



Eviction Diversion Initiative Update Presentation to Stakeholders with the Trial Court

Baker-Polito Administration
03/25/21



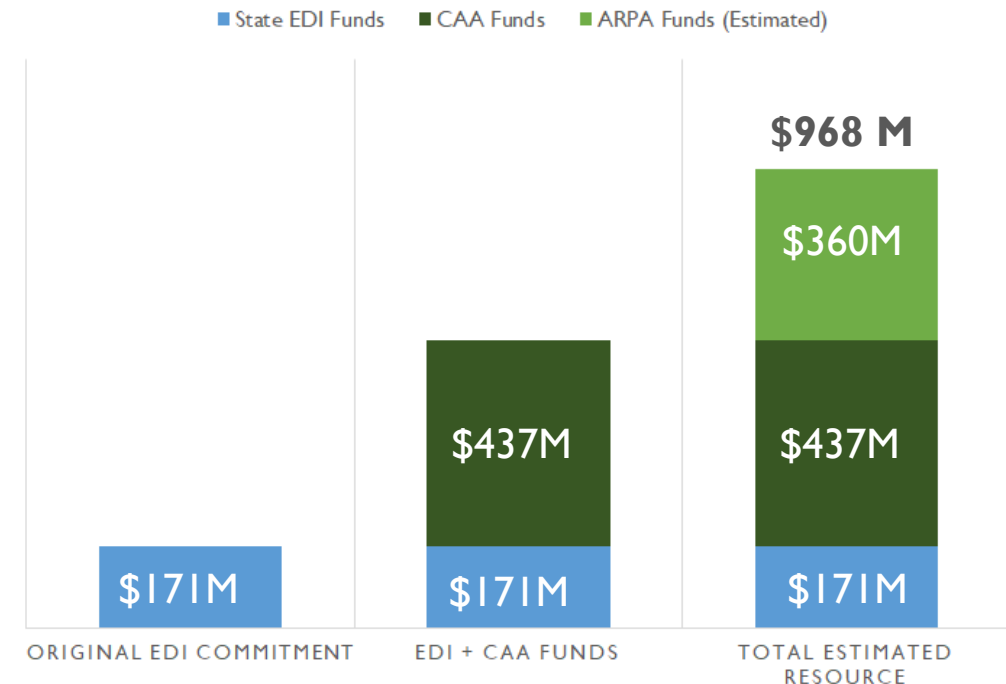
- Total Resources
 - From October to Present
 - Consolidated Appropriations Act (CAA) & American Rescue Plan Act (ARPA)
- Eviction Diversion Initiative Highlights
 - Overall
 - Emergency Assistance (EA) Shelter & HomeBASE
 - Rental Assistance to Families in Transition (RAFT)
- Federal Funding
 - Emergency Rental Assistance Program (ERAP)
 - Subsidized Housing Emergency Rental Assistance (SHERA) Program
 - Future State: Central Application and End-to-End Solution



\$968 million total estimated resource

- \$171 million committed by Baker-Polito Administration with launch of Eviction Diversion Initiative in October 2020
 - State operating funds & Coronavirus Relief funds
 - \$100 million for Residential Assistance to Families in Transition (RAFT)
 - Remaining funds for Housing Consumer Education Centers, Legal Services, Housing Mediation Program, Tenancy Preservation Program & Rapid Rehousing
- \$437 million allocated from US Treasury through Consolidated Appropriations Act (CAA) enacted in December 2020
- \$360 million estimated to be allocated from US Treasury through American Rescue Plan Act (ARPA) enacted in March 2021

TOTAL STATE FUNDS IN EVICTION DIVERSION ECOSYSTEM



* Federal funds will be prioritized for all eligible uses



- **Consolidated Appropriations Act (CAA)**
 - \$437M to state + \$20M to Boston
 - Rental/Utility Assistance
 - Up to 10% for Administration & Housing Stabilization Services
 - 65% of funds must be spent by end of September 2021 to avoid recapture
- **American Rescue Plan Act (ARPA)**
 - Estimated \$360M to state
 - Rental/Utility Assistance
 - Up to 10% for Case Management & Housing Stabilization Services
 - Up to 15% for Administration
 - 50% of funds must be spent by end of March 2022 to avoid recapture

Total Estimated Federal Funding Available: \$797M

- Rental/Utility Assistance: \$663M
- Stabilization Services: Up to \$36M
- Administration: Up to \$98M

Estimated Households Served:

At an average benefit of \$8,000, the program will serve 83,000 households.

