

1/15/13

To: Family Services Committee
From: Jim Reis, HAPHousing
RE: Updates and Issues

1. See attached information on the 20 % reduction of families in W. Mass motels
2. See attached information on DHCD plan to stop using motels as shelters by 6/30/14.
3. FY 14 Legislative and Budget Issues – listed below are some of the issues that the Network may want to “weigh-in” on and make some recommendations.
 - a) Rental Assistance “Cliff” – hundreds of families statewide have been receiving a HomeBASE or HPRP rental assistance for several years with families only paying 35% of their income for rent and the state paying the rest. Beginning in August, 2013 those families completing 12 months of HomeBASE will be totally cut off from any rental assistance. See the attached information (HomeBASE DATA November 2012) that 71% of them will have rents higher than 100% of their income. Should there be a “step-down” in assistance to prevent hundreds of evictions and homeless families from being on the street?
 - b) 32-week cutoff of access to \$4,000 of HomeBASE Household Assistance (HA) – beginning 2/11/13 all families still in shelter or motels who have been in shelter on or before 7/1/12 will not have access to this assistance, and in effect not have any financial assistance (only exception is some families with TAFDC can access \$1,000 relocation funds) to exit shelter even if they are awarded a MRVP if they need HA for utility arrearages, furniture, or other expenses.
 - c) HomeBASE Household Assistance - should this current \$4,000 of flexible assistance be increased (i.e. \$6-8,000/yr) to enable more families to exit shelter/motel even if it is only for a limited category (i.e. placed before 12/31/12, etc.) because of funding limitations?
 - d) Shelter – should the number of scattered site units be reduced and congregate sites be increased. It is very hard to monitor scattered site families in terms of their housing and employment search activities, and they get too comfortable in these units that are fully furnished and they pay \$0 rent.
 - e) RAFT – should the appropriation for this program be increased to avoid running out of funds before the end of the fiscal year? FYI - not HAP at this time.

Western Mass. Hotels 7/31/12 - 12/31/12

	7/31/2012	10/17/2012	11/23/2012	12/4/2012	12/31/2012
Chicopee					
Days Inn	26	28	28	28	30
Econolodge	95	77	79	84	77
Quality Inn	49	47	42	44	41
Greenfield					
Days Inn	30	20	16	16	12
Quality Inn	7	5	5	5	5
Holyoke					
Days Inn	50	41	35	37	31
Holyoke Inn	98	89	91	93	89
Valley Opportunity Inn	5	8	9	11	10
Springfield					
Howard Johnson's	44	38	38	40	39
W. Springfield					
Quality Inn	109	102	96	93	82
Clarion Hotel	0	0	0	0	0
Red Roof	0	0	0	0	0
Total	513	455	439	451	416
Statewide Total	1694	1774	1797	1788	1697

Mass. to end placing of homeless in motels

Cites cost, inadequacy; aims for '14 phaseout

By Jenifer B. McKim | GLOBE STAFF JANUARY 02, 2013

The state government plans to eliminate a controversial emergency shelter program that places about 1,700 homeless families in motels and hotels paid by taxpayers, but housing advocates are worried officials will not be able to come up with better alternatives.

Aaron Gornstein, undersecretary of the state Department of Housing and Community Development, said the state aims to phase out the program — now near peak levels — by June 30, 2014.

Homeless families are placed in motels when the 2,000 rooms in the state's family emergency shelter system reach capacity. The program has been around since the 1980s, but the struggling economy and high foreclosure rate have created a steady overflow since 2007. The effort costs taxpayers \$80 per night per family, or about \$45 million in fiscal year 2012.

"Everyone agrees" that the motel system is not an efficient use of taxpayer money or an adequate home for children, Gornstein said in a recent interview. Instead, he said, the state will increase homeless prevention and expand affordable housing options.

"The motels have no cooking facilities. There is no play space. It is difficult in terms of transportation, child care," Gornstein said. Eliminating the motel system, he said, "is better for the families and it is better for the taxpayers. That is why we are moving forward."

Although motel housing was originally envisioned as temporary, families stay for an average of six to eight months, and some of them for more than a year, Gornstein said.

While many housing advocates agree that the motel system is not ideal, they worry that the state will not be able to provide the resources to eliminate the need for motels.

Already the state tightened eligibility requirements for emergency shelter last summer, a move that prompted an outcry among advocates who say it leaves desperate families living on the street or their cars.

"A lot of children with their parents have nowhere else to go," said Robyn Frost, executive director of the Lynn-based Massachusetts Coalition for the Homeless. She said extremely low-income families need more long-term rental housing vouchers to avoid homelessness.

Massachusetts is the only "right to shelter" state in the country, guaranteeing eligible needy families a roof over their heads. Family shelters are separate from temporary housing provided for individuals in places like the Pine Street Inn or Rosie's Place — a system of shelters around the state.

For years, state officials have been struggling with what to do with the motel system, where families with children live in one-room homes in places like the Days Inn and Motel 6, often located by busy thoroughfares.

