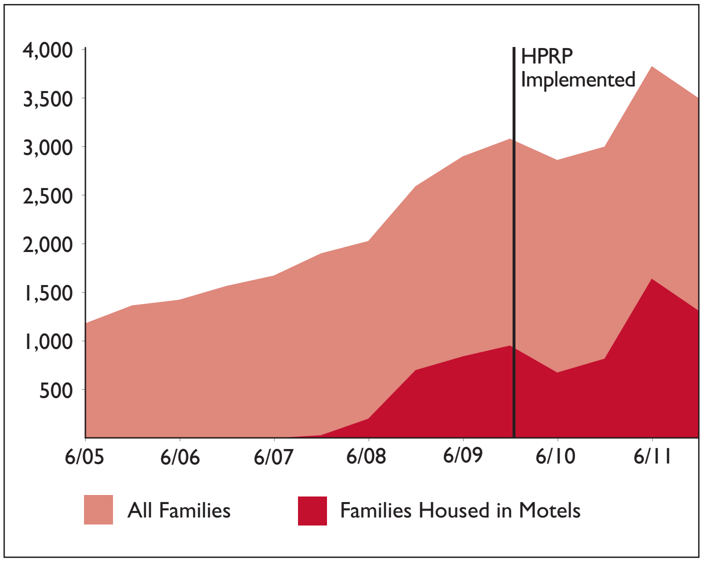

FIGURE 1: Families served by emergency assistance from June 2005 to December 2011

Source: Massachusetts Department of Housing & Community Development

the Commonwealth of Massachusetts) or 2) a family is able to increase its income sufficiently to afford a market rent. [12]

In addition, the Massachusetts HPRP addressed the urgent need to reduce the number of families housed in motels. This report focuses on the families re-housed with state HPRP funds served by six agencies in four regions of Massachusetts: Central Massachusetts, Greater Boston, Southeastern Massachusetts and Western Massachusetts, highlights the successes and challenges of the program as families sought to secure and maintain stable, long-term housing, and how agencies helped them to do so.

The HPRP is just one component of the shift from a shelter-based approach to homelessness to an approach focused on housing stability, known as "Housing First." HPRP's successor, the Massachusetts HomeBASE program, is built on a similar philosophy, and this report provides policy and programmatic recommendations that could be helpful in the future.

SUMMARY OF FINDINGS

Under federal guidelines, HPRP families could receive up to 18 months of rental subsidy. Given this short-term approach, families would have to significantly increase their incomes to afford market-rate rent by the end of the subsidy period. To put this expectation into perspective, consider that the HUD FY2011 Fair Market two-bedroom rents ranged from $888 in Western Massachusetts (Springfield) to $1,349 in Greater Boston.[13] At 30 percent of income to rent, a family would need a monthly income of $2,960 to $4,497 to afford these rents without a subsidy.

Families participating in the HPRP faced considerable challenges to reaching this level of income.

- Families entered the program with very low incomes; the average monthly income for all HPRP families was $727 ($8,728 annually), and faced a large gap between their incomes and what they would need to afford local Fair Market Rents.
- Less than one-fourth (22 percent) of all families had wage income at program entry, and almost three-fourths of the families received Transitional Aid to Families with Dependent Children (TAFDC), Supplemental Security Income (SSI), and/or Social Security Disability Insurance (SSDI).
- Even if every HPRP participant were able to secure employment, only those with at least a bachelor's degree could expect to afford the $53,960 in annual income necessary to support a FY2011 $1,349 Fair Market Rent in Greater Boston. Even where rents were lower, such as in Springfield, a family would need an annual income of at least $35,520. Median annual earnings in Massachusetts for those who have completed a bachelor's degree were $52,457 in 2010, compared to $31,030 for someone who had only completed high school.[14] However, that level of academic achievement was not common among the HPRP families. Most had completed high school (71 percent), but less than 30 percent of them had any post-secondary education.[15]

A number of participant families had other characteristics that might present challenges to increasing their incomes or securing tenancies. For example:

- Families were often headed by young women with young children. These mothers needed reliable childcare to participate in full-time employment, education or job training. The median age of the heads of households was 28, and 89 percent were headed by women. In Greater Boston and Western Massachusetts, 32 percent and 54 percent, respectively, had infants or toddlers in their home.

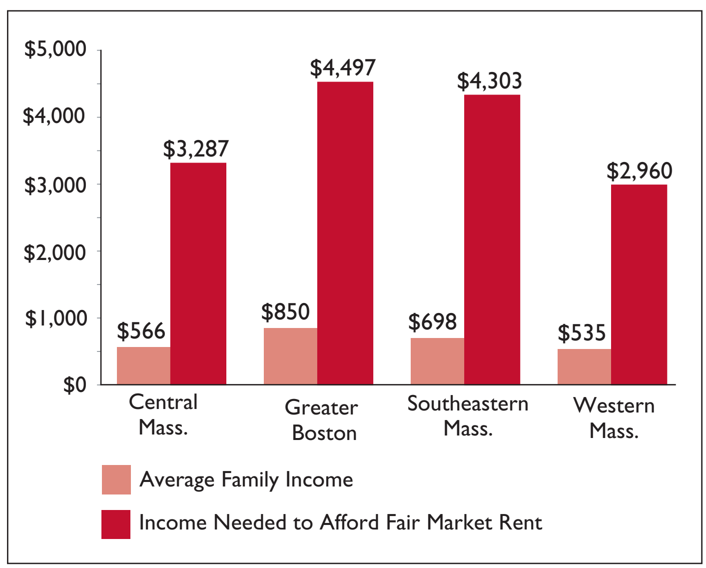

FIGURE 2: Gap in average monthly incomes of HPRP families at entry into HPRP and income needed to afford FY2011 two-bedroom fair market rents, by region

Sources: HPRP Family Data (N=486); Author's Calculations Based on FY2011 HUD Fair Market Rents

- Property owners look at a number of factors before approving tenants, including previous rental history, credit history and CORI records. Detailed data for Greater Boston families revealed that some of the households had difficulties in these areas; 37 percent of families had no rental history, 52 percent reported that they had problematic credit histories, and 17 percent reported potential problems with CORI records.

SERVICES PROVIDED BY HPRP AGENCIES

In recognition of the challenges that families might face as they attempted to stabilize their housing and personal situations, the HPRP[16] authorized provision of financial assistance that could cover short- and medium-term rental assistance for up to 18 months, first/last month's rent, rent arrears, security deposits, utility deposits and/or payments, and moving costs. Housing relocation and stabilization services could also be provided in the form of case management, housing location services, legal services, and credit repair to help people stay in homes.

Case management and stabilization services at the six agencies in this study focused on issues related to securing and maintaining stable housing. During the period leading up to leasing, the agencies typically offered referrals to apartments and encouraged landlords to accept HPRP participants as tenants. Agencies also provided referrals and assistance to assure that participants secured government benefits for which they were eligible. During tenancy, the agencies intervened if trouble arose that could threaten housing stability. In these cases, they negotiated with landlords to address rent arrears or forestall eviction or assisted participants to address utility arrearages. Three agencies offered workforce development supports, while others relied on other local organizations to do so, but extensive programming that might further income growth of participants was not a feature of the HPRP. The agencies did not directly provide other assistance that participants might need, but provided referrals where appropriate—e.g., education, medical care, mental health services, substance abuse treatment, childcare, and/or transportation. The agencies could have contracted for such services, but limited funds meant that this approach was not used.

HOUSING OUTCOMES FOR HPRP PARTICIPANTS

The HPRP was based on the premise that with some financial and case management assistance, participants could maintain housing stability and ideally manage on their own when the program ended. For most families, housing stability did occur, even though many were dealing with issues that could have been problematic. As of December 2011, more than four-fifths (81 percent) of the families were living independently, with or without a subsidy, in stable housing settings. This group included four percent of families who had become over-income and left the program to manage their housing arrangements without subsidy, and 14 percent who were able to access permanent housing subsidies. More than three-fifths of the families (63 percent), although living independently, received continuing support from HPRP funds and state sources, including Flex Funds, rental vouchers, and the new HomeBASE program.

Nine percent of the families left the program on their own for a wide range of reasons, including moving out of state, moving in with family members, death, consequences of domestic violence, and abandonment of the apartment. Only ten percent were terminated for cause.

This result is consistent with the experiences of HPRP participants across the country. National results for the HPRP showed that 87.5 percent of those who received rapid re-housing assistance were living independently in apartments rented by clients, with or without a subsidy, at program exit. The national report, however, did not distinguish between those who continued to receive subsidies (short- or long-term) and those who did not.[17]

Other interpretations of the findings are also useful. Only four percent of families transitioned off of housing assistance because their incomes increased enough to do so, but the future may not be secure for them. These families were no longer eligible for rental assistance, but still did not have the incomes necessary for long-term housing stability. They often faced "cliff effects" when their subsidies ended, and they had to spend considerably more of their incomes for rent than before.

The families that remained on short-term subsidies were kept out of the shelter system, but remained uncertain about their future because there were no guarantees that the state would continue to provide a subsidy after HPRP funds were depleted. Finally, the low percentage of families that accessed permanent housing subsidies reflected the dearth of such housing options in Massachusetts.

The vast majority of families remained stably housed with a continuing short- or long-term subsidy. This is a realistic outcome based on the typical income and education profiles of families at program entry.

POLICY RECOMMENDATIONS

The findings from this study suggest the following recommendations for future homelessness prevention and rapid re-housing programs:

- *Maintaining housing stability for families eligible for the Emergency Assistance (EA) program depends on some form of rental subsidy, for longer periods of time.* To assist in ensuring housing stability and increased incomes, short-term rental assistance should be available for more than one year and renewed in yearly increments, particularly in areas with high housing costs. There is a significant difference between the income of families when they entered the HPRP and the income needed to support market-rate rents. As a result, one-year shallow subsidies are insufficient for most families who move from shelter to housing.

While national figures on the HPRP failed to distinguish between those who had "graduated" to market-rate housing, those who had secured a long-term subsidy and those who continued to rent with a short-term subsidy, our findings explore this difference. With 63 percent of Massachusetts HPRP families still dependent upon short-term subsidies, it is clear that assistance is needed for a longer period, either as a bridge to a long-term subsidy, or for the family to take the steps necessary to increase their incomes substantially.

- *Experienced housing service agencies with established property owner relationships are well suited to re-house families and support their housing stability.* The housing quality requirements of the subsidy programs assure that program participants rent affordable apartments that meet health and safety standards. In addition, such agencies can play active roles in tenancy preservation by serving as mediators between tenant and landlord, and actively intervening in cases where eviction is likely.
- *Income growth can be a key to long-term family stability without permanent housing subsidy. If income growth is established as a primary goal for program participants, the Commonwealth should support services that go beyond housing stability.* Because EA program guidelines require that families have incomes less than 115 percent of the Federal Poverty Level, any family requiring assistance will face a large gap between its income and the income required to afford a market rent. If incomes are to be addressed, all families who receive prevention, diversion or rapid re-housing services should have their long-term needs assessed, related to the dual goals of housing stability and economic security. The system should tap into and coordinate existing agencies and these agencies' varying expertise to address the needs of families. Such a system would benefit from the following:
  - *A standardized form for assessment and ongoing data tracking is instrumental whether it is at the point of homelessness prevention, diversion, or re-housing,* and it would eliminate duplicative intake efforts, increase the likelihood that a family would receive the most appropriate services, and create a tool to evaluate, in a consistent manner, the effectiveness of various programs, services, and approaches to ending homelessness.
  - *Ongoing family assessments.* Such assessments build trust between a family and the housing service agency, and provide opportunities to access programs and resources as circumstances change.
  - *Additional funding for stabilization services,* to be provided by administrating agencies in collaboration with other organizations. Eligible services and contracts should include programs focused on education, workforce and asset development.
- *Manageable caseloads.* Because of the large caseload sizes under the HPRP, agencies often found that they were only able to focus on initial placement and crisis intervention/management.
- *Improved program efficiency.* Administration of such programs could be improved by requiring income recertification annually or every six months rather than quarterly. The paperwork needed from public income sources and the time required to complete it make frequent recertification burdensome to staff and families alike, taking time from more valuable stabilization services.
- *Address program disincentives that discourage families from leaving the program.* For example, increasing family income should be a desirable goal. However, the "cliff effects" associated with program exit can be burdensome to a family if the portion of income it will spend on rent is much greater than the growth of its income. This situation can threaten fragile economic security and stall transition off of the program.
- *Pursue further research that can inform program and policy design and modification.* For example, a deeper understanding of the relationship between programmatic supports as well as disincentives and barriers for families is important. For example, it would be useful to pursue additional analysis of:
  - The relationship between housing stability services and housing outcomes for families;
  - The effectiveness of workforce development programs for increasing incomes of participant families;
  - The impact of "cliff effects" (potentially steep and sudden increases in rents when family incomes increase) on participant behavior; and
  - The relationship between the availability of reliable and affordable child care, and outcomes for families.
- *Increase Affordable Housing in the Commonwealth.* In addition, efforts should continue at the local, state and federal levels to increase the availability of housing affordable to families who have low and moderate incomes, including:
  - *Increase the provision of a continuum of housing opportunities,* such as short-term rental assistance, housing with transitional services, rental subsidies, and subsidies with services attached, and ensure that families receive housing and housing services according to need.
  - *Increase the availability of federal ("Section 8") and state (MRVP) rental vouchers, thus providing long-term affordable housing, shortening the time on short-term subsidies.* At the federal level, the current political climate is not positive for increased resources.[18] At the state level, Governor Patrick's FY2013 proposal[19] to increase funding to MRVP by $10.04 million (a 28 percent increase) is a positive step.
  - *Preserve and maintain existing public housing.*
  - *Continue broad efforts to increase the overall supply of housing,* with services as needed, affordable to those who have the lowest incomes through development grants, financing mechanisms and zoning policy.

