

Rapid Re-Housing and Short-Term Rental Vouchers *for* Homeless Families:

Summary Report of a
Pilot

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The Heller School
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Brandeis University

About the Institute on Assets and Social Policy (IASP)

The Institute on Assets and Social Policy is dedicated to promoting a better understanding of how assets and asset-building opportunities improve the well-being and financial stability of individuals and families left out of the economic mainstream. IASP is a policy and research institute located at the Heller School for Social Policy and Management at Brandeis University. Working in close partnership with state and federal policy makers, constituency organizations, grassroots advocates, private philanthropy and the media, IASP bridges the worlds of academic research, government policy-making, and interests of organization and constituencies. **Tatjana Meschede, Research Director at IASP**, leads IASP's research and evaluation projects on homelessness. She has extensive experience in research on homelessness collaborating with Massachusetts' state departments (DTA, DPH, DHCD) and local communities, and is the author of numerous reports and publications, such as *Bridges and Barriers to Housing for Chronically Homeless Street Dwellers*; *Accessing Housing: Exploring the Impact of Medical and Substance Abuse Services*; *The First Two Years of Housing First in Quincy, Massachusetts*; and *From Street Life to Housing: Consumer and Provider Perspectives on Service Delivery and Access to Housing*. Dr. Meschede also wrote or contributed to many reports on Homeless Management and Information System (HMIS) data, such as *Hard Numbers, Hard Time: Homeless Individuals in Massachusetts Emergency Shelters, 1999-2003* and a white paper for the Department of Housing and Urban Development (HUD) on *Enhancing HMIS Data Quality*.

About Father Bill's and MainSpring

Father Bill's & MainSpring (FBMS) is a leading homeless service provider in the South Shore area. FBMS offers emergency shelters for individuals and families, prevention and diversion services, workforce development programs, and supportive housing including a successful Housing First program for chronically homeless individuals.¹ FBMS is committed to using a multifaceted approach to end homelessness in the South Shore.

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¹ See Meschede, T. (2007). *The First Two Years of Housing First in Quincy, Massachusetts: "This Place Gives Me Peace, Happiness, and Hope"*. Boston, MA: Center for Social Policy, UMass Boston.

Introduction

While the Commonwealth of Massachusetts has successfully reduced chronic homelessness among individual and homelessness among veterans (NAEH, 2012), family homelessness continues to increase and has reached crisis proportions. With family shelters filled to capacity (2,107 families) for many years, the number of homeless families placed in motels has ballooned (1,641 in June 2011). Shelters and motels are extremely costly for the state, and disruptive to families. Furthermore, because of the decline in long-term housing assistance (i.e. Section 8 or MVRP), families are waiting in shelter for an affordable housing solution that does not exist. To address the rise in family homelessness, the Commonwealth launched a pilot short-term rental assistance program in 2009, using a combination of funds from Massachusetts' Department of Housing and Community Development (DHCD) and the federal Homelessness Prevention and Rapid Re-Housing Program (HPRP). This pilot program provided up to two years of housing assistance as well stabilization services designed to help families to connect with community resources to build and to establish self-sufficiency.² Families in this program pay 25-35% of their income towards rent, and they pay utilities. The program pays the remaining rent. In addition, stabilization staff visits or calls the families once a month. The Commonwealth designed this program to respond to different levels of needs presented by each family given limited resources.

Father Bills & MainSpring (FBMS), a major homeless service provider in the South Shore region, participated in this pilot program starting in August 2009. FBMS has administered several shelters for homeless individuals and families in Brockton, Quincy and surrounding towns. Between August 2009 and May 2010, FBMS transitioned almost every client in its family shelters, and many in motels – 134 families – into the short-term rental assistance for Homeless Families program, according to the guidelines set out above by DHCD.

In summer 2010, the Institute on Assets and Social Policy (IASP) at Brandeis University's Heller School for Social Policy and Management implemented an assessment of the implementation and short-term outcomes of this DHCD pilot program for homeless families, using interview and survey data from families in the program and program staff, as well as Homeless Management Information System (HMIS) data on the 134 families housed between August 2009 and May 2010 through FBMS. This assessment is based on the following data sources:

1. In-depth interviews with a diverse sample of 22 client family heads of household, about a year after they entered the short-term rental assistance program.
2. In-depth interviews and focus groups with FBMS staff (supervisors, stabilization workers, triage workers, children's advocates, workforce development staff)
3. Interviews with other statewide key stakeholders (DHCD, ICHH, One Family Campaign and Firemen Foundation, The United Way of Greater Plymouth).