Spending Timeline:

9/30/22 – CAA is available until this date
9/30/25 – ARPA is available until this date

Eviction Diversion Initiative – How far we have come



October

- Eviction Diversion Initiative (EDI) is announced and the Administration commits \$171 million for FY21
- The state moratorium on evictions and foreclosures ends on October 17

November

- Public information campaign is completed: outreach to 150+ community-based organizations, MBTA signs, highway signs, social media via Facebook and Twitter, and standing up 2-1-1 as the front door for all who need help getting housing information
- Organizations across new and expanded EDI programs staff up and ultimately end up hiring nearly 400 individuals

December

- FY21 budget is signed into law, including more funding and key policy changes to Residential Assistance to Families in Transition (RAFT) and Emergency Rental and Mortgage Assistance (ERMA) housing programs
- The Consolidated Appropriations Act (CAA) is enacted, directing \$437 million in federal funds to Massachusetts

January

- The Rental Assistance Processing (RAP) Center launches to increase RAFT-ERMA application processing capacity
- RAFT & ERMA program benefit caps increase from \$4,000 to \$10,000 per FY21 budget line-item language
- Income verification with MassHealth & DTA reduces documentation requirements for RAFT-ERMA applicants

February

- \$21.1 million in RAFT payments are distributed to 5,436 households during this month, a record high
- Family shelter caseloads and new entries remain low; similar trends are seen in HomeBASE and rapid rehousing programs

March

- During the first three weeks of March, RAFT assists 7,445 households with \$23.6 million
- Federal rental assistance programs launch, making \$400+ million in federal aid available to Massachusetts residents
- Passage of American Rescue Plan Act, making an estimated \$360 million in federal aid available to Massachusetts residents





- **Housing Consumer Education Center (HCEC) Expansion**
 - 80,015 households served
- **Housing Mediation Program (HMP)**
 - Over 450 referrals to date, with 120+ referrals mediated
 - HMP is preserving tenancies or otherwise benefiting tenants at a higher rate than expected for cases referred to the program (79% actual vs. 64% expected)
- **COVID Eviction Legal Help (CELHP)**
 - Over 1,200 cases to date, including both full representation & more limited services (most cases ongoing)
 - Pro bono and "low bono" services for owner-occupants now available statewide
- **Tenancy Preservation Program (TPP)**
 - 617 households served since the beginning of FY21; 369 closed cases with 89% resulting in preserved tenancies
- **HomeBASE & Rapid Rehousing**
 - New HomeBASE participants down 30% - 60% over prior year; DHCD continues to see fewer families entering and staying in the family shelter system and fewer families in need of rapid rehousing assistance
 - Massachusetts Emergency Temporary Assistance Reserve (METAR) will sunset April 1 due to lack of demand

HomeBASE Monthly Households Served

Total Households & Diversions from Emergency Assistance (EA or Family Shelter)



EA - HomeBASE

Data source: Commonwealth of Massachusetts EOHED
 Data date range: 1/1/2020 - 2/28/2021
 Last updated: 3/15/2021