BACKGROUND TO THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM: THE FEDERAL CONTEXT

The Homelessness Prevention and Rapid Re-Housing Program (HPRP) was established as part of the American Recovery and Reinvestment Act of 2009 ("Recovery Act") and provided $1.5 billion in funding to ". . .either prevent individuals and families from becoming homeless or help those who are experiencing homelessness to be quickly re-housed and stabilized."[20] In addition, "HUD also expects that these resources will be targeted and prioritized to serve households that are *most in need of this temporary assistance and are most likely to achieve stable housing, whether subsidized or unsubsidized, outside of HPRP after the program concludes* [emphasis added]."[21]

HPRP funds, as part of the Recovery Act, were intended to be spent quickly. The U.S. Department of Housing and Urban Development (HUD) was required to obligate all funds by September 30, 2011. Therefore, HUD required grantees to spend at least 60 percent of their funds within two years, and to have 100 percent spent within three years.[22]

Funds could be used for:[23]

- Financial assistance, including rental assistance (up to 18 months), security deposits, utilities, moving costs and motel vouchers (up to 30 days);
- Housing relocation and stabilization services, including case management, outreach and engagement to recruit applicants, housing search and placement, legal services for housing issues and credit repair;
- Costs related to data collection and evaluation related to HUD's Homeless Management Information Systems (HMIS); and
- Program-related administrative costs.

Communities were given significant latitude to create a program that met local needs, including a combination of approaches to homelessness and homelessness prevention. As a result, one community could focus on homelessness prevention through one-time payments of rent and utility arrearages, while another could use the funds to pay for all or a portion of a family's current rent. Regardless of the type of assistance provided, program participants could not have incomes in excess of 50 percent of Area Median Income (for example, for FY2010, for a family of three, the income limit was $35,300 in Springfield and $41,350 in Boston).[24] Participants also had to be currently homeless (as defined by existing HUD guidelines) or likely to become homeless "but for" such assistance,[25] and participants' incomes were to be recertified every three months.

BACKGROUND TO THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM: CHANGING APPROACHES TO HOMELESSNESS IN MASSACHUSETTS

Of the $1.5 billion available nationally, HUD allocated $26.1 million to Massachusetts communities and $18.4 million to the Commonwealth of Massachusetts, for a total of $44.5 million statewide.[26] Because HUD provided flexibility to its state and local grantees, the HPRP would be carried out differently in each community. In Massachusetts, the HPRP was implemented in a context where eligible families were guaranteed shelter assistance, existing homelessness programs were being reformed, and housing costs were and continue to be high.

Through the state's Emergency Assistance (EA) program, Massachusetts provides services to any family experiencing homelessness who meets eligibility criteria. There is no limitation to the number of families who can participate. Massachusetts is the only state with such an entitlement,[27] though families must meet certain definitions of homelessness and have income less than 115 percent of the U.S. poverty standard (less than $16,756 annually for a family of two for calendar year 2010).[28]

Because there is no cap on the number of families served, in times of economic crisis the number of eligible families increases, outstripping shelter capacity. When this occurs, the state has housed families in motels. From mid-2004 to mid-2007, there were no families living in motels,[29] but with the onslaught of the "Great Recession," the number of persons in poverty in the state increased 14 percent from 2008 to 2010,[30] and families experiencing homelessness increased both nationally[31] and locally, with the number of families receiving EA shelter in Massachusetts increasing from 1,857 in September 2008 to more than 3,227 in September 2009.[32] Again, motels were needed, and the number of families housed by the Commonwealth of Massachusetts in motels at any given time rapidly increased to more than 1,000 during fall 2009.[33] At the time, this cost the state $2,433 a month per family.[34] Due in large part to the need for 24-hour staffing, shelters were more expensive, at $3,559 per family per month.[35] Placement of families in apartments appeared to be a more affordable alternative. The state would see cost savings; even if the state paid the full rent of a two-bedroom apartment in Greater Boston of $1,357 per month per family (additional services and case management are not included in this cost).[36]

At the same time that pressure was being placed on the EA program, the state was in the process of implementing reforms to the program. In late 2007, the Special Commission Relative to Ending Homelessness in the Commonwealth developed a five-year plan with the goal of ending homelessness by 2013. The

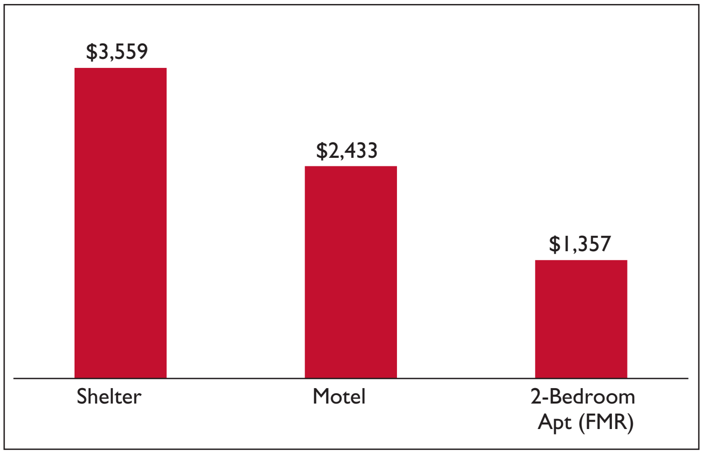

FIGURE 3: Monthly costs per family, 2010

Source: MA Dept. of Housing & Community Development, US Dept. of Housing & Urban Development

Commission's plan called for implementing a "Housing First" approach that would 1) **prevent homelessness**, 2) **increase housing stability** for those who experience homelessness including (but not limited to) rapid re-housing, and 3) provide programming that would lead to **economic stability**.[37] Housing First represents a move from a shelter-based system to a housing-based system. The National Alliance to End Homelessness defines Housing First as "an approach to ending homelessness that centers on providing homeless people with housing as quickly as possible–and then providing services as needed."[38] Under such a system, the need for shelter space (and costly motel rooms) declines significantly, and costs shift to stabilization services plus funds for housing (e.g., start-up cost and rental assistance).

Implementing a Housing First strategy has a number of challenges. First and foremost is that the EA program in Massachusetts does not cap the number of participants, but permanent, affordable housing is limited. For example, those hoping to get a housing voucher (mobile federal rental assistance) must wait years, not months, and there are approximately 100,000 households on the state's centralized housing voucher wait list. In addition, market rents are out of reach to EA eligible families. According to the 2010 American Community Survey, the median Massachusetts contract rent for all apartment sizes was $896 (fifth highest among the 50 states). At 30 percent of income applied to rent, a family would need to earn $35,840 annually, well above the EA income limits of $16,576 for a family of two or $21,057 for a family of three. The shortage of affordable housing makes the Commission's third goal, increasing economic stability, crucial for families' long-term stability.

Despite these structural challenges, the state began to implement the Commission's recommendations, including moving the EA program from the Department of Transitional Assistance to the Department of Housing and Community Development, and creating regional coordinating agencies. Funding would be restructured to fund three areas: homelessness prevention, diversion (families who apply for the EA program are provided services to maintain housing stability before they enter a shelter), and rapid re-housing of EA-eligible families housed in shelters and motels.

THE IMPLEMENTATION OF THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM

The Homelessness Prevention and Rapid Re-Housing Program (HPRP) provided the opportunity for Massachusetts to more fully develop the Housing First model. With $44.9 million in HPRP funds allocated to local communities and to the state as a whole, the Massachusetts Department of Housing and Community Development, in consultation with local HUD grantees, worked together to define funding priorities. Of the Commonwealth's $18.4 million in funding, $17 million was made available through a Request for Responses (RFR) in July 2009. Seventy percent of program funds were allocated to rapid re-housing. Of these funds, $8.3 million in funds were made available to the rapid re-housing of families experiencing homelessness.[39] It is this program that is the focus of this report.

Six agencies that used state funding to rapidly re-house families experiencing homelessness were:[40]

- Central Massachusetts Housing Alliance (CMHA) and Montachusett Opportunity Council (MOC), serving Central Massachusetts;
- Father Bill's & MainSpring (FBMS), serving Southeastern Massachusetts;
- HAPHousing (HAP), serving Western Massachusetts; and
- Metropolitan Boston Housing Partnership (MBHP), with its partner Heading Home, serving Greater Boston.

TABLE 1: HPRP funds made available by the Commonwealth of Massachusetts, by household and program type, 2009

	Homelessness Prevention	Rapid Re-Housing	Total, by Household Type
Individuals	$1,551,000	$3,552,000	$5,103,000
Families	$3,619,000	$8,288,000	$11,907,000
Total, by Program Type	$5,170,000	$11,840,000	$17,010,000

Source: Massachusetts, Department of Housing and Community Development (2009a). Request for Responses (RFR) for Homelessness Prevention and Rapid Re-Housing Program (HPRP).

At MBHP, Heading Home and HAP, the program focused on re-housing families living in motels, while CMHA, MOC and FBMS focused on families housed in shelters. This report presents a profile of families served by those agencies, based on data for 486 families re-housed beginning in December 2009. It also describes the services that families received from the agencies.

"SUCCESS" FOR HPRP FAMILIES

The Commonwealth's 2009 HPRP RFR stated two goals: 1) "Immediate and sustained reduction in the number of families in hotels and motels," and 2) "Continue the work begun through the ICHH to build out the DHCD 'architecture' in all EA regions."[41] This first goal was clear and drove the efforts of the HPRP agencies. The second goal was tied to implementation of the overall goals of creating and maintaining housing stability through prevention, diversion and re-housing efforts.

In this context, success meant re-housing families and then assuring their housing stability, including assistance to maintain the new tenancy, thereby keeping a family from reentering shelter or a motel, and providing families a path toward long-term stability. With long-term stability as a measure of success, the two "successful" outcomes are 1) a family secures a long-term housing subsidy (public housing, project-based subsidized housing or a housing voucher funded by HUD or the Commonwealth of Massachusetts) or 2) a family is able to increase its income sufficiently to afford a market rent.

The first of these outcomes, *housing stability through a housing subsidy* can be addressed alone without addressing economic stability, but the second outcome, *housing stability while paying market rents*, is difficult without a certain level of economic stability. Although the 2007 recommendation of the Special Commission to End Homelessness in the Commonwealth explicitly called for asset and workforce development programs that would be necessary to support families striving to increase their economic stability,[42] the state's 2009 RFRs to implement the HPRP focused on housing stability,[43] reflecting HUD's guidelines for the HPRP.[44]

THE HPRP FAMILIES: THEIR CHARACTERISTICS, OPPORTUNITIES AND BARRIERS

This report focuses on the characteristics and outcomes for families who participated in the rapid re-housing component of the HPRP at six agencies in four regions of the state: Greater Boston (251 families), Central Massachusetts (84 families), Southeastern Massachusetts (72 families), and Western Massachusetts (79 families). Where possible, the following portrait relies on data from all six agencies. Participating agencies kept different types of data on families, and the researchers had varying levels of access to this data. Therefore, some details rely on data from only a few agencies.

The scope of this report is limited to those families who received rental assistance from the state rapid re-housing HPRP. It does not include those who received homelessness prevention services, or those who received assistance from the federal HPRP funds allocated directly to 20 Massachusetts cities.

Throughout this discussion, the HPRP families are compared with Massachusetts families living in poverty during 2010, because 87 percent of the HPRP families included in this report had incomes below the poverty level at program entrance.

In summary, we see a group of families that entered the program with a low average family income of $727 per month ($8,727 annually), and that faced a large gap between their incomes and what they would need upon exit to afford local Fair Market Rents (FMR). Only 22 percent had wage income at program entry and 74 percent of the families received Transitional Aid to Families with Dependent Children (TAFDC) support, Supplemental Security Income (SSI) and/or Social Security Disability Insurance (SSDI). In addition, while 71 percent had completed high school or the General Educational Development (GED) tests, less than 30 percent of them had any post-secondary education. Many had limited rental histories, and of those who had experience in the rental market, some had difficulties with previous landlords.

Women under the age of 30 typically headed the families, and the households had an average of 2.7 members. The racial/ethnic profile of the participants was quite varied, with 29 percent white participants, 34 percent Hispanic (or Latino), 34 percent Black or African-American and three percent of other races.

Total Income at Program Entry

The average monthly income for all HPRP families was $727 ($8,727 annually), and ranged from $535 ($6,423 annually) for Western Massachusetts participants to $850 ($10,200 annually) for Greater Boston participants. These averages were significantly less than the maximum income for 2010 EA eligibility of $16,756 for a family of two and $21,057 for a family of three.[45] In addition, the gap between HPRP families' incomes and what they would need upon exit to afford local FMRs (at 30 percent of income to rent) is dramatic.[46] The gap between the Western Massachusetts average income and the income needed to afford a two-bedroom apartment in Springfield is $2,425, and the gap for Greater Boston is $3,647.

