**FY2013 Funding Recommendations to Reduce**

**Massachusetts Family Homelessness**

**Prepared by Citizens’ Housing and Planning Association (CHAPA)**

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**Part A. Preamble**

Throughout December, 2011, CHAPA convened a working group[[1]](#footnote-2) to discuss FY2013 budget recommendations regarding the continuum of DHCD programs that prevent homelessness, divert homeless families from shelter, provide shelter for homeless families, and provide housing for families exiting shelter. The recommendations and policy issues outlined in this document reflect the range of items discussed in the process and describe select areas where there appeared to be agreement or disagreement on recommendations. However, this not a complete compendium of requests or policy statements from the working group members.

**Part B. Background**

It is important to look closely at the context of the Commonwealth’s recent HomeBase experience. It was launched at a point in time when the demand for housing assistance had been impacted by an extended period of financial distress dating to the market collapse nearly three years earlier. Unemployment rates remained historically high and extended benefits for many of the unemployed were expiring. The foreclosure crisis—in which households went from being homeowners to renters—also increased the demand for rental housing.

These immediate issues, however, pale in the face of the decades-long increase in the demand for housing affordable to extremely low income families (ELI), defined as families below 30% of Area Median Income[[2]](#footnote-3). The poverty rate increased in many of our urban centers over the past three decades. Most of the families that fall into the ELI category are income eligible for Emergency Assistance. One index of this need is the state-wide Housing Choice Voucher Program (Section 8) waiting list maintained by the Department of Housing and Community Development. It now includes nearly 100,000 households. Many other households have applied to local housing authorities and to privately-owned affordable housing developments that have their own project based allocations of Section 8. Census data shows that there are approximately 200,000 renter households with worst case housing needs paying more than one-half of their income for rent. While some of these are single individuals or couples without children, the greatest number are families.

This growth in families in need for assistance is a reflection of the failure of both state and federal governments to address poverty and to provide an adequate supply of housing affordable to extremely low income households dating back several decades. In the early 1980’s, the federal government abandoned the programs that produced the bulk of new ELI housing units – public housing, Section 8 New Construction, and Section 8 Substantial Rehabilitation. At the same time, the number of Section 8 Certificates (now vouchers) added to the stock each year began to diminish. By 2001, the number of incremental vouchers diminished to virtually zero and, in some years, there was a viable threat that the number of vouchers would be reduced. In fact, as a matter of public policy, housing authorities were forced to cut back the number of vouchers that they had issued to meet new budget requirements.

At the same time, at the state level, similar changes in public policy resulted in the halt of production of public housing in the early 1990’s. That period also saw the demise of the state’s Chapter 707 Rental Assistance program that, in 1990, served as many as 25,000 households and had a budget of $125 million. That is more than the entire state appropriation for DHCD just prior to the addition of the Division of Housing Stabilization in 2009. In 1990, 2.5% of the entire state budget was spent on housing; in 2010 that number had dropped below 0.5%. And by 2010, the Massachusetts Rental Voucher Program, the successor to Chapter 707, had diminished to a mere 5,100 units.

While the supply of housing affordable to ELI households became static or diminished, the demand for such housing increased with continued formation of new ELI households, headed often by single parents and those with low levels of formal education who were unable to access the small number of jobs available for people with minimal skills. This situation was exacerbated by the failure of the minimum wage to track the cost of living. For many, work no longer paid; the social contract implied that, in return for working full time, one would have a roof over their head, food on the table, and health care for their family. That contract has been broken.

Many organizations have worked tirelessly within this difficult context to manage these challenges. Shelter providers, housing providers, Community Action Agencies, local and regional housing assistance organizations, legal services, the philanthropic sector and many other charitable organizations have tried to grapple with this issue for many years, with tangible success for thousands of families. Despite each notable achievement, thousands of new families continue to seek emergency shelter because of the lack of affordable housing opportunities and adequate support services.

Given the above trends, it is not surprising that HomeBase was overwhelmed at the Transitional Assistance/DHCD offices (front door) when the program was launched on August 1, 2011.

Based on recent experience, the Commonwealth has not found a way to directly connect rental assistance with emergency shelter without triggering a rush to the front door. We have also learned that shelter has become more than an emergency facility for families who literally “do not have a place to stay tonight”. It has become a weigh station in a torturous path for poorly housed families seeking adequate and affordable housing.