Choose a Reference Date

Start of Fiscal Year

Households Served Funds Distributed

2,307

Total # of Unique Households Served

\$5,806

Average Award Amount Per Household

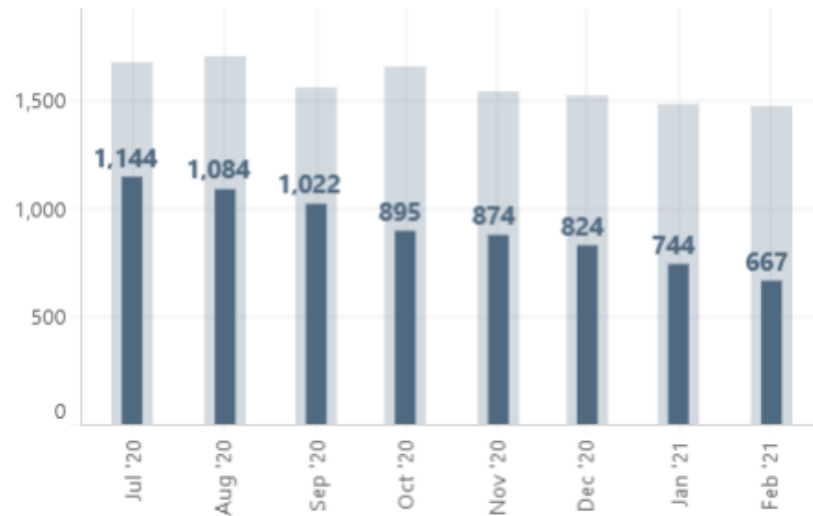
\$8.7M

Total Amount of Funds Distributed

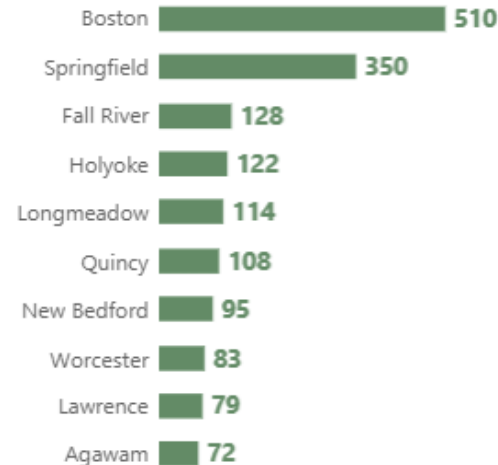
162

Total # of HomeBASE Diversions

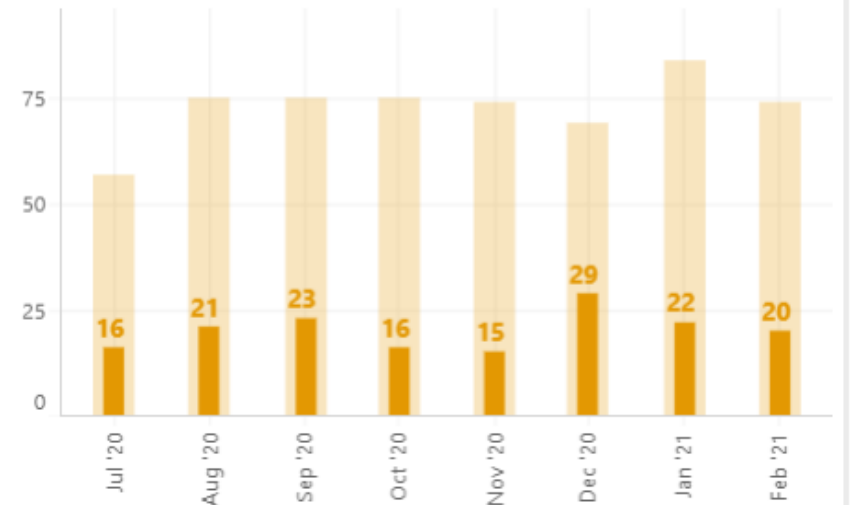
Households Served by Month



Households Served by Top 10 Cities



EA HomeBASE Diversions by Month



EA (Emergency Assistance or Family Shelter) Monthly Shelter & Hotel Entries & Total Caseloads