Employment and Wage Income at Program Entry

Only 22 percent of HPRP families had employment income at program entry. These families had an average monthly income of $1,050 ($12,600 annually). The percent of families with wage income varied widely by region. Only 10 percent of Central Massachusetts families had wage income, while 36 percent of those in Southeastern Massachusetts had wage income at program entry. Greater Boston families had the lowest monthly incomes ($952), compared to $1,307 for Southeastern Massachusetts families. Data is insufficient to determine the reason for this difference, though one possible explanation is that a higher percentage of Greater Boston participants had part-time, rather than full-time work.

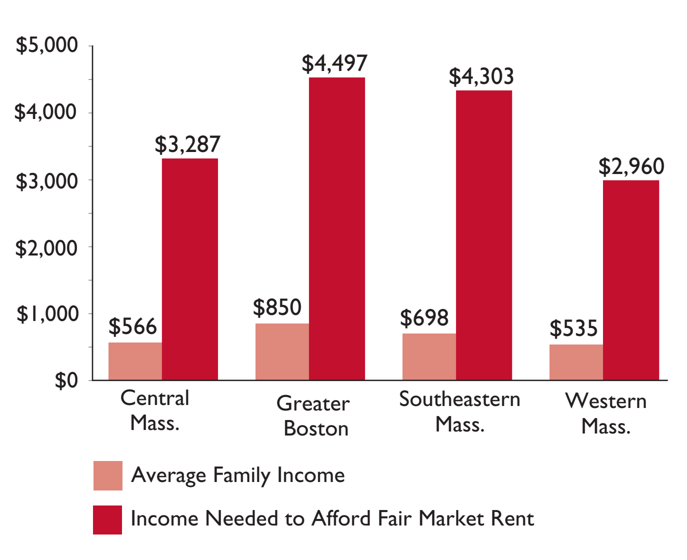

FIGURE 4: Gap in average monthly incomes of HPRP families at entry into HPRP and income needed to afford FY2011 two-bedroom fair market rents, by region

Sources: HPRP Family Data (N=486); Author's Calculations Based on FY2011 HUD Fair Market Rents

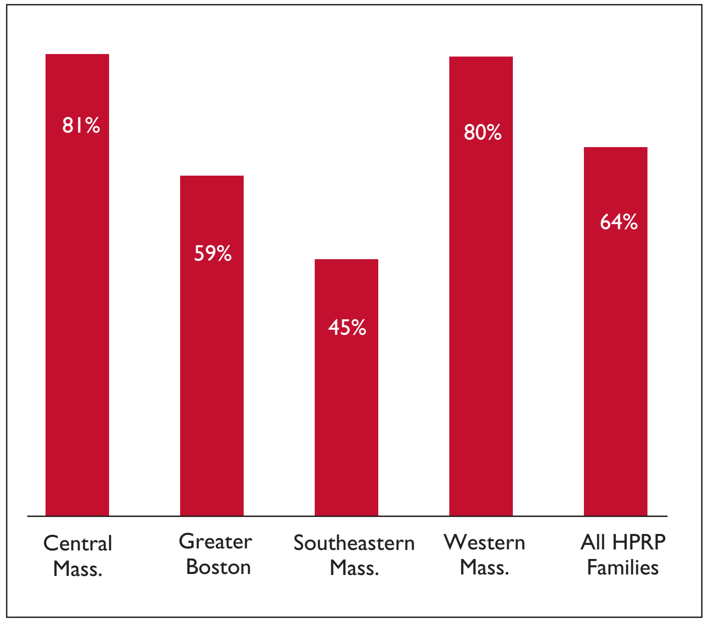

FIGURE 5: Percent of HPRP families receiving TAFDC at entry, by region

Source: HPRP Family Data (N=486)

TABLE 2: Average monthly income and percent of HPRP families, with wage income, by region

Region	Avg. Monthly Income[47] (of those with Wage Income)	Percent of Families with Wage Income
Central Mass.	$1,072	10%
Greater Boston	$952	24%
Southeastern Mass.	$1,307	36%
Western Mass.	$1,019	15%
All Families	$1,050	22%

Source: HRPR Family Data (N=486)

The HPRP families were less likely to be employed than other Massachusetts families in poverty. The 2010 American Community Survey provides similar data for those in poverty, but asks whether a family member has worked in the previous year. For Massachusetts families in poverty as a whole, 45 percent had a family member work sometime during the previous year, but only eight percent had worked full-time, year round.[48]

Additional Sources of Income at Program Entry

HPRP families were much more likely to receive income from public sources than from employment wages. TAFDC, otherwise known as welfare, was received by 64 percent of families. Families who received TAFDC had an average monthly income (including all sources) of $598. While 45 percent of Southeastern Massachusetts families received TAFDC, 80 percent of Western Massachusetts and 81 percent of Central Massachusetts families received TAFDC.

People with disabilities can receive SSI or SSDI, people over the age of 62[49] and their dependents can receive social security. SSI and SSDI provided income to 16 percent of families, whose average monthly income was $1,025. SSI and SSDI are the most stable income sources available to most families but are insufficient to support market-rate rents. To secure stable housing, the family would need to secure a long-term housing subsidy or additional income. Combined, 74 percent of families surveyed accessed TAFDC, SSI and/or SSDI, compared to 43 percent of Massachusetts families in poverty.[50]

Child support was not a primary source of income for HPRP families. Of all HPRP families, only ten percent reported child support income, with only three percent of Southeastern and Western Massachusetts families with such incomes, compared to 13 percent of Central Massachusetts and Greater Boston families.

Eleven percent of families received unemployment compensation, and these families had an average monthly income of $1,116. Theoretically, those on unemployment had been employed recently and may be more prepared and likely to return to the job market and then be more likely to afford a market-rate rental at the end of the HPRP. None of these families, however, were among the few who became over-income and exited the HPRP.

Potential for Reaching Housing Stability through Increased Income

Because one route to housing stability, a long-term housing subsidy, is limited by current resources, the other route to

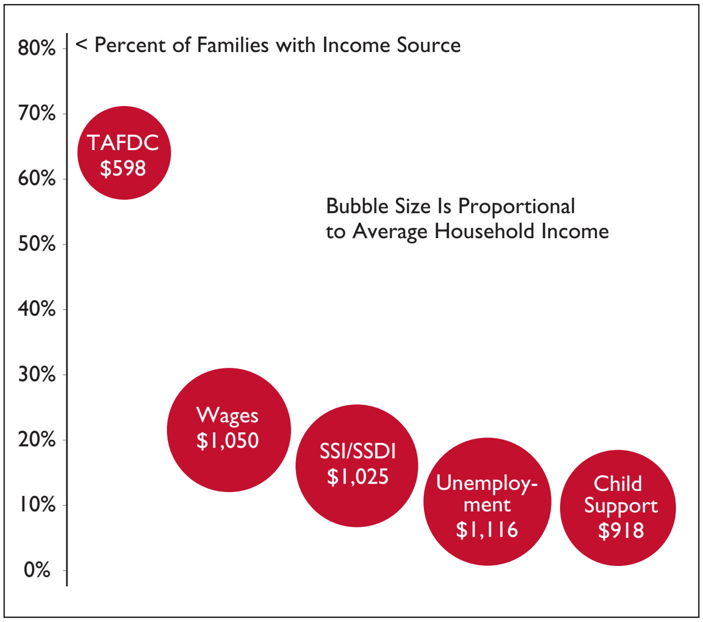

FIGURE 6: Average monthly HPRP family incomes at entry, by income source

Source: HPRP Family Data (N=486)

housing stability requires an increase in income to afford market rents. HPRP families can increase their incomes by:

- Moving in with friends or family, and the combined incomes can support market rents;
- Maximizing available income by accessing non-employment income sources and supports, including the Supplemental Nutrition Assistance Program (formerly known as "food stamps"), disability income, and child support. The low-levels of assistance reported by HPRP families who do receive such income support make this an unrealistic method (on its own) to bridge the gap between current incomes and incomes needed to support market rents; and/or
- Increasing employment income. Barriers to increasing employment income include low levels of educational attainment and disabilities. In addition, unemployment is high. According to the American Community Survey, the unemployment rate for those 16 and older living in poverty increased from 25 percent to 37 percent from 2008 to 2010.[51]

Educational Attainment

The heads of HPRP households had low levels of educational attainment, similar to other Massachusetts householders in poverty.[52] Of the HPRP families, 29 percent of the heads of household had not completed high school or the GED, compared to 28 percent of Massachusetts householders in poverty. In addition, 42 percent of the HPRP family heads of households had completed high school or a GED, compared to 33 percent of Massachusetts householders in poverty. Twenty-nine percent of the HPRP heads of households had completed some post-secondary education,[53] compared to 39 percent of Massachusetts householders in poverty. HPRP householders' educational attainment did vary by region. Greater Boston had the smallest percentage with less than a high school diploma (21 percent), and Western Massachusetts had the highest percentage with less than a high schoool diploma (55 percent).

How does educational attainment relate to employment, and therefore income? Statistics show that furthering one's education leads to higher incomes. The rapid rise in unemployment hit families across the economic spectrum, but those with little education were more likely to be unemployed. According to the most recently available American Community Survey (2010), 37 percent of Massachusetts residents 18 years and older had a high school education or less, but as of December 2011, 53 percent of those unemployed in Massachusetts had a high school education or less.[54] Also, according to the American Community Survey, although unemployment increased from 4.7 percent in 2008 to 9.1 percent in 2010 for those aged 25 to 64, for those in the same age group, unemployment jumped from 9.3 percent to 25.4 percent for those with less than a high school diploma, and from 6.7 percent to 10.8 percent for those with only a high school diploma.[55]

In addition to higher levels of unemployment, those with lower educational attainments have lower incomes. The median monthly earnings (wage income) for someone in Massachusetts

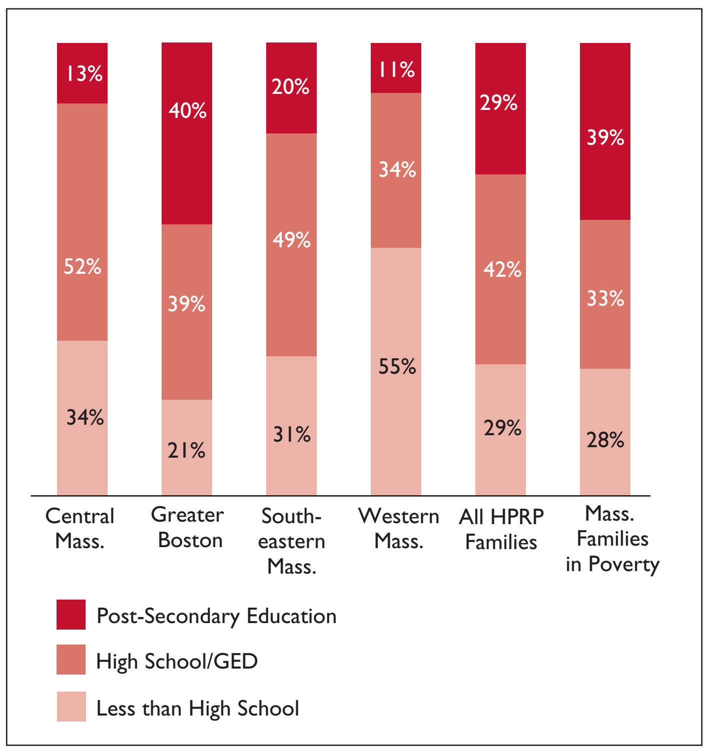

FIGURE 7: Educational attainment of HPRP householders compared to Massachusetts householders in poverty

Sources: HPRP Family Data (N=437); 2010 American Community Survey estimate who has not completed high school is $1,738, rising to $2,586 for someone who has completed high school. This falls short of the monthly income of $2,960 in Springfield and $4,497 in Boston needed to afford a two-bedroom apartment. Only those completing a bachelor's degree have a reasonable expectation of affording a two-bedroom apartment, with median monthly earnings of $4,371. Median earnings for women are lower than men, another factor to take into account because women headed 89 percent of the HPRP families.

Disabilities

There are significant barriers in the job market that hinder persons with disabilities—whether physical, cognitive or mental illness—from becoming successfully employed. Sixteen percent of HPRP families had income from SSI and/or SSDI. For some of these families, this income was for a family member who was disabled, not the head of household. In a separate question, the head of household was asked if he/she had any health issues. For the three regions that provided this data, eight percent reported a mental health issue, four percent reported a physical disability and two percent reported both types of disabilities, for a total of 14 percent with either disability type. There was little variation by region. For Massachusetts as whole, 26 percent of those ages 18 and older living in poverty in Massachusetts reported having a disability.[56]

OTHER BARRIERS TO SUCCESS IN THE HPRP

To take a deeper look at the possible barriers to success in the HPRP, we accessed intake forms for the Greater Boston families. These forms were a tool for determining both eligibility and the likelihood that a family could establish a stable tenancy and increase income sufficiently during a one-year period to support private-market rents. A family's rental history, criminal record and credit history all play roles in a family's ability to establish a stable tenancy.

Rental History

Families with a strong rental history (i.e., the family has had rental leases and has never been evicted for cause) were seen as the strongest candidates for succeeding in the HPRP. Of course, every family's history is different, and many families who have been evicted for nonpayment also may be suitable candidates. Nevertheless, limited or troubled rental histories were common among HPRP families.