The Commonwealth’s initital objective was to spend less money on shelter, which is not permanent housing, and eventually more on housing which is so desperately needed. The reality is that the Commonwealth might have to fund thousands of additional ELI units to truly eliminate the overwhelming demand at the front door.

In that context, we need to develop a continuum of assistance and services available in FY’13 that will achieve a set of objectives, including:

* Ensuring that no family is forced to live on the street, in a car, or in other unsafe situations. Our highest priority must be to ensure a safe place for those families who have no place to be tonight.
* Minimizing the use of motel rooms as an alternative to housing and shelter, and reducing motel stays to a very short amount of time.
* Buildling a more cost effective system which will reduce the cost of motels and cost of long term shelter stays, and other costs related to homelessness.
* Increasing the number of housing units available to ELI households and the resources available that prevent homelessness.
* Changing the paradigm in a world of inadequate and diminishing resources to provide the appropriate incentives to families to pursue education, job training, and employment and remove disincentives that serve as a barrier to pursuing these paths.
* Provide a system that will produce the best outcomes for the poorest families and children and leads to long term cost savings for the Commonwealth.

**Part C: The HomeBase Program**

From the beginning, HomeBase was a collection of program elements, not a single program in the usual sense. The elements have included the following:

1. Initial screening: The screening process in the initial HomeBase design was designed to function as an information and referral system. However, HomeBase prescreening was also designed to provide families with alternatives to accessing shelter. In its planned framework, prescreening involves a quick assessment of the situation, followed by the dissemination of information and referral to appropriate resources. It is a triage and problem solving activity.

2. Assessment and Development of Individual Service Plans: A full assessment of families determined to be EA eligible who have been referred to HomeBase includes development of a housing plan and a plan for related services necessary to successfully transition to long term permanent housing.

3. Re-housing: The re-housing aspect of the program is first, a housing search program, similar to the housing search work that has been funded under a variety of programs, including the shelter program and discontinued DTA-contracted housing search program. To date, because of the large number of families entering Homebase at each of the entry points, housing search has not been as hands-on as desired.

4. Temporary Housing: The temporary program was essentially a parallel system to the Emergency Assistance program and included scattered site apartments, motels and other alternative placements.

5. Household assistance: This program very much resembles the RAFT program and the ICHH Pilot and relocation programs in terms of the work. In addition to being a tool for diversion, it is a resource for re-housing.

6. Rental assistance: This has nearly all the administrative characteristics of a Section 8 voucher program, including the complexities that can hinder the need for a rapid and flexible response. In addition, the short HomeBase time limit creates a need for an exit strategy for families that will still require housing assistance after 3 years with HomeBase rental assistance, similar to the challenges in Flex Funds and other short term rental assistance programs.

7. Stabilization: The line item language requires that all families receiving HomeBase must be provided with a stabilization worker to focus on housing retention, and link households to supports including job training, education, job search, and childcare opportunities available. The initial program plan was for staffing ratio of 60:1, which is not recognized as an adequate staffing ratio. However, due to the demand, caseloads double that target and range of stabilization called for in the line item language has not been funded or implemented as part of the program.

If we examine and assess each of these program elements, then we can better develop the continuum to address gaps which leave families vulnerable and programs stretched too thin. We can also better define, and set limits on, these program elements to create an effective program that has greater control over ultimate program costs and still provide adequate supports to families facing homelessness.

**Part D: Recommendations and Issues to Consider for FY 2013**

*DISCLAIMER: For illustration purposes, the document makes assumptions about staffing levels and other cost elements. The numbers used are for the purpose of illustration and are intended to suggest an order of magnitude. Actual program details and projections based upon the full volume of data, some of which is unavailable to CHAPA, and experience with HCEC, RAFT, HomeBase, shelter administration, TPP, and other programs will impact some of these projections.*

Going forward in FY 2013, we should develop a continuum that has separate, distinct tools that are employed at the appropriate point in the continuum and that are separated in a fashion that ensures that one tool does not imply automatic access to the succession of tools across the continuum. Furthermore, this proposal assumes an increase in FY’13 assistance available for homelessness prevention and rehousing, and approximately the same level of diversion resources available as in FY’12. However, the number of households served and budget required would be a finite amount in each category and assistance would need to be allocated throughout the entire fiscal year. This construct will create predictability in budgeting with the intention of reducing the need for supplemental spending.