EA - Family Shelters

Data source: Commonwealth of Massachusetts EOHEd

Data date range: 3/1/2020 - 2/28/2021

Last updated: 3/15/2021

Choose a Reference Date

Start of Fiscal Year

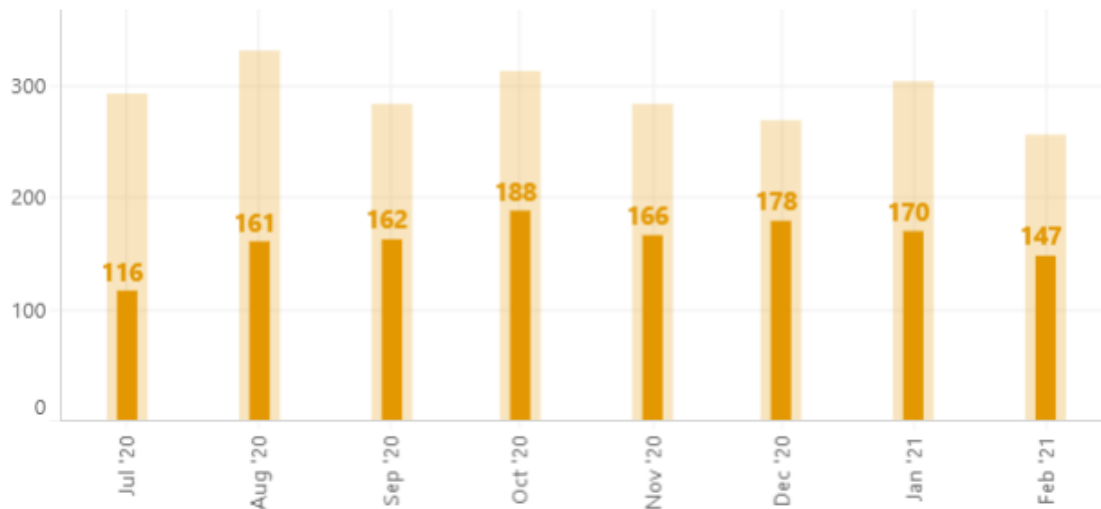
1,288

Total # of Shelter & Hotel Placements

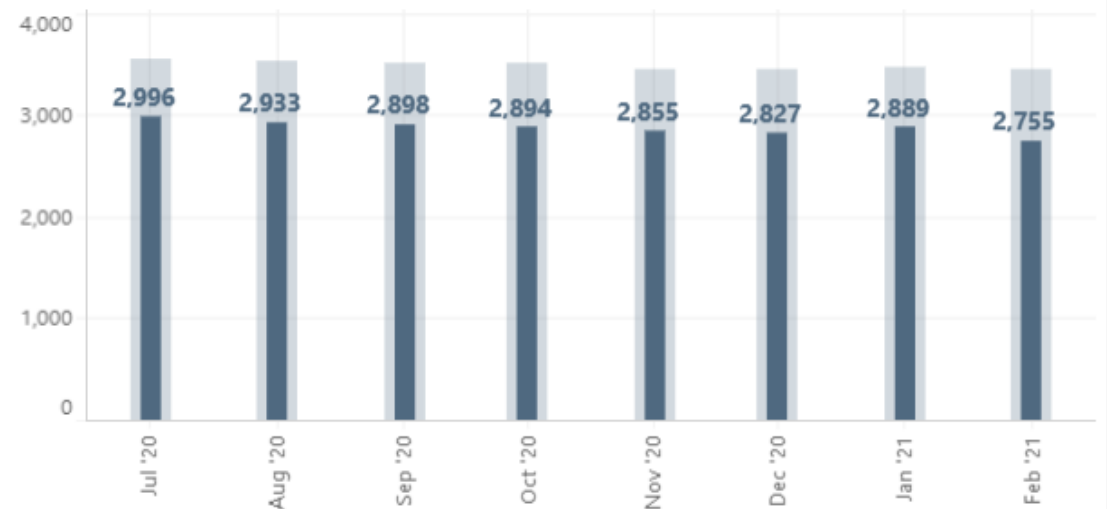
2,881

Average Shelter & Hotel Caseload

Shelter & Hotel Entries by Month



Shelter & Hotel Caseload by Month

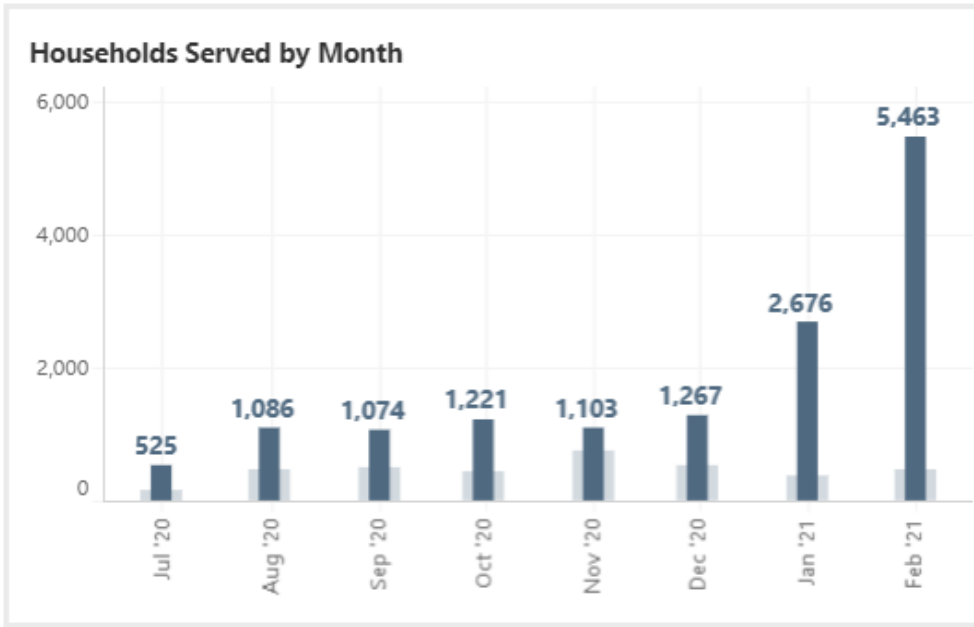
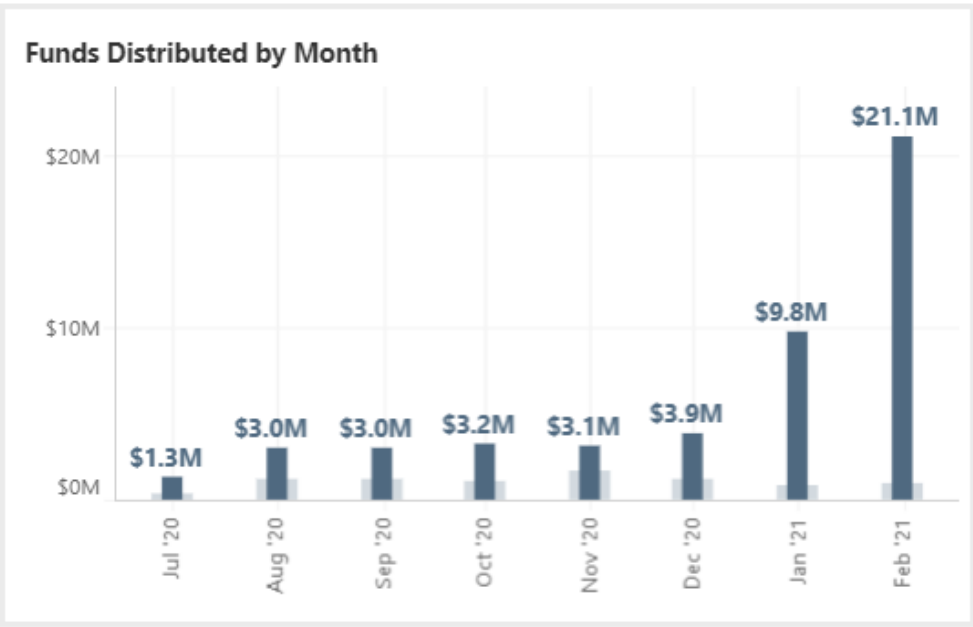


Rental Assistance for Families in Transition (RAFT)

As of end of February 2021



EDI Expansion	
Program Description	RAFT expanded to offer up to \$10,000 in assistance for rent, utilities, moving expenses for households at or below 50% Area Median Income (AMI). Landlords owning 20 units or less may submit applications with tenant consent.
Spent to Date	\$48.4M through February 2021 (49% of original EDI commitment of \$100M)
Program Output to Date	11,514 unique households served through February 2021 (60% towards target of 19,250 households)