Although there was no specific question about a family's rental/homeownership history, for 86 percent of the Greater Boston families, this could be clearly ascertained from other intake questions. Only four percent of families surveyed had owned a home before, and less than half (45 percent) had a rental history (they had been on a lease). Even for the families with a rental history, it was not necessarily a positive history, as 31 percent of these families had been evicted (not specified if the eviction was for cause).[57] Another 37 percent had no rental/ownership history,

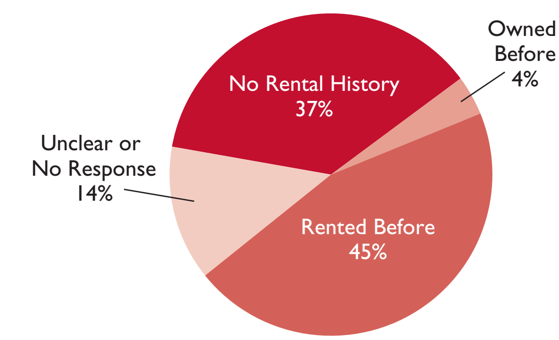

FIGURE 8: Rental/ownership history of HPRP families in Greater Boston

Source; Greater Boston HPRP Family Data (N=251)

of which 58 percent had lived with parents, 37 percent had lived with another relative, 15 percent had lived with friends, and 5 percent had lived with a partner/spouse. This adds up to over 100 percent because 19 percent had lived with more than one of these types, and previous housing arrangements were unknown for nine percent. Of the 14 percent where the history was unclear or there was no information provided, 21 percent cited living with family or friends in the recent past, but it is unclear if the family had been on a lease at some point. Families with a baby or toddler in the household were more likely to have no rental history, as 45 percent had no rental/ownership history and the rental history was unclear for 11 percent of these families.

The low percentage of families with a positive rental history is symptomatic of the fact that HPRP families have not established themselves in the housing market.

Criminal Records

Families with someone in the household with a criminal record (CORI) find it very difficult to secure long-term housing, whether publicly or privately owned. Given the significance of this problem, criminal records were checked for families before they accessed the HPRP. Data on this topic was available from Greater Boston and Western Massachusetts, where 15 percent of families reported a potential CORI problem.[58]

Credit History

Increasingly, property owners are checking credit histories in their tenant selection process. Information was available from both Greater Boston and Western Massachusetts on this topic. Fifty-two percent of families in these regions responding to a question about credit reported that they had a problematic credit history. Of the 48 percent who did not respond to the question or who reported no problems with credit, many of these very poor families may have no credit history. This credit history is self-reported, and the assessments did not provide enough information for all families to understand the severity of their credit problems. Families with a range of credit histories were accepted into the HPRP. Their ability to secure apartments and overcome the credit history barrier was due in large part to the positive existing relationship between the placement agencies and property owners. For example, in Western Massachusetts, 25 percent of families reported arrearages (generally back utility payments) at the time they entered the HPRP. HPRP funds could be used to pay these arrearages for a family to be able to rent an apartment and resume utility services.

OTHER FAMILY CHARACTERISTICS

The families also varied by region in a number of ways including household size, median age of the head of household, and race/ethnicity.

Western Massachusetts had the smallest average family size (2.4), compared to 2.6 for Greater Boston families and 3.0 for Central and Southeastern Massachusetts families. The average size of all HPRP families was 2.7. Eighty-nine percent of the families were headed by women. In Central and Western Massachusetts, this was true for 94 percent of families, while 89 percent of Southeastern Massachusetts and 86 percent of Greater Boston families were headed by women.

The median age of the head of household was 28 for all families. The median age was youngest in Western Massachusetts and Greater Boston (26) and oldest in Central and Southeastern Massachusetts (30). In addition, six percent of the HPRP families had a current pregnancy (this varied little by region). In two regions, Greater Boston and Western Massachusetts, data was also available on the percent of families with infants or toddlers in the household. Of the Greater Boston families, 32 percent had a baby or toddler present, compared to 54 percent in Western Massachusetts.

Of the HPRP heads of households, 29 percent were white (non-Hispanic), 34 percent were Black or African American (non-Hispanic), 34 percent were Hispanic or Latino (of any race), and three percent were of other races (including Asians, who were less than one percent of the total). For comparison purposes, 46 percent of Massachusetts families in poverty in 2010 were white (non-Hispanic), 16 percent were Black or African American, 31 percent were Hispanic or Latino, and six percent were Asian. For HPRP families nationally (2010), 47 percent were white, 45 percent were Black or African American, 21 percent were Hispanic or Latino and one percent was Asian.[59]

The racial/ethnic profile differed dramatically among the regions. Whites (non-Hispanics) were the largest racial/ethnic group served in Southeastern Massachusetts (47 percent), Blacks and African Americans (non-Hispanics) were the largest group served in Greater Boston (49 percent) and Hispanics/Latinos were the largest group in both Central Massachusetts (46 percent) and Western Massachusetts (62 percent).

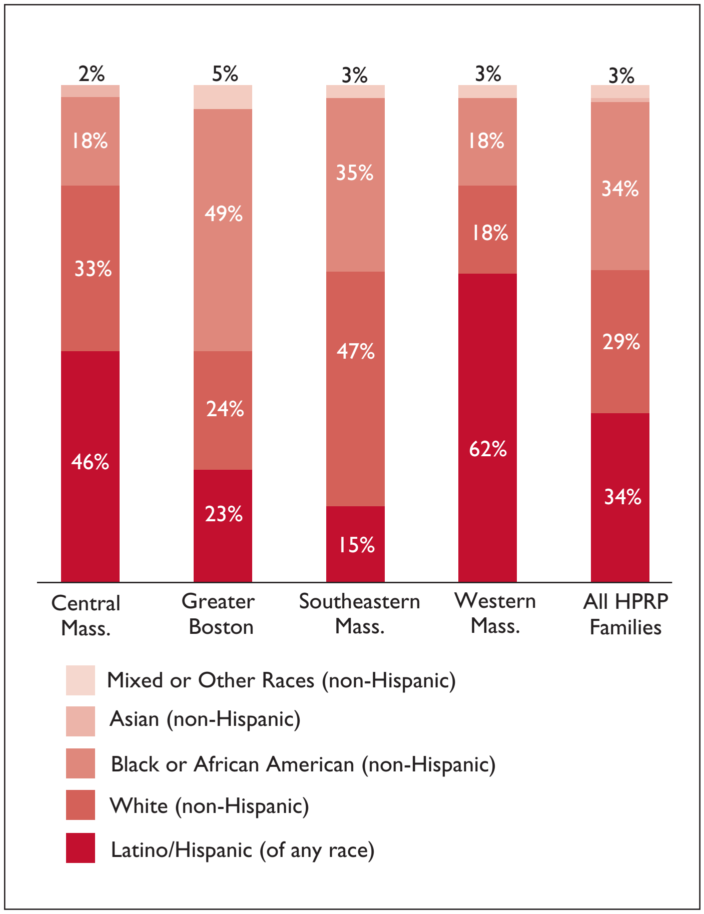

FIGURE 9: Race/ethnicity, HPRP heads of households
Source: HPRP Family Data (N=403)

CAUSES OF HOMELESSNESS

Before entering a motel or shelter, families already qualified for the EA program in Massachusetts, and through that process, all families had to prove that they needed shelter. Additional intake/assessment data available from Greater Boston provides insight into the causes of homelessness. For Greater Boston families, 18 percent of families who responded to this question cited more than one reason for needing shelter. Overcrowded conditions were cited the most (34 percent of families). Sixteen percent cited evictions, 12 percent had lost a job, and ten percent cited domestic violence. Combined, seven percent said they had been "asked to leave" or "kicked out," which means they could have been evicted, or they were asked to leave by a family member or roommate and were not actually evicted by a judge.[60] An additional eight percent lost their homes due to foreclosure. Of these families, 53 percent had been homeowners, 32 percent had been renters, and it was unclear for 16 percent of the families whether they had been renters or owners when the foreclosure occurred.

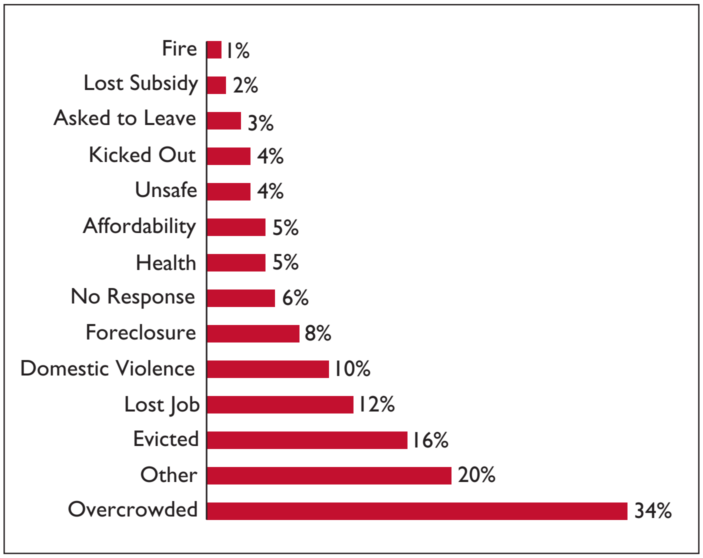

FIGURE 10: Causes of homelessness, HPRP families in Greater Boston

Source: Greater Boston HPRP Family Data (N=251)

Being doubled-up, by itself, does not qualify a family for the EA program, if the home is not overcrowded. EA regulations detail the process by which a home is designated a threat to health and safety due to being overcrowded.[61] Of Greater Boston families, 45 percent had been doubled-up (living temporarily with someone else) in the recent past. Of these doubled-up families, 61 percent had lived with a parent, 46 percent had lived with "family" (no specifics given) or with another family member. Eighteen percent had lived with friends, and 11 percent had lived with a partner. These percentages add to more than 100 percent, because some families had doubled-up with more than one household type. Some families referred to this movement from home to home as "couch surfing."

SERVICES PROVIDED BY PARTICIPATING AGENCIES

This section of the report examines services provided by the six agencies in four regions of Massachusetts. It also explores the views of agency staff about successes and challenges of the program, and their thoughts about program implementation. The findings are based on interviews and one focus group with agency staff. Where possible, we report on the role that services played in shaping the outcomes for HPRP participants. However, because data was not available about the type and intensity of services received by each family, we cannot assess the precise impact of services. That task remains for future research.

SCOPE OF SERVICES

According to the RFR from DHCD, HPRP funds could be used for financial assistance and support services. As the RFR stated:

> *To enable an individual to obtain new housing, HPRP funds allocated to individuals for re-housing may be used for housing search, flexible funds, and/or stabilization. The flexible funds can be used to access initial assistance in identifying housing opportunities, moving costs, first/last month's rent, security deposits, and monthly rental stipends (short term rental assistance of up to 3 months, and medium term rental assistance of between 4 and 18 months). As part of stabilization HPRP funds may be used for services that are targeted to assist program participants with critical skills related to household budgeting, money management, credit repair, landlord outreach and mediation, and other activities that can assist in securing long term housing affordability.*[62]

Participants could receive financial assistance for up to 18 months, with 12 months of HPRP funds followed by six-month extensions using state funds. All agencies offered housing location assistance during the period leading up to leasing. They provided referrals to available apartments and, if needed, encouraged landlords to accept HPRP participants as tenants. They all completed formal service (stabilization) plans with the families to identify immediate needs and those services that could help families meet their personal goals for economic and personal growth and stability. The typical approach was to then provide referrals to other organizations in the local communities. For example, they helped participants to secure government benefits if they were eligible but did not already receive them (e.g. TAFDC, Food Stamps, MassHealth, SSI, subsidized housing, utility discounts, child care vouchers, fuel assistance). They referred clients to appropriate agencies, and if necessary, helped participants to complete the applications or followed up if problems developed. Case managers also referred clients for other goods and services as well (e.g. furniture for new apartments, employment counseling, job listings, financial management counseling). When appropriate, financial support for rent arrears or security deposits was available.[63]

Staff from agencies in all of the regions estimated that at least 80 percent of the clients received some type of case management assistance before and during the rental period (e.g., budgeting, referrals for services or other benefits, housing issues). Especially important during tenancy was the role that agencies played if trouble arose that could threaten housing stability. Case managers negotiated with landlords and tenants to develop plans for eliminating rent arrears to forestall eviction. They also assisted participants to deal with utility arrearages. Four of the agencies estimated that between 30 percent and 50 percent of the clients received support to preserve their tenancies, while another said that as many as 75 percent did. Four agencies thought that 25 percent of clients avoided eviction because of their help, while one indicated that this was the case for close to 50 percent of participants. Staff at two agencies estimated that between five and ten percent of cases were extremely complicated, and that those required considerable case management.

Agencies had to recertify participant eligibility every three months. Although this contact provided a regular opportunity for a case manager to check on other aspects of a participant's life, the process focused on income documentation. Typically, few changes in eligibility occurred, so both clients and case managers felt that the procedure could be inefficient, time consuming and unnecessary.[64] Securing timely paperwork from the state Department of Transitional Assistance (DTA) was sometimes difficult for clients, who had to visit the DTA office to get this information. One interview respondent thought that the process could be facilitated if HPRP agencies could obtain the information directly from the state agency.

Some service variations emerged across the agencies. For example, three agencies offered employment counseling and workforce development, because they had those organizational capabilities. One agency used HPRP funds to hire an employment specialist and provided services to more than 85 percent of HPRP participants. It reported that 18 percent of them secured full-time employment, while another 38 percent obtained seasonal or part-time positions. The other three agencies made referrals elsewhere for workforce support. In spite of this focus, the agencies recognized that significant increases in job stability and income growth would likely take longer than the short time frame of the HPRP.