² The Rapid Re-Housing pilot was often referred to as "Housing First." This report does not use the term Housing First because the Commonwealth's program does not adhere to all the principles of Housing First. Housing First programs place clients in housing, provide rental assistance, and also offer substantial wraparound services to support clients in their move toward self-sufficiency. The Commonwealth's program only provided for minimal support services, and FBMS did not have the option to augment these services with supports sufficient to fulfill FBMS' conception of a Housing First program. FBMS has, in the past designed and implemented an effective Housing First program for homeless individuals (see Meschede, T. (2007). *The First Two Years of Housing First in Quincy, Massachusetts: "This Place Gives Me Peace, Happiness, and Hope"*. Boston, MA: Center for Social Policy, UMass Boston.)

4. Analysis of HMIS data, provided by FBMS.
5. Analysis of quantitative data from two surveys designed by the IASP research team and merged with the HMIS database.

The Pilot Program

The Commonwealth designed the program and FBMS implemented it as follows: When facing homelessness in Massachusetts, families can go to the Department of Housing and Community Development (DHCD) local office which is based at the Department of Transitional Assistance (DTA) to get help. At DHCD/DTA they are screened for eligibility for Emergency Assistance (EA). EA-eligible families were automatically eligible for the pilot program. When approved, families looked for an apartment with rent up to 80-100% percent of the area's fair market rent (determined by HUD). Families generally looked for apartments on their own, using online advertisements such as Craigslist and the newspaper. FBMS staff then approved the apartments that families chose, ensuring that they were safe and de-leaded. The program provided financial assistance with moving costs, paying off storage rental fees, and paying any utility bills that might be in arrears from previous residences, so that the families could get set up in their new apartments. Families in the program paid 25-35% of their income towards rent (the percentage varied depending on the funding source for their voucher) and the full utilities.

Once in the program, clients were assigned a stabilization worker. Stabilization workers had a caseload of 35-50 families, with whom they check in once a month either in person or over the phone. In addition, stabilization workers connected clients to any area services they might need, such as GED programs, job training programs, and colleges. Clients in the program who finished twelve months of the program in good standing were generally eligible to apply for up to two consecutive six-month extensions. Stabilization workers submitted the application to DHCD or HPRP for approval. Frontline staff reported that most of the clients received two extensions. However, the availability of extensions varied depending on the voucher's funding source.³

"I think [this rapid re-housing program] is a good model. To have somebody be in shelter for a year, waiting for Section 8, is more damaging than having somebody be in their own apartment. For the kids, it gives them a sense of stability. For the parents, it takes away a lot of the angst of living in congregate shelter, or constantly having to deal with someone in your space. It gives you back your sense of self." [staff]

³ As of August 2011, most of the families who had received short-term assistance in this pilot program became eligible for up to two years of additional HomeBASE rental assistance.

Key Findings on Program Participants

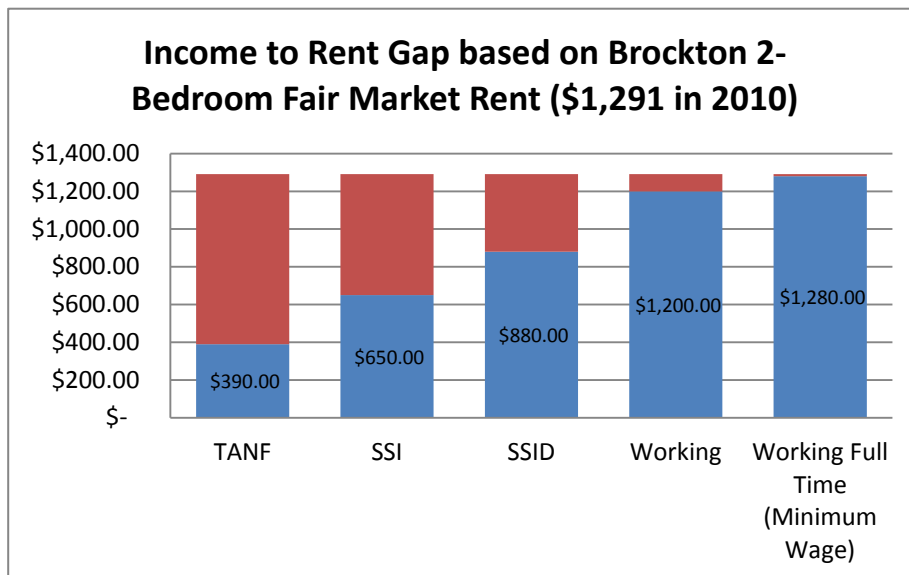
The Families(N=134)