\$48.4 M
Total dollars distributed

11,514
Total Unique Households Served

Data from 7/1/2020 - 2/28/21

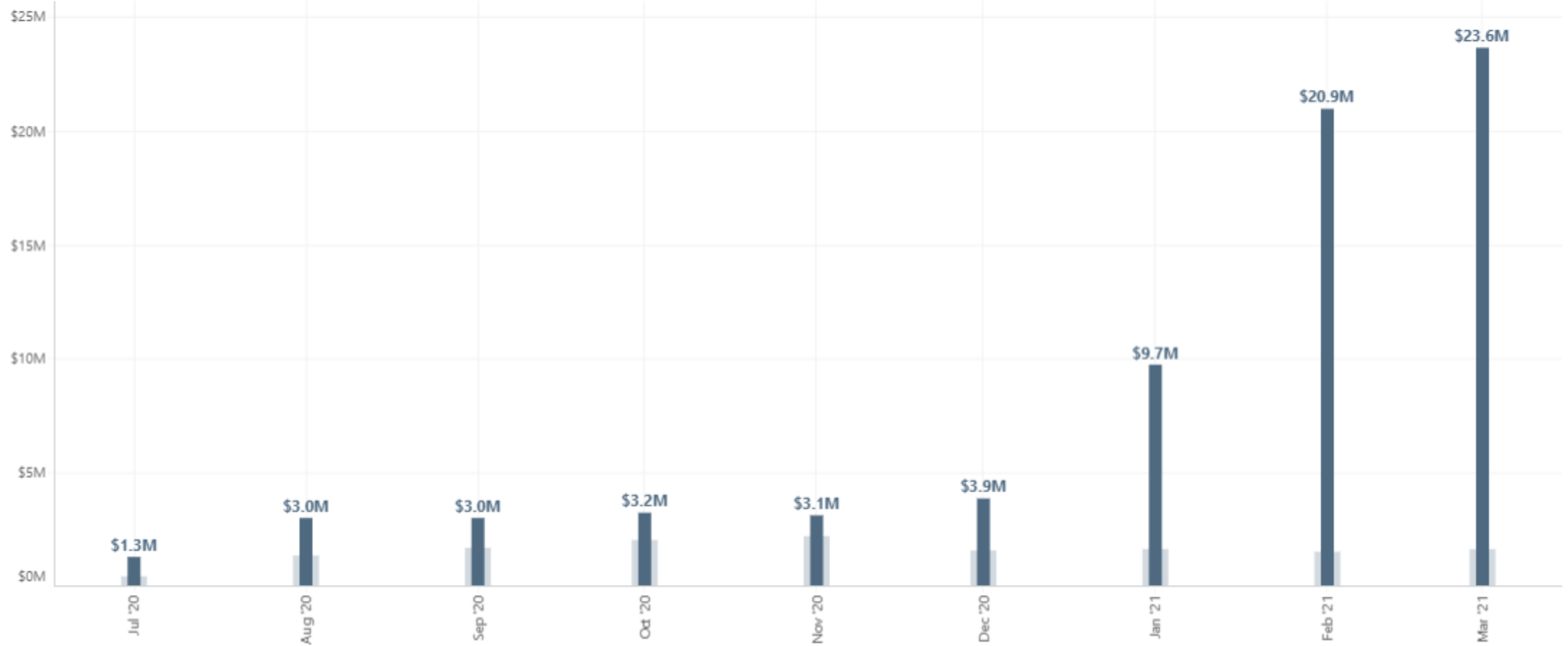
Rental Assistance for Families in Transition (RAFT) As of March 20, 2021