Two agencies had in-house financial counseling programs and assisted clients to understand budgeting, debt, credit scores and procedures for credit repair. One agency checked with landlords on a quarterly basis regarding their satisfaction with HPRP tenants. In this way, the agency hoped to forestall problems before they became severe. The agency cited this effort as one key to its low termination rate (five percent). The two agencies serving Greater Boston had an agreement with a local organization to provide intensive case management to 50 clients with multiple barriers to housing stability.

The six agencies did not directly provide other types of assistance that some participants needed—e.g., education, medical care, mental health services, substance abuse treatment, childcare, and/or transportation. When necessary, case managers made referrals for those services to other organizations in their communities. However, not all services were readily available. For example, lengthy, waiting lists existed at some English for Speakers of Other Languages (ESOL) and Adult Basic Education (ABE) programs. The agencies could have contracted for supplemental services, but limited funds meant that this approach was not used.

According to interviews with agency staff, staff to client ratios varied from a low of 1:30 (Southeastern and Western Massachusetts) to 1:45 at one Greater Boston agency, 1:50 at one Central Massachusetts agency, 1:70 at the other Greater Boston agency and 1:100 at the other Central Massachusetts agency. Caseload size and emphasis of case management shifted from intense focus on intake and lease-up at the beginning of the program period to ongoing case management or stabilization in the later phases. These caseloads meant that a case manager could give attention to those participants who needed special help but not intensive focus to all clients.

The agencies encountered program disincentives and barriers that discouraged participants from increasing their incomes, and/or securing full-time employment or education. For example, if a participant household's income exceeded the HPRP eligibility limit (50% AMI), the family had to take over the full rent for the apartment. The difference between the full rent and the amount the household had paid when it was receiving a HPRP subsidy (30% of their income to rent) could exceed the increase in monthly income (a substantial "cliff effect"). This type of change would take place at the time of the three-month recertification procedure. Depending on the timing of its income increase, a family could have a one- to two-month "grace period" before the rent increase. On the one hand, the prospect of a significant rent increase could discourage families from exiting the program. On the other hand, many households manage to remain housed when they pay considerably more than 30 percent of their incomes for rent in the private market.[65] In the state's Massachusetts Rental Voucher Program (MRVP), many tenants pay 40 percent of their incomes for rent.[66]

Another problem occurred in the childcare voucher program. An eligible family could only obtain a voucher if the household head was working or enrolled in an educational program for 30 hours per week or more. Without the voucher, the family might not be able to afford to pay for childcare to accept a job, or education placement if friends or relatives were not available to help out. This latter problem has been noted in other reports[67] and was mentioned as a common problem by two agency respondents. Future research should explore the extent of the problem and possible solutions.

As a supplement to the staff interviews, we reviewed 30 case files at one Boston area agency to explore how services were delivered. This approach allowed us to gain some additional insights into the interactions between case manager and clients. We selected the cases within five "outcome" groups: continued to receive short-term subsidies (including accessing the new HomeBase program), left the HPRP when they received a permanent subsidy, left the HPRP because their incomes increased, left for "other reasons," or were terminated "for cause." We found that 27 of these 30 families received some type of special case management assistance, including service referrals of many types. Half of the 30 families received assistance for specific problems associated with their tenancies (rent utility arrearages, problems with other tenants, disagreements with landlords). This pattern was true for the 25 families that remained housed (continued to the HomeBase program, left the HPRP when they received a permanent subsidy, left the HPRP because their incomes increased, left for "other reasons") as well as for those five who were terminated for "cause." Twelve of the 25 families that remained housed received housing-related help, as did four of the five clients that were terminated for "cause." These figures are certainly not conclusive, but they do illustrate that such assistance was widespread.

In summary, the six agencies included in this study focused on housing supports for participants, although they could not address all issues that might contribute to or prevent improvement of participants' economic situations. They often used case management to help families negotiate with landlords during the lease-up period and to address tenancy problems during the stabilization period.

VIEWS OF AGENCY STAFF ABOUT THE GOALS OF THE PROGRAM

As we have pointed out, the national and state goals of the HPRP was to provide short- and medium-term assistance to help families who would have become homeless, and those who were homeless to obtain permanent housing. It was to be targeted at households that were likely to be able to maintain stable housing upon conclusion of the assistance. It was not intended to provide a long-term housing subsidy.[68]

Agency interviews revealed that staff interpreted this guidance to mean that "real" success would occur not just by merely moving a family out of a motel or shelter, but rather when a family was able to increase its income. In this way, the family could afford a market-rate apartment and remain stably housed in that home when HPRP assistance ended. However, they noted that few families achieved that level of success because of:

- The short time frame of the program;
- The economic downturn that limited employment opportunities, especially for those with limited skills;
- Participants' personal, employment, and educational barriers that required longer time frames to address and resolve than that offered by the HPRP;
- The high cost of market-rate rental housing compared to participants' incomes; and
- Program disincentives.

In addition, income growth was not an explicit priority of the HPRP, and agencies could not use HPRP funds to support services intended to further that objective (e.g., workforce development, tuition for job training or education). Therefore, all interview respondents felt that securing longer-term subsidies was often the only feasible solution for a substantial group of participants, and they viewed that result as another indicator of programmatic success.

In light of these realities, staff framed success as maintaining tenancy and making progress toward personal goals that could lead to more economic stability (e.g. maintain a good budget plan, look for or maintain one's employment, enroll in education as needed). As one respondent said, "I think the goal is to help families get into better, stable housing situations and become more stable in other areas of their lives. Some think that success is getting a permanent housing subsidy, but I think that is not quite enough."

However, interview respondents stressed that a program must recognize that client progress and success would likely take more than 18 months. Some thought that gradual reduction of benefits would be a way to encourage income growth while avoiding disincentives. Others stressed the need for funding to support meaningful workforce development programs that lead to jobs with living wages. Such programs would include job counseling, development of basic academic skills, enrollment in education or training programs, and linkages between training and real jobs at specific employers. These approaches would need to be combined with subsidized childcare and access to transportation in communities where adequate public transportation is not available.

WHAT WERE THE OUTCOMES FOR FAMILIES?

Did the program create and maintain housing stability? Families were "successful" if they are able to afford a market-rate apartment or secure a long-term housing subsidy. Given the barriers to these outcomes discussed previously, success can also be measured by short-term housing stability. In other words, were families able to maintain a tenancy during the life of the HPRP program and continue with the new HomeBASE program? We have two sources of data to consider: information about 18 families that participated in a 2009 pilot program, and from HPRP participant families across Massachusetts.

GATEWAY PILOT PROGRAM: WHAT HAPPENED TO THE FAMILIES?

As a pilot, in the summer of 2009 MBHP used "flexible funds" available from the EA program to re-house families living at the Cambridge Gateway Inn. Using a tier model, MBHP identified families it thought would have the greatest likelihood of success with only short-term rental assistance (up to 12 months) to regain housing stability.

Under this pilot, MBHP provided funds to 18 families for rental start-up and an ongoing subsidy for 12 months. However, the agency did not receive funds for housing search services or for the provision of extensive case management. As of January 2012 (28 months after entering the program), the results were mixed. On the one hand, 15 of the original 18 families reported housing stability (83 percent). Of those families, six (33 percent) continued to receive temporary subsidies through HomeBASE, six (33 percent) received rental assistance from other agencies, and three (17 percent) received state rental vouchers (MRVP). Three participants left the program—but only one had a "negative" outcome, because of eviction for non-payment of rent. Two others moved elsewhere. Of the 17 that continued past one year, seven (41 percent) increased their educational attainment though the completion of certificate courses or additional college. Three others applied for or expressed interest in attending college.

On the downside, while eight (47 percent) had been employed at entry in 2010, only six (35 percent) were working at the end of period in 2011 (35 percent). This decline in employment occurred despite the fact these families were more stably housed and there had been a general improvement in Massachusetts unemployment.[69] Fifty-three percent (9 families) had increases in income, with an average income increase of $436. One family had no change in income and seven families have seen their incomes decline. For all the families, none had seen their incomes increase sufficiently to support market rents.

OUTCOMES FOR HPRP PARTICIPANTS ACROSS THE COMMONWEALTH

Turning to results for the HPRP participant families across four regions, we found that by December 2011, almost all of the HPRP participants had completed the first year of the program, and many had received six-month lease extensions, using other sources. For many, the six-month extensions had also expired and families were being transitioned into the state's new HomeBASE program.[70]

The good news is that 81 percent of participant families remained in stable housing, thus meeting the primary goal of HPRP, as well as keeping families out of the shelter system. That figure included four percent who became over-income and left the program to manage their housing arrangements without subsidy, 14 percent who were able to access permanent housing subsidies, including project-based subsidized housing (both public housing and privately owned, subsidized housing) and mobile rental vouchers (both federal Section 8 and state MRVP). More than three-fifths of the families (63 percent) received continuing rental support through the HomeBASE program. Combined, 77 percent of families remaind housed on short- or long-term subsidies.

Only ten percent of families were terminated from the program for "cause." Of terminations, 37 percent were related to failures to pay rent (only three percent of all HPRP recipients) and 35 percent failed to recertify income. Often, more than one problem was cited for the cause of termination. As a result, 52 percent of terminations were related to a wide range of issues, including moving out of state or abandoning the unit, damage to the unit or violence, and loss of child custody (and therefore no longer eligible for assistance).

An additional nine percent left the program on their own for a wide range of reasons, including moving out of state, moving in with a family member, death, consequences of domestic violence, and abandonment of the apartment.

This analysis is consistent with the report of 2010 national results for the HPRP, which showed that 87.5 percent of clients who exited from the rapid re-housing program were living independently in apartments they rented, with or without a subsidy. The federal 2010 Homelessness Assessment Report did not, however, break down this data further between those that could afford a market-rate unit, those with a long-term subsidy, and those as in

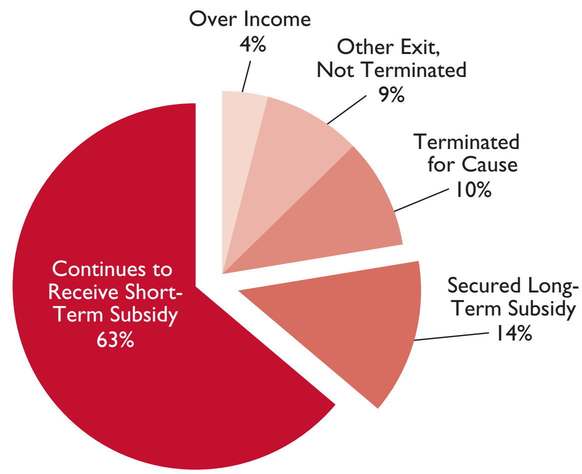

FIGURE 11: Outcomes, HPRP familes

Source: HPRP Family Data (N=478)

Massachusetts, who continued to receive short-term rental assistance after the expiration of the HPRP.[71]

Other interpretations of these findings are also useful. Only four percent of Massachusetts HPRP families were able to transition off of housing assistance because their incomes increased enough to do so. Of these families, future stability is not certain. Although they were not income eligible for further assistance, they still did not have the incomes necessary for long-term housing stability. From entry to exit, the average monthly income for these families increased from $867 to $1,955, a 126 percent increase. Despite this increase, it was far below the $3,000 to $4,000 monthly income needed to support market rents. In addition, the 63 percent of families that remained on short-term subsidies have been kept out of the shelter system, but are uncertain about their future.

As part of the housing services provided by the HPRP agencies, HPRP families were expected to apply for long-term affordable housing, including public housing, mobile rental vouchers and other affordable housing options. The low percentage of families that accessed permanent housing subsidies (14 percent) reflected the dearth of such housing options in Massachusetts. For these families, however, the HPRP provided a bridge to the new subsidy.

Remaining on a temporary subsidy (whether as part of the HPRP or with other funds, including HomeBASE), was the most common outcome for participants in each region. However, considerable variations emerged across the regions. In Greater Boston, 70 percent remained in such a program, with Western Massachusetts close behind (66 percent), followed by Central Massachusetts (57 percent) and Southeastern Massachusetts (46 percent).

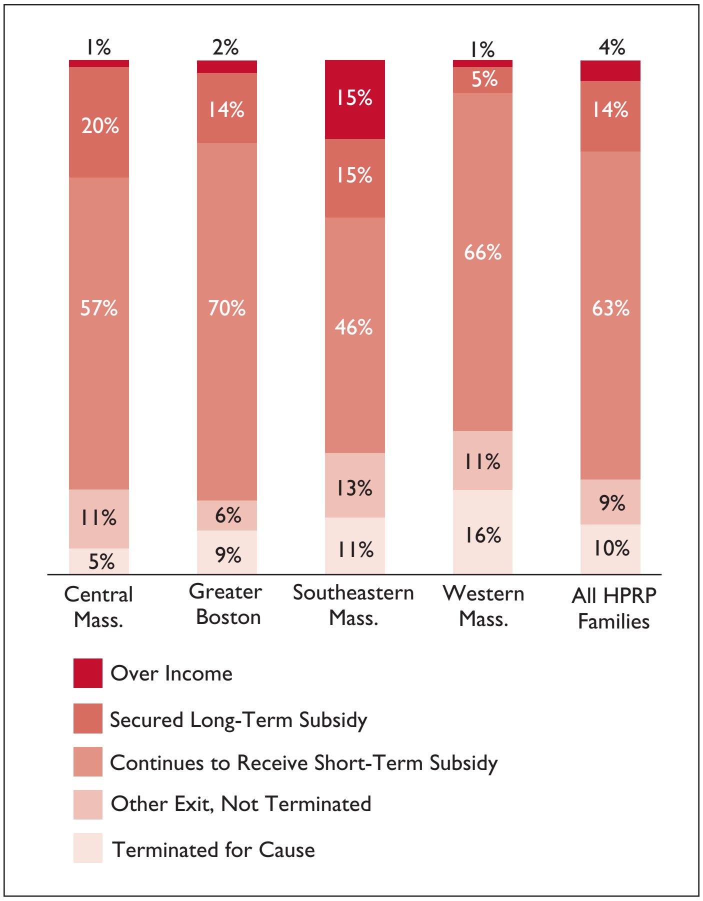

FIGURE 12: Outcomes, HPRP familes, by region

Source: HPRP Family Data (N=478)

Central Massachusetts families were the most likely to secure a long-term subsidy (20 percent), followed by Southeastern Massachusetts and Greater Boston families (15 percent and 14 percent, respectively), but only five percent of Western Massachusetts families secured a long-term subsidy.