The following is a proposed structure to accomplish the task. While some of these components may be able to be scaled back, each component *must* be funded in order for the construct to be effective:

1. **Prevention:** There is consensus within the group that homelessness prevention is a critical resource in reducing homelessness in a cost-effective manner. There is uniform agreement that prevention has not been adequately funded by the Commonwealth in recent years and it has led to an increase in homelessness and Emergency Assistance expenditures. A prevention piece needs to be added and fully integrated into the continuum of programs, expanding upon the coordination, information, referral and assistance functions that now focuses on pre-screening in differing ways through ICHH Regional Networks, Housing Consumer Education Centers, and HomeBase. By bolstering HCEC, RAFT and community based prevention tools, we could have adequate resources to screen and assist a larger number of households, including the many non-EA eligible families that are now screened and turned away. Prevention requires financial assistance to families that experience one crisis or multiple crises but the intervention takes place before the family is on the immediate verge of homelessness. Prevention should include some or all of the following components:
	1. Screening / Initial Assessment / Analysis / Information and Referral :

Prevention succeeds when households with housing related problems bring them forward in an earlier stage. Often, early requests for assistance lead to low-cost resolution of problems that at a later stage could result in homelessness. Through a brief screening process, more urgent problems can be identified and prioritized for greater intervention, again leading to solutions short of shelter but which may require additional tools and some level of financial assistance.

The RAFT Program and community based prevention dovetailed with the Housing Consumer Education Center program which cast a broader net but then was able to direct those who were in need of additional assistance to staff that handled the financial assistance program. However, the RAFT requirement that there be a “unique event” that causes homelessness limits the pool of potential recipients, some of which would ultimately seek EA shelter because they are unable to address chronic insufficient income necessary to afford housing.

Experience with Home Base shows that there are a significant number of clients who are not EA eligible but are in urgent need. There are also large numbers of clients who are on the verge of EA eligibility.

These are proposed elements of the Screening /Initial Assessment / Analysis / Information – Referral Process to facilitate prevention:

* + 1. Staff intensive
		2. Dovetails well with HCEC, RAFT, Housing Search, community-based programs, and elements of HomeBase
		3. Ultimate staffing requirement depends on whether or not staffing the “front door” at the DTA / DHCD offices is included.
		4. Projected staffing requirement:
			1. Estimated 40 FTE’s statewide: $2.6 million
			2. Projections assume that each program element carry some administrative fee or payment for services performed.
	1. Financial Assistance to Prevent Homelessness, including but not necessarily limited to RAFT

The working group discussed multiple issues and options regarding how to provide financial assistance to prevent homelessness.

RAFT is an underfunded tool to prevent homelessness by providing cost-effective assistance at the time of crisis. It has not been funded at a sufficient scale and it is not always targeted to families with incomes low enough to be eligible for shelter. The program should be sufficiently funded and assistance should be targeted in the following manner:

* + 1. Two tiers
			1. Income eligible for EA; in middle or late stages of Summary Process: $2.5 million
			2. Eligible for RAFT; in Summary Process: $5.5 million
				1. Serve up to 1950 families, including program operations, based on an average of $2,300 assistance
		2. Features: In order for RAFT to successfully assist families in the EA income-eligible tier, program design changes are necessary to meet greater needs of poorer families. This format attempts to accommodate that change:
			1. $4,000 limit in one year
			2. $10,000 lifetime limit
			3. Continues to require evidence of “unique” event as cause of homelessness defined in RAFT as *“experiencing a significant reduction of income or increase in necessary household expenses such that the family cannot pay their current housing costs and is facing a potential eviction or loss of utility service. (There must be) a determination that the family was not primarily at fault for causing the significant reduction of income or increase in expenses.”*
			4. Continues to require a sustainability analysis which would include assessment of non-cash benefits, assistance from family or others, but explore ways to reform the definition of sustainability
			5. NOTE: Three is not consensus on whether to require a “unique event” or whether to require a long-term sustainability analysis for one or both tiers.
			6. There should be a clarification that partners of the regional agencies should be able to administer RAFT financial assistance if the regional agency chooses to subcontract with a community-based partner.
		3. There is an ongoing discussion about whether to also create a new prevention program to be administered by a greater number of community-based agencies. MassCAP has proposed a new prevention program for case management, housing search and financial assistance for families earning up to 130% of area median income, modeled off of programs they have administered in the past. This new initiative would be designed to fill gaps in assistance. 65% of the funding would be directed to families earning 115% of the federal poverty level or less. A key distinction in the funding they are seeking is that there would not be a “unique event” that causes homelessness in order to be eligible for assistance. The Community Action Agencies are seeking $7-10 million in prevention funding. There is not agreement on the specific MassCap proposal. There is consensus that prevention funding should be increased and that prevention programs not allow for gaps in assistance based on characteristics that lead to homelessness. Determining how to fund prevention is a critical decision and the result should ensure the utmost integration and coordination with existing prevention and diversion resources and proven programs.
		4. As was the case in most programmatic areas, there was discussion of procurement through an open bidding process to determine who administers the resources in the distinct regions across the Commonwealth, and there is disagreement over how to accomplish this under severe time constraints.
1. **Diversion:** Diversion assists EA-eligible families to avoid shelter. This has been a feature of HomeBase, Homelessness Prevention and Rapid Rehousing (HPRP), and ICHH Regional Network Pilots. It involves working with families who can find a place to stay for a temporary period, perhaps even months. These funds can be used to stabilize an existing situation or to help with re-housing once an appropriate solution is found (increase in income over time, access to public housing or other assisted housing).
	1. This is the proposed Household Assistance Diversion program:
		1. Single tier
			1. Targeted to EA eligible families: $5 million
				1. Serve approximately 1,100 households, including program operations
				2. Allow assistance to families facing a loss of housing within 14 days as opposed to the two day standard
				3. There is not agreement about whether this should be offered to young parents under 21, who are often more likely to remain doubled up with parents, friends or family members. However, there is concern of the level of demand from this younger population.

* + 1. This is a potential format to implement the following household assistance features for diversion:
1. $4,000 annual limit
2. $12,000 lifetime limit (NOTE: No consensus on this feature)
3. Ability to increase first year assistance to $6000 but would not increase lifetime limit
4. There is consensus that families utilizing household assistance should not be barred from shelter for 12 months. Many think that a 3 or 6 month time period in which families that receive household cannot access shelter is more reasonable.
5. No requirement of “unique” event causing homelessness
6. No requirement of evidence of long-term sustainability
7. Administered by the HomeBase agencies and their partners
	* 1. There were also suggestions to create a distinct program to work with families who are doubled up that would reduce the need for age distinctions. The focus of the program could be on housing search assistance, asset development, and general case management, as well as flexible emergency or diversion funding. However, the number of doubled up families that are income eligible for Emergency Assistance is huge and many feel that this new initiative would need to target specific circumstances or be accompanied by some eligibility changes to be cost-effective.
8. **Shelter:**
9. Eligibility

That goal of reducing the state’s reliance on the family shelter system and motels in favor of a more prevention, housing and service-based system is supported by all participants in the working group. Some participants support the reduction of spending on the Emergency Assistance program, and perhaps eligibility changes, *but only if there are significant increases* in the continuum of programs that prevent or divert homelessness. Many sympathize with the need to have certainty and predictability in planning expenditures for programs that address homelessness in order to be able to allocate an influx in resources for housing stability. There is consensus that homelessness prevention, diversion and rehousing should be the top spending priorities, but disagreement over whether this can be accomplished without some additional limits on shelter spending or eligibility.

There are options beyond categorical eligibility changes to limit the potential for increases in shelter appropriations. This includes implementing shelter time limits between 6 and 9 months. As an alternative, it could include creating a wait list after a certain number of monthly entries across the system or (i.e. 550 total entries per month); if the person is on the waitlist, they could stay in a less costly, high volume overflow shelter but not a hotel/motel. Another option is to give everyone in certain categories a less expensive benefit (i.e. up to $6,000 household assistance) but to limit shelter eligibility to certain categories (eviction due to loss of income or healthcare challenge, DV, fire, young parents, etc…). However, there is not consensus on any of these options, there was limited discussion on the specific ideas, and there has been little analysis to gauge the cost impact in other line items, such as health care, EOHHS programs, and the long term impact on families and the Commonwealth’s budget.