\$71.8M

Total Amount of Funds Distributed

Total Funds Distributed by Month



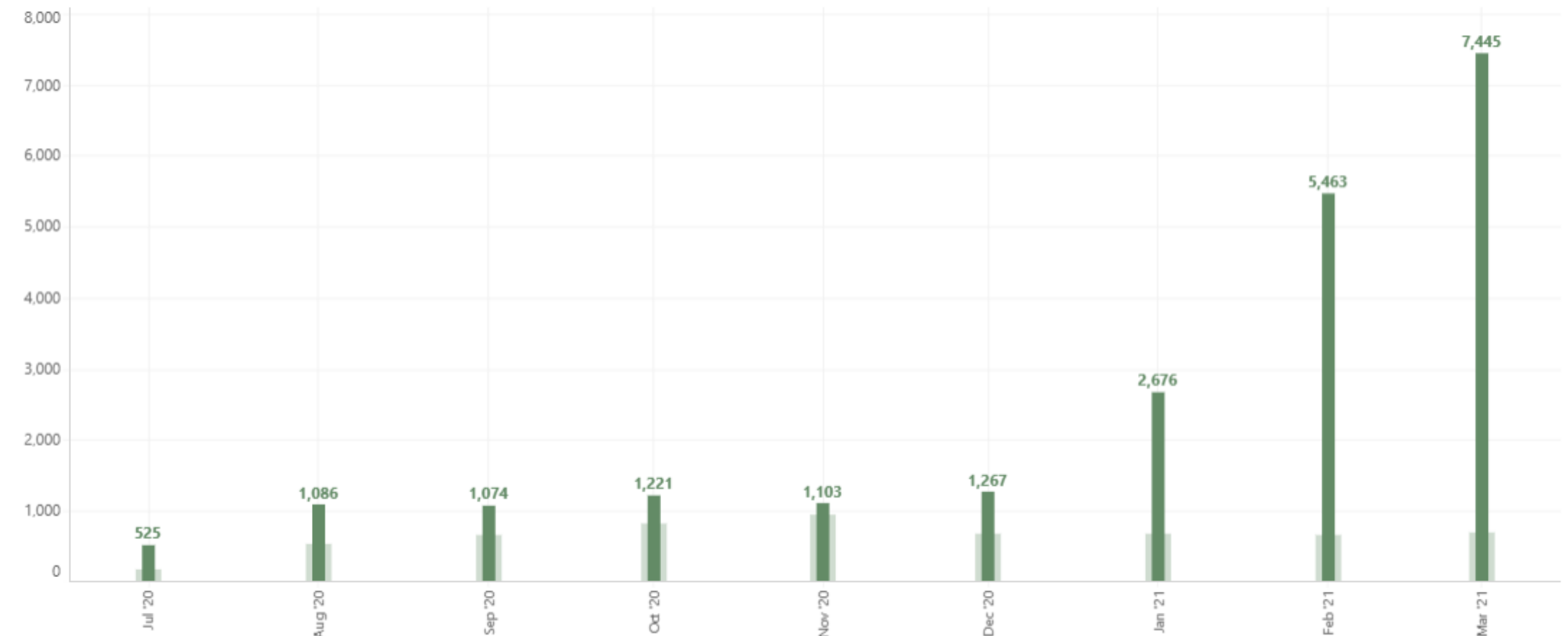
Rental Assistance for Families in Transition (RAFT) As of March 20, 2021



15,859

Total # of Unique Households Served

Total Households Served by Month





- The Regional Administering Agencies (RAAs) that administer RAFT & ERMA began tracking and sharing self-reported application data with DHCD on November 23, 2020.
- From that time through Saturday, March 20, 2021, RAAs received about **30,000** new applications for RAFT-ERMA assistance, of which 43% were approved for assistance
 - Weekly **application processing capacity has increased 10X** since November
 - RAFT served 5,436 households in February and 7,445 households in the first three weeks of March.*
 - By comparison, 7,160 households were assisted through the RAFT program in all of FY20.
- RAAs staffed up to meet this challenge by **hiring and training more than 200 new staff**, and are continuing to grow staff as needed, with DHCD support
- **Six weeks is the average current processing time** for an application. Processing time is a function of many variables, including:
 - Volume of applications received
 - Completeness of applications received (roughly 85% of submitted applications are incomplete)
 - Responsiveness of tenant and landlord
 - Format of application (electronic vs. hard copy or PDF)

**Households may receive assistance across multiple months.*



- Increased application processing capacity is the result of two actions in January:
 - Policy changes to the RAFT & ERMA programs, including increased benefit of \$10,000 per household and emergency regulation granting presumptive eligibility for MassHealth and DTA verified participants
 - Launch of the Rental Assistance Processing (RAP) Center, which is operated by Nan McKay and Associates (NMA), a company with four decades of experience in affordable housing and COVID-era rental assistance processing in other states
- As of March 20, 2021, based on RAA- and RAP Center-reported data, there were 10,813 applications for RAFT or ERMA currently in process. Of that total:
 - 968 (9%) are awaiting final decision, as all documents have been received and application is in the last stage of review before payment or denial
 - 6,633 (61%) are in review with a case manager who is in active communication with the household and may be missing information or documentation from either the applicant, the landlord, or both parties
 - 3,212 (30%) are not yet reviewed



Emergency Rental Assistance Program (ERAP)

Earlier this week on March 22, the Administration launched the new federally funded **Emergency Rental Assistance Program (ERAP)** that will be administered in collaboration with the regional administering agencies (RAAs) that currently process RAFT & ERMA benefits.