Southeastern Massachusetts had the highest percentage of families who became over-income (15 percent). Average family incomes were highest in Southeastern Massachusetts and more families' incomes were close to the maximum for eligibility at entry. This fact partially explains the smaller percentage of Southeastern Massachusetts families who continued with a short-term subsidy. This figure compares to two percent in Greater Boston and one percent in both Central and Western Massachusetts.

At 16 percent, Western Massachusetts had the highest percentage that were terminated, compared to 11 percent in Southeastern Massachusetts, nine percent in Greater Boston and five percent in Central Massachusetts.

PROGRESS TOWARD ECONOMIC AND HOUSING STABILITY

As we have outlined, economic stability was not a stated goal of the HPRP, but was a goal of the Massachusetts Special Commission's 2007 recommendations.[72] Even so, a family cannot afford market-rate housing without a certain level of economic stability, as guarantees for permanent subsidies were not built into the HPRP, and prospects for long-term housing subsidies are limited. For the HPRP families, average monthly income increased from $727 to $960, and 57 percent of families reported some increase, -at an average increase of $595. Even this 103 percent increase in income was insufficient. The average final income for these families was $1,174 monthly, far less than then $3,000 to $4,000 incomes necessary to afford market rents.

The numeric increase in average monthly incomes for all HPRP families varied little, from $217 in Western Massachusetts to $263 in Southeastern Massachusetts. Given the lower incomes of the Western Massachusetts families, this increase led to the greatest percentage increase in the average income (40 percent).

Further analysis showed that those who were able to increase their incomes were not statistically different from HPRP participants as a whole in terms of educational attainment. For example, for those families with an increase,[73] 75 percent had a high school diploma or higher, compared to 71 percent of all HPRP families. For some of these families, increases were relatively small. Families with larger increases in income did not differ from the HPRP population in terms of educational attainment. Of the 47 families with income increases of $1,000 or greater, 73 percent had at least a high school diploma.

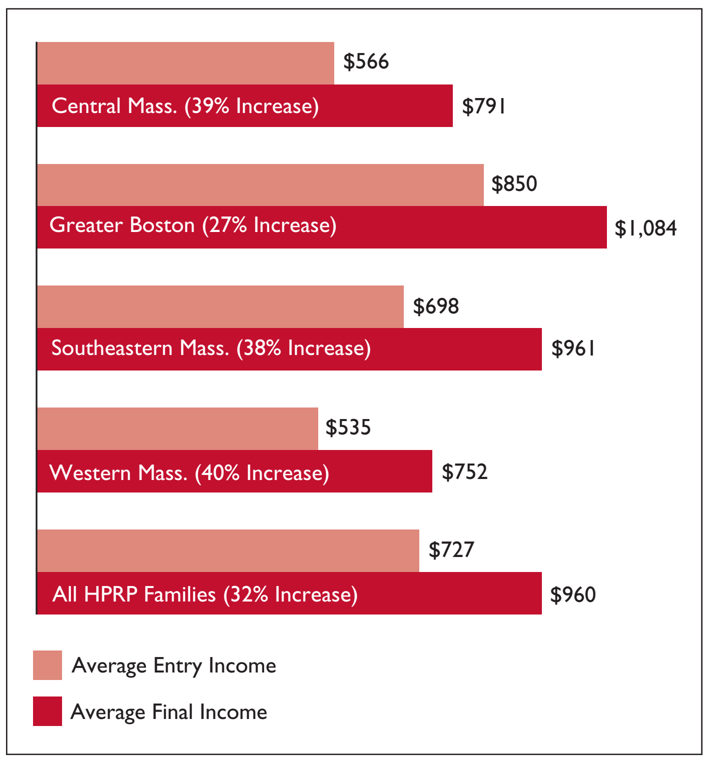

FIGURE 13: Change in average HPRP family income, by region

Source: HPRP Family Data (N=478)

CHARACTERISTICS OF PROGRAM PARTICIPANTS BY PROGRAM OUTCOME

In this section of the report, we compare the characteristics of families in different outcome groups, based on the quantitative data from six agencies in four regions of Massachusetts. On balance, those who became "over-income" and exited from the HPRP looked different compared to those in the other groups. They typically had higher incomes at entry, had larger family sizes, were older, and did not have infants or toddlers in their households. They did not, however, show evidence of more educational accomplishment.

Outcomes Compared: Income

As we have described, the services provided to families focused primarily on housing issues not on short-term income growth, and families faced many barriers including a difficult labor market and a short time frame. Therefore, it was no surprise that incomes did not increase significantly over the life of the program. Even intensive workforce services could not be expected to lead to large income increases within 12 to 18 months, Except for those few families who became "over-income," incomes did not rise appreciably for any other outcome group. As expected, both entry and final incomes were similar for those who continued with a temporary subsidy, and for those who received a long-term subsidy. Those who exited for other other reasons or were terminated had the lowest average final monthly incomes ($808 and $837, respectively) of any outcome category.

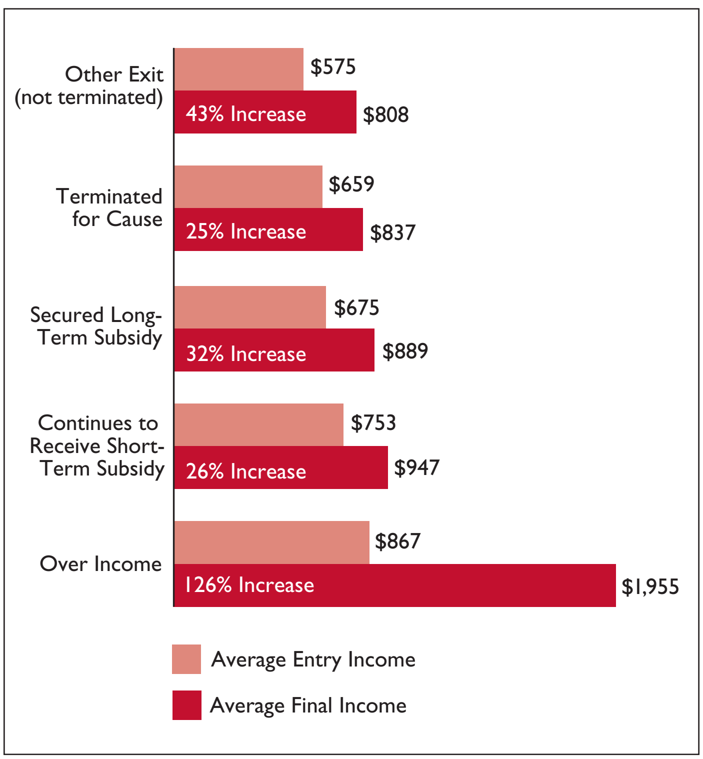

FIGURE 14: Average entry and final HPRP family income, by outcome
Source: HPRP Family Data (N=478)

Outcomes Compared: Household Composition and Demographics

Families that became over-income had larger households than all other groups—at 3.2 persons—compared to 2.6 to 2.7 persons per household for other groups. Almost all families in the program were headed by women (89 percent), and that pattern was true across all outcome groups.

Theoretically, the presence of an infant or toddler could restrict a family's ability to seek, secure and hold a full-time job and to increase its income, especially if child care was not readily available. Data about this issue was available from Greater Boston and Western Massachusetts agencies. Four-fifths (60 percent) of Greater Boston and Western Massachusetts families had increases in income between program entry and program exit, while only 42 percent of families with an infant or toddler in these regions reported increased income. A more in-depth look at this issue is worth future exploration.

Outcomes did appear to be different for families where the head of household was somewhat older. For those who were over-income, the average age of the head of household was 33.7, compared to 30.2 for those who remained in a short-term subsidy program, 30.1 for those who were terminated, 29.4 for those who exited for other reasons, and 28.5 for those who secured a long-term subsidy.

Outcomes Compared: Educational Attainment

The relationship of educational attainment to program outcome was inconclusive. While the percentage who had not received a high school diploma ranged from 30 to 33 percent for those who continued with a short-term subsidy, those who secured a long-term subsidy and those who exited without a termination, a smaller percentage (22 percent) of those who were terminated had not completed high school. Also, counter to expectations, 37 percent of those who were over-income had not completed high school. This is a higher percentage than the other outcomes. Given the small number of families (19) in this category, conclusions are difficult to draw based on this result.

If there is little difference based on educational attainment at entrance, did families who completed extra schooling or training increase their income? Regrettably, reliable data was not available on changes in educational attainment, but information gathered from program and case managers indicates that few families were able to increase their skill levels substantially during the short program period. This topic is worth further study in the future.

Detailed Profiles of Program Participants

Program data cannot paint the entire picture of family circumstances or the interaction of participants with case managers. For this reason, we also present illustrative "stories," drawn from 30 case files of families in the HPRP at one of the Boston agencies. In this case study, the agency prepared a plan for achieving economic self-sufficiency with each client family, including an agreement to participate in case management and service planning, and to follow up on mutually-agreed referrals for housing search, employment search, appropriate workshops, counseling and health supports. The agency assured that all participants had applied for subsidized housing if they had not already done so. At the end of a one-year lease, the agency required a "letter of good standing" from each landlord before agreeing to a program extension.

We randomly selected case files within the five "outcome" groups: those who continued into other short-term rental subsidy programs, families that received permanent housing subsidies, families that became "over-income" and graduated from the program, participants who were terminated from the program "for cause," and those who exited for other reasons. The narratives offer some glimpses into the circumstances of a few families and the ways in which case managers worked with participants. They raise some interesting issues that could be explored more definitively in the future.

Continuation to Other Short-Term Housing Subsidies

The nine families in this category all exited from the HPRP and made transitions to other short-term subsidy programs (MRVP-short term, HomeBASE). They all completed Client Service Plans with their case managers after lease-up, and they all had ongoing contacts with their case managers. These contacts included quarterly recertification of program eligibility, as well as support with housing issues and assistance to obtain needed benefits or services. The number of contacts ranged from 10—33, with a median of 20 contacts and an average of 19.5, typically over an 18-month period.

Six of the nine families made progress on their case service plans, by securing benefits to which they were entitled, searching for jobs, enrolling in training, and/or securing employment. They got help with activities that could boost their incomes in the short-term (application for government benefits such as TAFDC, Food Stamps, unemployment benefits) as well as those that could increase their employment prospects in the long-term (enrollment in school/training). Six families needed intervention or support to address housing issues (e.g., negotiation with landlord, plans to eliminate rent or utility arrears) and that assistance successfully helped them to remain housed.

The three families that did not make progress on their case service plans also had issues such as injury or illness, slow responsiveness to requests for recertification or case management meetings, difficulties with their tenancies, and/or unwillingness to attend service workshops.

Received Permanent Housing Subsidy

The nine households in this group left the HPRP because they received permanent housing subsidies, such as public housing placements, Section 8 mobile vouchers or unit-based subsidies. Overall, they had considerably less contact with their case managers during program participation than did the "continuation" families, with the number of contacts ranging from less than five to a maximum of 20—and an average of seven.

Three of these families were in the HPRP for less than six months between intake and exit, and as little as three months after they leased apartments. Therefore, they had little contact with the agency.

The other six families participated in the program for 13 to 19 months and had between 5 and 20 contacts with their case managers. Three of them made progress on their service plans, by maximizing the benefits for which they were eligible, looking for new or better jobs and/or enrolling in education programs. Four of these families needed agency assistance with housing issues that came up during their tenancies—rent arrears, utility arrearages and/or assistance to negotiate with landlords. Case managers were often involved in securing mutual termination agreements when tenants wanted to terminate leases before their annual expiration dates. This was done so they could accept permanent subsidy placements.

Over-Income Families

Two cases illustrate the successes and dilemmas associated with families that successfully increased their incomes and were able to "graduate" from the HPRP. In both cases, the heads of household were able to secure full-time employment and had reliable and affordable child care in place. Both of them were working when they entered the program, but their incomes were low enough that they still qualified for assistance. For one person, her job became a full-time instead of a part-time position, and in the other case, a new job opportunity came along. Both of them faced "cliff effects" when their housing subsidies ended. The first, with her new income of $50,000 per year, had paid 30 percent of her income toward her rent during her HPRP participation, but her rent of $1,600 per month meant that she would pay 38 percent of her income when the subsidy ended. The second family encountered a similar situation, with her new income of $38,000 requiring 40 percent of her income to pay her $1,275 monthly rent. In one case, the case manager assisted the family to locate a less expensive market-rate apartment, and helped them to secure financial support for a security deposit and first month's rent on the new apartment. The case manager was concerned that otherwise, the client might quit her job. Nevertheless, one could argue that these levels of income spent for rent can be manageable. For example, as noted elsewhere in this report, many families in the private rental market and in the MRVP spend 40 percent of their incomes for housing.