There are also cost saving measures that can reduce the per family cost to the system, such as developing more apartment sharing models, implementing program fees, and increasing the housing search and services to families in motels to reduce the length of stays in the shelter system. This motel strategy has proven effective in previous initiatives to end motel use within the Emergency Assistance program.

There is not agreement on any of these changes, and it was unclear from the discussion which was the least harmful in the view of the organizations most opposed to additional eligibility restrictions. The concerns about eligibility changes relate in large part to the country’s current economic circumstances, the state’s wealth divide and the gap between wages and rent. The economy is likely to continue to create tremendous demand for shelter and could increase demand beyond even the most conservative projections. Exposing families, especially children, to the possibility of no safety to keep a roof over their heads is a threatening proposition for family health and safety. History has proven that prevention, diversion and rehousing are effective tools to reduce homelessness. Many advocates believe that these investments need to be made first, and Emergency Assistance spending for hotels and motels will come down as a result, in a manner that will not put children and their parents at risk or exacerbate the lack of resources for families that currently don’t meet eligibility categories.

1. Shelter Types: Some members of the working group believe that existing shelter capacity should be converted to the congregate model if that can be accomplished without creating single-purpose facilities at great expense and without lengthy delays.
	* 1. Many working group members believe that congregate shelter should be for families with the most barriers to housing. Their view is that the congregate environment provides a greater level of services for families to enable them to overcome poor or no tenant history, and to find a path to education, job training, financial management and other necessary self-sufficiency skills.
		2. There is an open question about whether the “young parents” should be served within congregate shelter and denied eligibility for other components of the system and there is not consensus on whether to use an assessment or to use age (or some objective factor) in determining who should be provided with congregate shelter. There are concerns that the age distinction may be arbitrary and that congregate shelter should be targeted to those that most benefit from that environment based on an assessment process. Although the assessment is ideal, there are timing issues with conducting a proper assessment and making a decision for families that need a place to reside that very night. There are also questions about how to allow equal access to benefits when deciding on the assessment. Some have suggested keeping the age distinction and even raising the age to as high as 24. The age distinction reduces subjective decision-making that leads to more appeals. Most, but not all members of the group prefer utilizing an assessment to determine the appropriate shelter option.

* + 1. Victims of domestic violence in immediate danger should be placed in DV shelter system through a joint agreement with DCF and the funding should transferable to the DV system to ensure adequate capacity. (NOTE: This was not discussed)
		2. There is consensus that there should be scattered site units maintained for use on case-by-case basis for those for whom congregate shelter may pose a danger or who may pose a danger to others in the facility, including families with members that have mental health issues as necessary. In addition, this option is suitable for families with a member with a physical disability or children with special needs. However, some feel that the scattered site programs, if used more strategically and under better DHCD monitoring could support the transition to a housing focused system.
1. Program Fees: There is an interest to explore modest program fees paid by some households served with Emergency Assistance. The specific fee level would based on income and the additional funding would be directed to services and housing search.
2. Capacity:

Given the unlikely reduction in need for shelter in FY’13, some members of the group recommend a temporarily increase in shelter capacity to 2500 families. This would require approximately $95 million, and an additional $5 million in administration. Other members feel adequate supports and more regional and inclusive planning and service provision in motels could be effective in reducing the reliance on motels without having to build new capacity.

**4 Overflow shelter:** Some members of the group believe there is a strong need for a new model for overflow shelters and that the use of motels should be abandoned or minimized in favor of an alternative mechanism to provide elasticity to the system. Creation of an appropriate “overflow” shelter option will require considerable creativity but it may be essential to meeting the need while avoiding further expansion of the shelter system or use of motels. Those in favor of change have proposed the following:

1. When in use, overflow shelter becomes the initial point of entry
2. Families will be moved to congregate shelter as quickly as possible with priority for placement , using a triage model to determine the order of transfer
3. The system does not utilize motels or hotels by June, 2013, except for stays less than 7 days.
4. Average capacity of 650 families: $18.98 million
5. NOTE: the issue of overflow shelters was not discussed in depth.