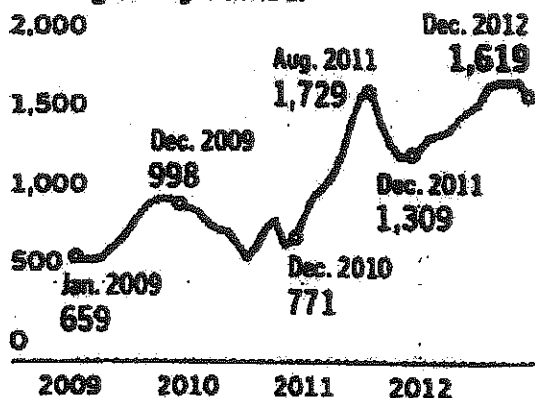
Over the past several years, the number of motel families escalated — skyrocketing from 771 in December 2010, to just under 1,700 last month, according to the state Department of Housing and Community Development.

Numbers reached a peak last fall — near 1,800 — before beginning to drop last month, partly due to an increase in rental vouchers for needy families, the state said.

Concerned about the growing number of families needing shelter, the state last summer tightened eligibility requirements and increased funding to help them avoid homelessness.

FAMILIES IN EMERGENCY MOTEL HOUSING

Average daily number



SOURCE: Dept. of Housing and Community Development
CINDIA ESTEBAN/LOBLOE STAFF

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now families must not only meet monthly income limits — \$2,209 for a family of four — but also must meet one of four other criteria, including proving they were victims of flood, fire, or natural disaster; victims of domestic violence; or that their situation poses health and safety risks to children. They also must prove they are Massachusetts residents.

Gornstein said the state is working to provide help to needy families through a myriad of programs, providing short-term and long-term funding. Among them is a recently announced plan to create 1,000 additional units of “supportive” housing, which includes services and housing for low-income families in Massachusetts.

In 2011, the state created the HomeBASE program to provide eligible families rental assistance or financial help of up to \$4,000 a year to avoid homelessness or to transition out of emergency shelter.

“There is no other state that has this level of resources that we are providing now for homeless families,” Gornstein said. “It’s still a major challenge to find affordable housing, and we are doing everything we possibly can to make that easier.”

Chris Norris, executive director of the nonprofit Metropolitan Boston Housing Partnership that administers the HomeBASE program in the Boston area, said he would like to eliminate the motel program. However, he worries that some people who have been helped may fall back into homelessness this year. Among them, he said 6,000 families who receive rental assistance are expecting to see the financial help expire within two years, starting this summer. If they don’t get more help, many will end up back at the state’s emergency shelters, he said.

“We should have a goal of having an adequate supply of permanent housing,” he said. “We can’t do something with nothing.”

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HOMEBASE DATA NOVEMBER 2012

The following data was obtained through Tracker reports.

Ratio of Monthly Income to Monthly Housing Cost (assuming no rental assistance)

	CTI	HAC	HAP	MBHP	RCAP	SMOC	SSH	EST AVG	STATE RPT
1. Average monthly income of all participating HomeBASE Rental Assistance households	\$839	\$886	\$893	\$846	\$892	\$775	\$784	\$845	\$795
2. Average total monthly housing cost (contract rent plus utility allowance)	\$1,005	\$1,111	\$959	\$1,417	\$916	\$1,286	\$1,020	\$1,102	\$1,173
3. Monthly housing cost as a percentage of monthly household income:									
a. Percentage of households paying more than 100% of income	68%	66%	60%	85%	64%	84%	72%	71%	78%
b. Percentage of households paying between 80% and 99% of income	12%	18%	14%	8%	10%	8%	9%	11%	10%
c. Percentage of households paying between 60% and 79% of income	11%	9%	15%	5%	9%	3%	9%	9%	8%
d. Percentage of households paying between 50% and 59% of income	5%	5%	6%	2%	9%	3%	4%	5%	3%
e. Percentage of households paying between 36% and 49% of income	3%	1%	4%	1%	6%	2%	5%	3%	2%
f. Percentage of households paying less than 35% of income	1%	1%	1%	0%	1%	0	1%	1%	0%

The following data was obtained through ETO reports.

Current Participating Household Characteristics

1. Average age of head of household	31	31	32	34					
2. Income; percentage of households receiving:									
a. Cash Assistance (TAFDC)	30%	60%	48%	56%				49%	
b. Disability Income (SSI, SSDI)	23%	21%	16%	30%				22%	
c. Employment Income	30%	17%	30%	22%				25%	
d. Unemployment Benefits	7%	2%	6%	5%				5%	
3. Highest level of education completed:									
a. Percentage of heads of household with <i>less than</i> a high school diploma or GED	36%	49%	31%	18%				33%	
b. Percentage of heads of household with <i>only</i> a high school diploma or GED	52%	43%	51%	27%				43%	
c. Percentage of heads of household with additional education post-high school	12%	8%	18%	10%				12%	
4. Percentage of households with employment history	70%	23%	60%	43%				49%	
5. Percentage of households who are enrolled in a job training program	8%	14%	24%	7%				13%	
6. Ages of children:									
a. Percentage of households with child under the age of 12	90%	76%	78%	88%				83%	
b. Percentage of households with child under the age of 5	70%	45%	45%	55%				54%	
7. Percentage of households with children under the age of 12 who have day care		31%	15%	22%					
8. Percentage of households who identify English as a second language	12%	25%	29%						

Reasons for Terminating from HomeBASE Program

1. Percentage of households who terminated due to "positive" outcomes:									
a. Other feasible housing	2%	1%	3%	6%	2%	0%	1%	2%	
b. Financial ineligibility - over income	0%	1%	0%	1%	3%	1%	0%	1%	