Families That Were Terminated From the Program for "Cause"

Five families that were terminated for cause faced multiple problems that contributed to this outcome. Four families had difficulties with their tenancies, such as rent arrears, disruptive behavior, arguments with other tenants or landlords. Three of the landlords refused to issue letters of good standing that would allow tenants to renew their leases. These four households had many other personal difficulties such as domestic violence, child abuse and neglect investigations, and involvement of police in criminal incidents. These four families received extensive attention from case managers, especially to explore why rent arrears occurred, to negotiate with landlords about their tenancy problems and to plan for ways to resolve those difficulties. They had contact with their case managers from 25 to 30 times during program participation, which ranged from 11 to 15 months. All five participants had records of missed appointments and late recertifications. Three of them had been referred to another agency for in-depth assistance, but two did not follow through. In two cases, the children in the households moved elsewhere, rendering the remaining adults ineligible for further participation.

Families That Terminated For "Other" Reasons

To understand what "other" reasons might lead to termination, we looked at five cases in this category. We found that when they left the HPRP, four of the families were likely headed toward "termination with cause" but had not reached that point. For example, three left the program to move in permanently with family or friends—potentially a good outcome if the arrangements were suitable. However, they all had rent arrearages at the time of program exit, and one had been evicted. Two other clients left the program to move into "safe havens" for domestic violence victims after months of difficulties in many areas of their lives: abuse by her boyfriend, serious illness, missed appointments for recertification and case management, rent arrears, and eviction proceedings. Case managers were deeply involved with these families, with three families having more than 20 contacts apiece over 13–14 months.

CONCLUSION AND POLICY RECOMMENDATIONS

This review of the rapid re-housing component of the Housing Prevention and Rapid Re-Housing Program (HPRP) in four regions of Massachusetts found that participant families successfully moved from shelters and motels into apartments, and that more than 80 percent were still housed 18 to 24 months later. Very few families (ten percent) were terminated from the program because they did not comply with its requirements. Seventy-seven percent of the families needed continuing subsidies (either short- or long-term) when the program ended, and few families (four percent) had income increases that were sufficient to sustain market rents. Provision of housing search assistance enabled families to successfully lease apartments, and agency interventions with landlords helped many families to successfully retain their tenancies.

The findings from this study suggest the following recommendations for future homelessness prevention and rapid re-housing programs:

- *Maintaining housing stability for families eligible for the Emergency Assistance (EA) program depends on some form of rental subsidy, for longer periods of time.* To assist in ensuring housing stability and increased incomes, short-term rental assistance should be available for more than one year and renewed in yearly increments, particularly in areas with high housing costs. There is a significant difference between the income of families when they entered the HPRP and the income needed to support market-rate rents. As a result, one-year shallow subsidies are insufficient for most families who move from shelter to housing. While national figures on the HPRP failed to distinguish between those who had "graduated" to market-rate housing, those who had secured a long-term subsidy and those who continued to rent with a short-term subsidy, our findings explore this difference. With 63 percent of Massachusetts HPRP families still dependent upon short-term subsidies, it is clear that assistance is needed for a longer period, either as a bridge to a long-term subsidy, or for the family to take the steps necessary to increase their incomes substantially.
- *Experienced housing service agencies with established property owner relationships are well suited to re-house families and support their housing stability.* The housing quality requirements of the subsidy programs assure that program participants rent affordable apartments that meet health and safety standards. In addition, such agencies can play active roles in tenancy preservation by serving as mediators between tenant and landlord, and actively intervening in cases where eviction is likely.
- *Income growth can be a key to long-term family stability without permanent housing subsidy. If income growth is established as a primary goal for program participants, the Commonwealth should support services that go beyond housing stability.* Because EA program guidelines require that families have incomes less than 115 percent of the Federal Poverty Level, any family requiring assistance will face a large gap between its income and the income required to afford a market rent. If incomes are to be addressed, all families who receive prevention, diversion or rapid re-housing services should have their long-term needs assessed, related to the dual goals of housing stability and economic security. The system should tap into and coordinate existing agencies and these agencies' varying expertise to address the needs of families. Such a system would benefit from the following:
  - *A standardized form for assessment and ongoing data tracking is instrumental whether it is at the point of homelessness prevention, diversion, or re-housing*, and it would eliminate duplicative intake efforts, increase the likelihood that a family would receive the most appropriate services, and create a tool to evaluate, in a consistent manner, the effectiveness of various programs, services, and approaches to ending homelessness.
  - *Ongoing family assessments.* Such assessments build trust between a family and the housing service agency, and provide opportunities to access programs and resources as circumstances change.

- *Additional funding for stabilization services*, to be provided by administering agencies in collaboration with other organizations. Eligible services and contracts should include programs focused on education, workforce and asset development.

• *Manageable caseloads.* Because of the large caseload sizes under the HPRP, agencies often found that they were only able to focus on initial placement and crisis intervention/management.

• *Improved program efficiency.* Administration of such programs could be improved by requiring income recertification annually or every six months rather than quarterly. The paperwork needed from public income sources and the time required to complete it make frequent recertification burdensome to staff and families alike, taking time from more valuable stabilization services.

• *Address program disincentives that discourage families from leaving the program.* For example, increasing family income should be a desirable goal. However, the "cliff effects" associated with program exit can be burdensome to a family if the portion of income it will spend on rent is much greater than the growth of its income. This situation can threaten fragile economic security and stall transition off of the program.

• *Pursue further research that can inform program and policy design and modification.* For example, deeper understanding of the relationship between programmatic supports, as well as disincentives and barriers for families is important. For example, it would be useful to pursue additional analysis of:

- The relationship between housing stability services and housing outcomes for families;

- The effectiveness of workforce development programs for increasing incomes of participant families;

- The impact of "cliff effects" (potentially steep and sudden increases in rents when family incomes increase) on participant behavior; and

- The relationship between the availability of reliable and affordable child care, and outcomes for families.

• *Increase Affordable Housing in the Commonwealth.* In addition, efforts should continue at the local, state and federal levels to increase the availability of housing affordable to families who have low and moderate incomes, including:

- *Increase the provision of a continuum of housing opportunities*, such as short-term rental assistance, housing with transitional services, rental subsidies, and subsidies with services attached, and ensure that families receive housing and housing services according to need.

- *Increase the availability of federal ("Section 8") and state (MRVP) rental vouchers, thus providing long-term affordable housing, shortening the time on short-term subsidies.* At the federal level, the current political climate is not positive for increased resources.[18] At the state level, Governor Patrick's FY2013 proposal[19] to increase funding to MRVP by $10.04 million (a 28 percent increase) is a positive step.

- *Preserve and maintain existing public housing.*

- *Continue broad efforts to increase the overall supply of housing*, with services as needed, affordable to those who have the lowest incomes through development grants, financing mechanisms and zoning policy.

ABOUT THE DATA IN THIS REPORT

We are very thankful to the six agencies that provided data, staff time and input for this report. All six agencies face constraints on their time (HomeBASE was being implemented during this period), and different capacities to share data, both digitally and from paper files. Much of the data used in this report depends on data collected for HUD's Homelessness Management Information System (HMIS), and was augmented by more detailed outcome information from client files located at each of the six agencies. Given the time and financial constraints placed upon this project, use of additional intake data not found in HMIS was limited to the Greater Boston agencies. Much of this data had been computerized for the MBHP's 2010 report *Rapid Re-housing of Motel-Sheltered Families: MBHP's Preliminary Assessment.*

NOTES

[1] U.S. Department of Housing and Urban Development (2009). *Notice of Allocations, Application Procedures, and Requirements for Homelessness Prevention and Rapid Re-Housing Program Grantees under the American Recover and Reinvestment Act of 2009*, pg 48. Report accessed from http://www.hudhre.info/documents/HPRP_NoticeRedline_6_08_09.pdf on March 5, 2012. Funds were allocated based on existing formulas used for the Emergency Shelter Grant (ESG) program.

[2] Massachusetts, Department of Housing and Community Development (2009a). *Request for Responses (RFR) for Homelessness Prevention and Rapid Re-Housing Program (HPRP)*, Boston, MA, pg. 14.

[3] Massachusetts Department of Housing and Community Development (2010a). *Massachusetts 2010-2014 Consolidated Plan,* pg 19.

[4] U.S. Census Bureau, (2011). 2010 American Community Survey estimates.

[5] U.S. Bureau of Labor Statistics. Massachusetts unemployment declined to 6.8 percent in December 2011.

[6] U.S. Census Bureau, 2008 and 2010 American Community Survey estimates.

[7] The only other U.S. jurisdictions with such an entitlement to shelter are New York City and Hennepin County, Minnesota, which contains the City of Minneapolis and a portion of its suburbs.

[8] In the provision of affordable housing, eligibility is usually determined based on a locally based "Area Median Income," rather than a national standard. For a family of two, $16,920 is 27.3 percent of the 2010 Estimated (American Community Survey) Median Household Income of $62,072. See http://www.mass.gov/hed/economic/eohed/dhcd/housing-stabilization.html for current Emergency Assistance guidelines.

[9] Culhane, Dennis and Thomas Byrne (2010). *Ending Family Homelessness in Massachusetts: A New Approach to the Emergency Assistance (EA) Program*. Boston, MA: The Paul and Phyllis Fireman Charitable Foundation, pg. 9. Available at http://www.ppffound.org/documents/whitepaper.pdf.

[10] Massachusetts Department of Housing and Community Development (2012), Homeless Caseload Data (FY2005 to FY2009) and Quarterly EA Legislative Reports. Accessed at http://www.mass.gov/hed/economic/eohed/dhcd/housing-stabilization.html on March 8, 2012.

[11] Special Commission Relative to Ending Homelessness in the Commonwealth (2007), *Report of the Special Commission Relative Ending Homelessness in the Commonwealth*. Boston, MA: Commonwealth of Massachusetts, pg x.

[12] Massachusetts, Department of Housing and Community Development (2009a), pg. 4.

[13] U.S. Department of Housing and Urban Development (2011a), *Final FY2011 Fair Market Rent Documentation*. Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area. FY2011 FMRs for Massachusetts can be found at http://www.huduser.org/portal/datasets/fmr/fmrs/docsys.html&data=fmr11. Fair Market Rents (FMR) are set by the U.S. Department of Housing and Urban Development for the purposes of setting rent standards for the Housing Choice Voucher (Section 8) program. FMRs are set at 80% of the local median rent so as to balance program costs with providing accessibility to a wide range of units for families.

[14] U.S. Census Bureau (2011), 2010 American Community Survey estimates, annual earnings for adults 25 years and older, Massachusetts. Accessed February 10, 2012 at the American FactFinder at www.census.gov.

[15] Post secondary education includes those who have completed professional certifications and some college (no degree), as well as those who have completed an Associate's degree or higher. HUD's Homelessness Management Information System does not provide for more detailed categories. As a result, it is unclear how many of the HPRP families have completed at bachelor's degree.

[16] Massachusetts, Department of Housing and Community Development (2009a), p. 14.

[17] U.S. Department of Housing and Urban Development (2011b) *2010 Annual Homelessness Assessment Report to Congress.* Pg 67. Available at http://www.hudhre.info/documents/2010HomelessAssessmentReport.pdf.

[18] See http://www.endhomelessness.org/section/policy/legislative_updates/section_8 for a summary of recent activity on proposed changes to Section 8 regulations and funding.

[19] Details of the Governor's FY2013 proposed budget can be found at http://www.mass.gov/bb/h1/fy13h1/index.html.

[20] U.S. Department of Housing and Urban Development (2009), pg 1.

[21] Ibid, pg. 6.

[22] Ibid, pg 32.

[23] Ibid, pgs. 13-19.

[24] U.S. Department of Housing and Urban Development (2010), *Final FY2010 Fair Market Rent Documentation*. Massachusetts data accessed March 5, 2012 from http://www.huduser.org/portal/datasets/il/il10/ma.pdf.

[25] "But for the use of HPRP assistance" is HUD concept related to homelessness prevention where participants should meet certain the following standards:

- No appropriate subsequent housing options have been identified;
- The household lacks the financial resources to obtain immediate housing or remain in its existing housing; and
- The household lacks support networks needed to obtain immediate housing or remain in its existing housing.

U.S. Department of Housing and Urban Development (2011c, revised). *Homelessness Prevention and Rapid Re-housing Program (HPRP) Eligibility Determination and Documentation*. Pg. 2. Report accessed from http://www.hudhre.info/documents/HPRP_EligibilityAndDocumentationGuidance.pdf on March 5, 2012.

[26] U.S. Department of Housing and Urban Development (2009). Pg. 48. Funds were allocated based on existing formulas used for the Emergency Shelter Grant (ESG) program.

[27] The only other U.S. jurisdictions with such an entitlement are New York City and Hennepin County, Minnesota, which contains the City of Minneapolis and a portion of its suburbs.