**5. Rehousing**: The Administration has not made a decision regarding the consensus suggestion to use household assistance to rehouse families in shelter in FY2012. Due to increased demand and insufficient rehousing resources, there is likely to be a significant amount of homeless families in shelters and motels at the start of FY’13. Some projections indicate as many as 3,620 families could be in the EA system to start the new fiscal year.

The FY’13 rehousing strategy should involve all of the usual tools, including accessing public housing, rental assistance programs, and privately owned affordable housing. However, these resources are extremely limited and wait lists are lengthy. As one example, the Section 8 Waitlist for the regional housing agencies contracted to administer DHCD’s share of vouchers is near 100,000 households. Producing additional affordable housing available to extremely low income households needs to continue to be a priority of the Legislature and Administration.

There is an open question about whether families that exit shelter through short-term rental assistance should retain their priority status for state-assisted housing. Retaining priority had traditionally been the Commonwealth’s policy until a recent regulatory change. While this issue was not discussed in depth, several advocates and providers argue strongly that allowing families to maintain their homeless priority status saves the Commonwealth money in the HomeBASE/Emergency Assistance accounts by facilitating a swifter rehousing, and allowing families to transition to less costly resources that are preferable to families if their name comes up on a waitlist through homeless priority status.  There is not consensus on how to proceed.

In addition to more permanent affordable housing, there needs to be financial assistance available to families to use to exit shelter, with the goal of reducing the length of shelter stays considerably. The average length of stay in FY’11 was 175 days. The national goal established in the HEARTH Act is 30 days. Some members of the group have proposed setting a Massachusetts goal that trends in that direction: reducing length of stays to an average of 3 months in FY’13 utilizing a combination of financial assistance for rapid rehousing and time limits on shelter stays. There is not consensus on this issue.

The consensus of the group is to utilize HomeBase Household Assistance resources as a rehousing tool in FY’13. Some group members also feel strongly that HomeBase rental assistance should be available in FY’13. Regardless of that decision, most feel the rehousing household assistance should be designed similar to the diversion resource. It could include some or all of the following components:

1. “Household Assistance” Re-Housing
2. $4,000 annual limit
3. $12,000 lifetime limit (NOTE: There is not agreement on this issue)
4. Ability to increase first year assistance to $6000 but would not increase lifetime limit
5. Available to income eligible families in DV shelters to both increase capacity and to facilitate the movement of DV victims to the DCF DV system
6. Annually assist 4000-5,000 households: $20 million
7. To be administered by the HomeBase agencies and their partners until such time as it can be reasonably reprocured through an open bidding process.
8. There is an open question about the length of stay in shelter and when this resource would be targeted or directed to families to exit shelter.

Even with the lack of consensus about rehousing program design, many members of the group believe it is important to understand the limitations of household assistance in rehousing families with extremely low incomes. Many families may have to seek household assistance again the following year, which is allowable under the proposed program design and included in FY’14 budget projections in the attached budget document.

**6. Housing Search:** Housing Search has been alternately part of other contracts such as shelter, HPRP, Rental Voucher Programs, etc., and a stand alone program that provides services to a collection of programs or to a group of contractors within a program such as shelter.

For the purpose of this discussion, we are looking at this as a separate program element because the success of the Commonwealth’s re-housing efforts depend upon the quality of housing search and placement work.

We are using a range of of 7-10 placements per month per FTE as a reasonable measure of what can be achieved.

1. Program Features:
2. Develop owner orientation material –prepare info packets, presentations
3. Conduct education and orientation sessions
4. Update program assessments and data entry
5. Landlord outreach and recruitment, identification of available units
6. Address and resolve barriers to placement (poor credit, utility arrears, non-English speaking, no housing history, furnishing needs, etc.)
7. Ensure rent reasonableness
8. Rent determination and Landlord negotiations
9. Prepare/request monitor rent waivers
10. Transport/accompany to see units
11. coordinate  request and monitor status of inspection
12. conduct inspections
13. Preparation/processing of documents
14. Coordination of rental payments
15. Move-in logistics
16. Complete necessary paperwork , data and file management
17. Using the mid-point in the range, at 100 units per FTE per year:
18. Prevention and diversion: 1000
19. Re-housing (shelter and overflow): 5000
20. Annual cost: $4 million