- **90% of families headed by young single mothers** (mean age=29)
- **66% of families have at least one child under the age of 5** (N=88)
- 56% of families have 1 child and 24% have two children
- 57% of all children are under the age of 5

Families in Housing: Education, Employment, and Income

- **61% of heads of household have a high school diploma or GED**
- **30% did not complete high school**
- With the very low level of education among household heads, most can only find low-wage, non-benefited jobs, often with irregular work schedules and fluctuating hours.
- **18% of family heads are employed**
- Hourly wages are low, ranging from **\$8.00 to \$14.00**.
- **Average family income in this group is \$645 per month** (from all sources including employment)
 - Based on their average monthly incomes from different sources (see Figure 1 below), very few families can afford to pay Brockton's Fair Market Rent.⁴
- **Just 34% have a bank account** (checking, savings and/or other)

Figure 1:



⁴ Fair Market Rents (FMR) is the 40th percentile of gross rents for typical, non-standard rental units occupied by recent movers in a local housing market (HUD, 1995)

Exiting the Program

- 60 families exited the program by June 30,2011
- Only 15 (25%) were able to retain their housing without a subsidy
- 14 (23%) transitioned to a permanent subsidy (Section 8 or public housing)
- 12 (20%) disappeared
- 11 (18%) are doubling up with family or friends
- 4 (8%) are back in shelter

Cost-Effectiveness

- Providing short-term rental vouchers and stabilization services is less expensive than providing shelter or putting families up in hotels. Providing rental vouchers plus stabilization services averaged \$12,200 per family in annual expenses, which translates into a daily average rate of \$33.50 as compared to \$121.00 for the average stay in shelter. Based on these estimates, **the average statewide shelter stay of eight months cost more (\$29,040) then providing two years of rental assistance plus stabilization for homeless families.**

Key Findings from Family Interviews

Pathways into Homelessness and Life in Shelter

- Families report in interviews that major reasons for becoming homeless include
 - separation from family/divorce
 - job loss
 - illness/disability
- Length of shelter stay varied between zero days to more than two years, with an average stay of just under six months.
- Living in a shelter or motel is extremely challenging for families because of the **lack of privacy and insufficient cooking equipment**
- After entering housing on a short-term subsidy, most family members' self-reported health and overall well-being improve

Families' Assessment of the Program

- Families showed great **resourcefulness in finding apartments** to move into. However, after clients were in housing for one year and received a six-month extension, **some found that their landlords were unwilling to extend the lease for only six months.**
- Families reported experiencing **monthly struggles with paying bills.**

"I don't have enough to make ends meet. I only get \$480 from welfare, and from that they take \$140 for the 30 percent for the program. From that I only have \$340 left to pay for everything, the cable, the light, the phone, diapers and stuff. It's a struggle every day. I have to sacrifice my bills in order to provide for my children. Every month I have to pick and choose what's getting sacrificed." [mother]

"...to be able to have a job that I can keep my bills updated with, and I won't have to be not paying one [bill] one month just so that another one doesn't have to get shut off, or, you know, stuff like that. I don't want to have to do that. That's my biggest issue. I just don't want to have to do that." [mother]

- Families reported **high anxiety about not knowing whether their requests for extensions would be granted.**

“[I’m] hoping for the best. That I’ll hopefully have a job, and I don’t have to move, I can stay right here. ‘Cause I really love it here. It’s a good location, I love my apartment.” [mother]

- Many **feared going back to shelter once their second extension expired**, and almost all of the families who participated in the interviews were **hoping to receive a long-term rental vouchers** in the coming years.

“[The program has] helped but it’s kind of not helped because of worrying about what is going to happen, where we are going to wind up. [The program helps to] put a roof over my head, just a place to live for now but I don’t feel like its permanent. ... There are a few pictures up [in the apartment] but I like to decorate, but at this point I haven’t really decorated or anything. I live here but that is it until I find out what I can do.” [mother]

Key Findings from Staff Interviews

- All staff agree **that rapid re-housing is a much better strategy** for most homeless families than living in a shelter or a motel.
- Staff report challenges resulting from a lack of clear expectations at the beginning of the program. The absence of regulations, combined with inconsistent funding streams, led to difficulty in implementing the program in the most effective way.