ERAP will be administered in the same manner that RAFT-ERMA has been administered, except where changes are required by federal guidance. All pending and new RAFT-ERMA applicants, no matter when they were submitted, will be treated as applications for ERAP.

Program Highlights include:

Income Eligibility

Households that make up to **80% AMI** are eligible for ERAP funding, while RAFT benefits are available for households making up to 60% AMI. ERMA benefits are available to households making up to 80% AMI.

Increased Benefits

Households may be eligible for up to **12 months of** rent arrears and \$1,500 utilities arrears. Rent stipends also available (total assistance cannot exceed 15 months rent). Arrears must have accrued after March 13, 2020.

Prioritize At-Risk Households

Prioritization of funds for households **most at risk**, including households making less than 50% AMI and those unemployed for 90 days or more.



Subsidized Housing Emergency Rental Assistance (SHERA) Program

SHERA provides **qualified owners** of affordable rental housing and **Local Housing Authorities** with an **expedited** path to apply for federal Emergency Rental Assistance on behalf of **income-eligible tenants**.

- Empowers owners to submit online bulk payment applications for tenants based on income verification by owners
- Expected to assist 200,000+ units across portfolios with rental arrears from April 2020 – February 2021

WHO

- Households \leq 80% AMI in an eligible property
- Half of funds reserved for households \leq 50% AMI and those unemployed for 90+ days

Eligible Properties:

- Receive(d) capital or operating housing subsidy from DHCD or quasi-public agencies
- State and federal public housing
- Properties with units \leq 80% AMI (including mixed-income properties)
- Use-restriction held by DHCD or MassHousing (MH)/MA Housing Partnership (MHP)

WHY

- 15% of state's income eligible renters live in MH/MHP portfolio
- 24% of state's income eligible renters live in public housing/have vouchers
- Handling these properties in bulk will help speed RAA processing for other applicants

Tenants Already Income-Certified:

- Tenants are already required to income-certify at lease-up and annually
- Robust monitoring by state agencies

HOW

- **Phase I:** MH/MHP portfolio owners begin to register in April, then apply for funds
- **Phase II:** LHAs and other eligible owners register, then apply for funds
- Payments directly to owner on behalf of tenant
- Refer tenants to RAA for other ERA assistance

Eligible Owners:

- Owners in MassHousing and MHP portfolios
- Owners in DHCD portfolio with at least one property >20 units or other property under MH/MHP stewardship
- All Local Housing Authorities

Future State: Central Application and End-to-End Solution



Due to the availability of \$700M+ in federal rental aid and the transformation of RAFT from a targeted homelessness prevention program to a large-scale disaster relief program, DHCD is working closely with Regional Administering Agencies (RAAs) and users to develop a **Central Application**.

- **Features:** The Central Application will provide a single, simpler point of entry for applicants; be translated into all the necessary languages; and allow for some unified procedures as well as centralized security, maintenance and updating.
- **Timing:** The Central Application is expected to go live in the coming months. DHCD is taking a deliberate and methodical approach in partnership with RAAs, to avoid disrupting or slowing application processing.

In addition, DHCD is working towards a future **End-to-End Case Management Solution** that will have broader capacity and give applicants greater visibility into the status of their applications.

- **Features:** This eventual comprehensive, technology-driven solution will benefit RAAs and applicants: case management tools to track application progress; increased transparency, including better access to information about application status; user-friendly interfaces; and enhanced language access.
- **Timing:** With the End-to-End Solution, DHCD aims to create a thoughtful, innovative, and easy-to-use way for low-income households to access wraparound housing stability resources. That means investing the time needed to properly scope and test the software.