[28] In the provision of affordable housing, eligibility is usually determined based on a locally based "Area Median Income," rather than a national standard. For a family of two, $16,756 is 27 percent of Massachusetts' 2010 Estimated (American Community Survey) Median Household Income of $62,072. See http://www.mass.gov/hed/economic/eohed/dhcd/housing-stabilization.html for current Emergency Assistance guidelines.

[29] Culhane, Dennis and Thomas Byrne (2010), pg 10.

[30] U.S. Census Bureau, 2008 and 2010 American Community Surveys.

[31] U.S. Department of Housing and Urban Development (2011b). According to this report, family homelessness in the U.S. increased from approximately 470,000 persons in families sheltered in 2007 to 550,000 persons in sheltered families in 2010. This estimate is based on percentages of those in families provided on page 33, combined with total figures founds on page 38.

[32] Culhane, Dennis and Thomas Byrne (2010), pg 10.

[33] Massachusetts Department of Housing and Community Development (2009b). December 16, 2009 Daily Entry Data. (Regular e-mail sent to HPRP providers).

[34] Massachusetts Department of Housing and Community Development (2010b). *Legislative Report 2nd Quarter.*

[35] Ibid.

[36] U.S. Department of Housing and Urban Development (2010). Under HUD guidelines, the Fair Market Rent covers both the cost of rent and tenant paid utilities such as gas, heat, hot water and electricity, but excludes phone, cable and internet.

[37] Special Commission Relative to Ending Homelessness in the Commonwealth (2007), pg x.

[38] National Alliance to End Homelessness (2010). Web page: "Solutions: Housing First." Retrieved August 14, 2010 at http://www.endhomelessness.org/section/solutions/housing_first

[39] Massachusetts Department of Housing and Community Development (2009a), pg. 14.

[40] The breakdown of the data provided by the six agencies is as follows: Central Massachusetts Housing Alliance (61), Father Bill's & MainSpring (72), HAPHousing (79), Heading Home (79), Metropolitan Boston Housing Partnership (172), and Montachusett Opportunity Council (23).

[41] Massachusetts Department of Housing and Community Development (2009a), pg. 4.

[42] Special Commission Relative to Ending Homelessness in the Commonwealth (2007), pg x.

[43] Massachusetts Department of Housing and Community Development (2009a), pg. 4.

[44] U.S. Department of Housing and Urban Development (2009), p. 13.

[45] The average HPRP family incomes were also significantly less than federal HPRP income eligibility guidelines, which for Greater Boston was $36,750 for a family of two and $41,350 for a family of three.

[46] The gap between the median income and the income needed to support a Fair Market Rent (FMR) was determined by first defining the FMR for each region, as defined by HUD for FY2011. The two-bedroom rent was used, as this is the most frequently needed bedroom size for these participants. FY2011 was used to reflect expected rents at the end of the HPRP subsidy. The regions were as follows: Central Massachusetts-Worcester, Greater Boston-Boston, Southeastern Massachusetts-Brockton, and Western Massachusetts-Springfield. Fair Market Rents (FMR) are set by the U.S. Department of Housing and Urban Development for the purposes of setting rent standards for the Housing Choice Voucher (Section 8) program. FMRs are set at 80% of the local median rent so as to balance program costs with providing accessibility to a wide range of units for a family. FY2011 FMRs for Massachusetts can be found at http://www.huduser.org/portal/datasets/fmr/fmrs/docsys.html&data=fmr11. It is common practice in subsidy programs to consider 30 percent income of income towards rent as affordable. FMRs were converted to a monthly income using this factor.

[47] Incomes were not broken out by specific source. As a result, average income is for all sources, but only for those families where wage income was present.

[48] U.S. Census Bureau. 2010 American Community Survey estimates.

[49] Individuals may receive Social Security at age 62, but to receive full benefits, retirement must be at age 65 to 67, depending on year of birth. See the Social Security Administration's retirement planner at http://www.ssa.gov/retire2/.

[50] U.S. Census Bureau. 2010 American Community Survey estimates.

[51] U.S. Census Bureau, 2008 and 2010 American Community Survey estimates.

[52] "Householder" is the term the U.S. Census Bureau uses to describe a head of household.

[53] Post secondary education includes those who have completed professional certifications and some college (no degree), as well as those who have completed an Associate's degree or higher. HUD's Homelessness Management Information System does not provide for more detailed categories. As a result, it is unclear how many of the HPRP families have completed at Bachelor's Degree.

[54] Massachusetts Department of Workforce Development (2012). *Profile of Massachusetts Unemployment Insurance Claimants, December 2011*. Pg. 4. Accessed January 29, 2012 at http://lmi2.detma.org/lmi/claimant/claimantprofiles_1211.pdf.

[55] U.S. Census Bureau. 2008 and 2010 American Community Survey estimates.

[56] U.S. Census Bureau, 2010 American Community Survey estimates.

[57] Families did not note whether their evictions were for "cause" (non-payment of rent, for example), or "not for cause" (the property owner needed the apartment for him/herself or a family member, for example). Those with a not for cause eviction may continue to have positive rental histories.

[58] As families reported their CORI problems, an actual criminal record search was completed. In some cases, a family could report a CORI problem when none exists, such as with a juvenile record or an old misdemeanor.

[59] U.S. Department of Housing and Urban Development (2011b), pg. 62.

[60] In Massachusetts, a rental property owner can provide a tenant a "Notice to Quit" an apartment, and it is common for a tenant to leave after receipt of such a notice. This notice does not constitute an eviction, which can only be ordered by a judge.

[61] Commonwealth of Massachusetts (2003). Emergency Assistance Regulation, 106 CMR 309. Pg. 309.40. Accessed at http://www.mass.gov/hed/docs/dhcd/hs/106cmr309.pdf on March 7, 2012.

[62] Massachusetts Department of Housing and Community Development (2009a), p. 14.

[63] These findings are consistent with those reported in Burks, Sophia, Rachel Gordon, Carl Onubogu, Blake Roberts, and Samantha Sandoval (2011), "An Interim Evaluation of the Massachusetts Homelessness Prevention and Rapid Re-housing Program," Tufts University, chapter 6. The report focused on the Massachusetts results for HPRP participants who received prevention and diversion services.

[64] Ibid., p. 54

[65] National Alliance to End Homelessness (2012), "What is 'sustainable' housing cost burden? Implications for HPRP," Solutions Brief and Albelda, R. & Shea, J. (2010). "To Work More or Not to Work More: Difficult Choices, Complex Decisions for Low-Wage Parents." *Journal of Poverty*, 14:245-265.

[66] Each household with an MRVP voucher must pay at least 30% of its net income plus $50 for rent. This is the household's minimum share of rent. The MRVP pays the difference between this amount and the rent charged by the landlord, up to the voucher maximum value. The voucher maximum value is set by the DHCD and depends on the household's income, household size, and the geographic area where the household plans to live.

If the rent charged by the landlord is greater than the household's minimum share of rent and the voucher value combined, then the household must pay the difference. There is no limit on the amount a household may choose to pay for rent. Many families with MRVP vouchers pay 40% or more of their income for rent and utilities. http://www.massresources.org/section8-rent.html

[67] Burks, et al (2011), p. 54.

[68] U.S. Department of Housing and Urban Development (2011b), p. 55, and Massachusetts Department of Housing and Community Development (2009a), p. 6.

[69] According to the U.S. Bureau of Labor Statistics, the Massachusetts, seasonally adjusted unemployment rate declined from 8.3 percent in June 2010 to 6.9 percent in December 2011.

[70] HomeBASE is based on the HPRP model, but uses state *and* federal funds to prevent and alleviate homelessness, See http://www.mass.gov/hed/economic/eohed/dhcd/housing-stabilization.html for more information. Despite less reliance on a temporary, federally funded source, funding remains problematic; rental assistance was suspended for the remainder of FY2012 as of October 28, 2011 due to a shortage of funds (see http://www.mass.gov/hed/docs/dhcd/hs/hbase/11-06.pdf)

[71] U.S. Department of Housing and Urban Development (2011b), op. cit., p. 67.

[72] Special Commission Relative to Ending Homelessness in the Commonwealth (2007), p. x.

[73] For research purposes, families with an increase in income of at least $50 were coded as such. Families with less than a $50 change in income (up or down) were considered to have "stable" incomes, and those with an decrease in income of $50 or more were coded as a "decrease."

[74] See http://www.endhomelessness.org/section/policy/legislative_updates/section_8 for a summary of recent activity on proposed changes to Section 8 regulations and funding.

[75] Details of the Governor's FY2013 proposed budget can be found at http://www.mass.gov/bb/h1/fy13h1/index.html.

RESEARCHER: UMASS-BOSTON CENTER FOR SOCIAL POLICY (CSP)

CSP provides expertise on policies and practices that reduce social and economic inequities. CSP engages in a critical analysis of the structural causes for low wages, barriers to housing affordability, the unequal distribution of resources and their impacts on families, communities and society as a whole. CSP's inclusive, people-centered research methodologies generate solid evidence for reshaping policies that effectively address the root causes of poverty.

Since the early 1990s, CSP has led several multi-stakeholder, multi-site evaluation and policy planning initiatives that are focused on broad-based social change in the state and country; CSP seeks practical solutions to complex problems so that direct action can be readily taken. Over the years and into the present, the Center carries out this work through a variety of partnerships, including community members, nonprofit organizations, foundations, public agencies and other University of Massachusetts Boston units.

THE FOLLOWING AGENCIES PROVIDED DATA, STAFF TIME AND INPUT FOR THIS REPORT:

METROPOLITAN BOSTON HOUSING PARTNERSHIP (MBHP)

MBHP is the state's largest regional provider of rental housing voucher assistance, serving 7,600 tenant households and working with 4,300 property owners. MBHP serves individuals and families who are homeless, elderly, disabled, and/or of low and moderate incomes. MBHP's region spans Boston and 29 surrounding communities.

MBHP's mission is to ensure that the region's low- and moderate-income individuals and families have choice and mobility in finding and retaining decent affordable housing; all MBHP programs and initiatives are designed to encourage housing stability, increase economic self-sufficiency, and enhance the quality of the lives of those it serves. To achieve its mission and to promote efficient service delivery, MBHP works collaboratively with a broad array of service providers and neighborhood-based organizations.

HEADING HOME

Heading Home is a Cambridge-based organization founded in 1972, which, for this program, contracts with MBHP to assist in the efforts to move Greater Boston families from motels into permanent apartments. Heading Home provides emergency shelter, housing and supportive services for more than 1,500 homeless and low-income people each year. Once known as "Shelter, Inc." the organization became "Heading Home" in 2008 in order to highlight its change of focus from the provision of shelter beds to the creation of permanent affordable housing units. Heading Home, like MBHP, is responsible for the assessment of families living in motels for HPRP funds and assisting families with their housing search process.

CENTRAL MASSACHUSETTS HOUSING ALLIANCE (CMHA)

CMHA operates an array of programs ranging from homelessness prevention to affordable homeownership and services for elder homeowners. CMHA plays a pivotal role in providing leadership and serving as the primary convener in efforts to strengthen our community's homeless service delivery system and to increase and preserve the supply of affordable housing.

CMHA's advocacy promotes planning and partnerships between service providers and communities in developing strategies and long-term solutions that promote systemic changes to combat homelessness and increase access to affordable housing.

The cornerstone of CMHA's mission is to not exist simply to continue to provide more services, but to get to the root causes and reduce the need for our services in the long run. Each of the agency's direct service programs informs its advocacy efforts and keeps it grounded in the realities that their clients face on a daily basis. In turn, CMHA's advocacy efforts have helped to mobilize a unified community response to the broader issues facing low- and moderate-income households in Worcester County.

FATHER BILL'S & MAINSPRING (FBMS)

FBMS is dedicated to ending—not managing—homelessness in Southeastern Massachusetts. With support from local businesses, individuals, community providers, and the public, FBMS seeks to make their belief that "nobody should be homeless," a reality. In order to truly end homelessness in Southeastern Massachusetts, FBMS takes a holistic approach that goes beyond emergency shelter.

FBMS is the result of a 2007 merger of the MainSpring Coalition for the Homeless of Brockton and Father Bill's Place of Quincy. FBMS delivers a range of programs and services to meet the needs of each person facing homelessness. Their primary areas of focus are emergency shelter, prevention, permanent supportive housing and work force development.

HAPHOUSING

HAPHousing is a nonprofit organization that, in over 35 years, has earned a reputation as the leader in Western Massachusetts in facilitating access to housing and homeownership. As the region's housing partnership, HAPHousing collaborates with other community-based organizations to create affordable housing and to revitalize urban neighborhoods.

Originally established to provide innovative forms of assistance to families seeking to rent decent, safe housing, HAPHousing has come to provide a wide range of services to tenants, homebuyers, home-owners and rental property owners. HAPHousing assists more than 20,000 households each year and is the largest nonprofit developer of affordable housing based in Western Massachusetts.

MONTACHUSETT OPPORTUNITY COUNCIL (MOC)

MOC is the designated Community Action Agency serving North Central Massachusetts and was established in 1966 under the Economic Opportunity Act. The mission of Montachusett Opportunity Council, Inc. is to develop collaborative opportunities and empower low-income individuals and families in the Montachusett region to achieve self-sufficiency through providing services with dignity, assisting in overcoming barriers and advocating and coordinating efforts to alleviate the causes and effects of poverty.

MOC convenes the North Central Housing Coalition, whose purpose is to improve communication and educate the community about housing issues, increase affordable housing opportunities, assist in preventing homelessness, and advise policy makers.

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