7. **Housing Stipend to Support Education and Work for Homeless families:** The Commonwealth needs a new initiative designed to support families through a period of education, job training, and the first one to two years of employment. The former "Job-Link" program provides one template. The attached budget tracking document includes 1,000 new units of MRVP, 400 mobile and 600 project-based vouchers. This initiative could be part of the 400 mobile vouchers. (NOTE: Ensuring a path to self-sufficiency is a shared goal of the group. However, this particular program design was not discussed)

1. Fixed number of stipends offered in any one year
2. Consider 1000 in first year, 1000 additional in years 2 and 3, and then turnover on a regular basis. Program could be initiated January 1, 2013 or delayed until the start of FY 2014. Subsequent allocations could be based on savings in the shelter contracts as we move from paying for shelter to paying for housing.
3. Assistance would be renewable for up to 5 years
4. Budget requirements for average number of units
5. Year 1: 400 units $3.9 million
6. Program Features
7. Available to families in shelter, diversion programs, transitional housing, and DV shelters who are EA eligible.
8. Competitive admission process, taking into account progress during shelter or other assistance, including such things as work on GED, ESL, job training, education.
9. One year stipends with option for multiple one year renewals, contingent upon progress.
10. Operated as a subset of the MRVP program with targeted admissions rules and other changes as necessary to meet program objectives
11. Utilize the MRVP template for ease of administration
12. To be administered by the HomeBase agencies and their partners

**8. Supportive Housing**: There is consensus that the Commonwealth needs to expand supportive housing options to address the needs of families experiencing the greatest difficulty. The MRVP program could be ramped up to create 1000 units of supportive housing over a three year period. Prior to this taking place, the Commonwealth should pass *An Act Relative to Community Housing and Services* and create an Interagency Action Plan to define roles and responsibilities and fully leverage available resources across state government. The Interagency Action Plan called for in the legislation would create the opportunity to **connect housing assistance or emergency shelter assistance with other state resources, including child care vouchers, job training, GED and work readiness to increase integration and collaboration.**

1. MRVP project based assistance could initially be targeted to clusters of units in the existing base of LIHTC units (and other assisted housing) in an effort to create clusters of 15-30 units in larger developments.
2. The successful Connecticut experience is described in a publication by **HAP**Housing*, Designing a Massachusetts Supportive Housing Production Initiative*, that proposes adaptation of the CT model to MA.
3. Going forward, MRVP project based assistance could be committed to new projects coming through the pipeline as well.
4. A critical piece here would be the commitment of service dollars linked to the PBA (CT used a formula and basically funded a service coordinator, not the direct services).
5. An admissions process for this fixed universe of units that would identify those who are potentially eligible and then give property management and the service providers selection options based on the family's willingness to abide by the program rules and expectations. Eligibility could be limited to the population that is EA income eligible and who have been identified at various stages in the continuum as in need of supportive housing.
6. Cost
7. The cost would rise in successive years as the program ramped up and the costs became annualized
8. Rental Assistance (MRVP targeted program)
	* + - 1. Year One average # of units: 600 $5.4 million (cost of new units brought online in FY’13)
				2. Year Two average # of units:300 $2.8 million (cost of new units brought online in FY’14)
				3. Year Three average # of units: 100 $880,000 (cost of new units brought online in FY’15)
9. Service Coordination
10. Year One: $1.5 million
11. Year Two: $3 million
12. Year Three: $3 million
13. Specialized Services
14. Achieved by targeting resources in other accounts, including Medicaid, to participants in the supportive housing program.

**9. Moving To Work**. DHCD’s status as a “Moving to Work” PHA provides an opportunity to offer additional support to those households who are able to make forward progress.

1. For the out years, we could envision a set aside of time-limited, shallow Section 8 vouchers targeted to families who have made progress toward education, job training, and work and who, with this assistance for a period of up to 5 years, could become self sufficient. One of the priorities for admission might be successful progress while participating in diversion, shelter, housing stipend, or supportive housing aspects of HomeBase.
2. Propose allocating 500 units of Section 8 to this initiative, targeted families who were homeless and who have made significant progress toward a significant level of self sufficiency with implementation in FY 2015. Section 8 vouchers are an extremely scarce resource. This initiative would be phased in as Section 8 vouchers become available through turnover and other means identified by DHCD. Graduates of the HomeBase continuum of programs would be among the eligible. Program could be expanded over time if the outcomes and demand warrant it and sufficient vouchers are available.

**10. Stabilization:** Stabilization services are critical to the success of families exiting homelessness or seeking to avoid homelessness.

1. Throughout this continuum, some level of stabilization services will be required. It will vary widely over time. The experience through HomeBase demonstrates that some people at the front end require assistance at levels of 20-1 for some period of time while, on the back end, with FSS, where motivation is high, we work with caseloads of 60-70. In addition to the need for additional prevention resources, this issue is also addressed in the MassCAP proposal. CAP Agencies, shelter providers, and HomeBase providers should all have a robust role in stabilization. However, these roles should be coordinated with one another.
2. Those in shelter would be receiving services from staff provided for under the shelter contract and EA funding for shelters would be increased above FY’12 levels to adequately accommodate housing search and service coordination). The number of others served with stabilization resources would be as follows:
3. Diversion, assuming one year of follow up:
4. Year one caseload: 500
5. Year two caseload: 1000
6. Shelter Caseload / NA (accommodated in shelter contract)
7. Re-Housing Caseload, assuming one year of follow up:
8. Year one caseload: 2000
9. Year two caseload: 4000
10. Housing Stipend
11. Year one caseload: 1000
12. Year two caseload: 2000
13. Year three caseload: 3000
14. Supportive Housing / NA (accommodated in service contracts)
15. Moving to Work / NA (accommodated with federal funds from MTW)
16. Aggregate caseload, staffing level in FTE’s at average 30/1 for HomeBase agencies
17. Year 1: 3500 / 120 FTE’s $7.8 million
18. Aggregate caseload, staffing level in FTE’s at average 30/1 for other community-based agencies-

Year 1: 1250 /40 FTEs $1.9 million

**Part E. Specific Budget Design**

This document tracks the continuum of programs necessary to prevent and divert homelessness, provide shelter, and rehouse families living in shelter. This continuum describes program design and costs for a variety of activities. However, we are not proposing to create this volume of additional line items. With significant revisions, HomeBase (7004-0108) could serve as the umbrella for diversion, rehousing, housing search, and stabilization. New targeted rental assistance, including permanent supportive housing, could be achieved effectively through set-asides within MRVP (7004-9024). RAFT (7004-9316) could be adjusted to address assistance limit changes and funding increase to accommodate much of the prevention recommendations. There is an open question about whether an additional prevention initiative should established as a new line item (as proposed in the MassCAP proposal) and include stabilization, or whether this should be included within a significantly revised HomeBase or RAFT umbrella. Shelter, stabilization and housing search for families within or exiting shelter, and funding for motels/overflow could be incorporated within Emergency Assistance. Other stabilization and housing search activities could be incorporated within HomeBase with a broader category of eligible administering agencies, or established as a new line item. Housing Consumer Education Centers (7004-3036) and the Tenancy Preservation Program (7004-3045) could remain unchanged in program design, with moderately increased funding levels. These new initiatives could be described as the next phase of HomeBase: HomeBase Plus.

1. Representatives from the following organizations participated in or attended the discussions: CHAPA, DHCD, Emmaus House., Father Bill’s & MainSpring, HAPHousing, HomeStart, Massachusetts Association for Community Action (MassCAP), the Massachusetts Coalition for the Homeless, Homes For Families, the Metropolitan Boston Housing Partnership, Office of Chairman Jamie Eldridge, Office of Chairman Kevin Honan, One Family Inc., the Regional Housing Network of Massachusetts, House Committee on Ways and Means, Senate Committee on Ways and Means, Lt. Governor Murray’s Office, the Interagency Council on Housing and Homelessness. [↑](#footnote-ref-2)
2. 30 % area median income is an annual household income for a family of three of $21,150 in Barnstable County, $24,800 in Greater Boston, $21,600 in Brockton, $25,600 in Lawrence, $26,600 in Lowell, $23,450 in Berkshire County, $20,900 in New Bedford, $21,650 in Fall River, $23,450 in Hampden, Hampshire and Franklin Counties, $21,150 in Fitchburg and Leominster, and $21,600 in Worcester. [↑](#footnote-ref-3)