“It seems to me that the [pilot] program was a great idea. However I think one major component was missing and that was to have it an enforceable upfront contract, if there were an upfront contract or set of rules and goals that had to be obtained otherwise you would lose your benefit and you would have a thirty day notice or something like that and if they did not complete step number 2 then they would be a written warning or whatever it is....If we say you have to do something and you don’t follow through you know there are consequences to your actions. I shouldn’t have to fight with someone for three months to get them off their subsidy if they are not doing what they are supposed to be doing.” [staff]

- Many staff comment about the stress of short-term nature of the voucher

“It was very apparent the families that were in the flex fund program versus the families that were in permanent housing. You could sense the anxiety in the families and in their stories; very grateful for the opportunity, happy to be out of shelter and be able to finally build a safe stable home for the family, but extremely anxious and concerned about, ‘I don’t know what’s gonna happen because my hours got cut at work and I was doing so great.” [staff]

“And you can see that with the moms too [when they first enter the pilot program]. I mean, their faces light up. They’re happy. Sometimes you can look at a mom and say she’s at the beginning of her subsidy. And sometimes you can look at a mom and say, “She’s probably close to the end of her subsidy.” Because you see the stress, you see the fear, you see the worry.” [staff] “The hardest part is finding affordable housing, period, so that after the twelve months, they’re able to sustain. They’re able to keep it, because I mean, even if they’re working, even the ones who working full-time, they’re making \$8.00 an hour for 40 hours a week. That’s not enough to pay rent. Their rent is ridiculously too high.” [staff]

- According to staff, **families need more support** including
 - **Increased stabilization services** and increased access to wrap around services, either in-house or in the community.

“I think that there needs to be a lot more work done, just drilling down a little bit more to make sure that we have enough wraparound services in place for that person, that family, so that they don’t come back.” [staff]

- **Access to education and training** to improve their chances of obtaining employment that leads to self-sufficiency level. However, workforce development staff report low take-up rate for their services, most likely due to a lack of clear expectation at program entry.

“A lot of times what I’m finding now is that there’s a lot of skill gaps... I would say a good ninety percent of the people that I have received so far – the only thing that they would be able to do was an entry-level service position: Dunkin’ Donuts, Wal-Mart, those type of places. And unfortunately those jobs don’t pay enough for them to be able to sustain the units that they’ve moved in. so it’s just not realistic for them to come in and get a job working at Wal-Mart or any other service industry position, and be able... and that expectation be there for them to be able to pay that nine hundred dollar a month rent, plus the utilities, after the year or the twelve months.” [staff]

Recommendations

In order to support families’ progress towards self-sufficiency, we recommend to

- **Tailor Length of Rental Vouchers to Family Need:** The short-term nature of the rental vouchers in this pilot was a cause of great anxiety for most families and is too short for homeless families with substantial barriers to make substantial improvements towards self-sufficiency. In addition, limiting the extensions to just six months posed a problem with some landlords who would not agree to a six month lease.
- **Strengthen Stabilization Supports:** Housing is just the first step in gaining economic self-sufficiency. While the level of support needs to be tailored to family need, clearly set and communicated expectations of steps towards self-sufficiency need to be communicated at program entry, along with mechanisms for accountability, to help families progress towards self-sufficiency.
- **Provide Access to Employment, Education, and Training:** To be able to provide for the families, it is critical for mothers to access entry level employment and receive employment-related training and/or education (GED, basic college classes) and be able to feed their families at the same time. While in training, they need not only assistance with tuition and school-related expenses, but also income and child care for the years that they are in school, so that they can focus on getting the education they need to move into sectors of the labor market that will bring sustainable wages.
- **Expand Access to Child Care Vouchers:** As all families, homeless families need access to safe, reliable, and affordable child care. This is critical at all stages of the employment process, beginning with job interviews. Further, given the fluctuation and unpredictable number of hours worked per week, child care vouchers should not be restricted to those working 20 hours or more per week.
- **Expand Access to Transportation:** Access to reliable transportation is critical to success for homeless families. Many could not find apartments with close access to public transportation. Maintaining a car is prohibitively expensive, but without one, it is often impossible to get to job interviews, get to school, transport their children to day care, and even shop for groceries in large supermarkets where healthy options are more affordable.
- **Institute Incentives for Savings:** Integrate incentives for savings and financial education into the support services for families in the program. A well-developed program (for example Harbor One

credit union in Brockton has such a program, as suggested by one interviewee) can greatly aid families' progress towards financial independence.

- **Improve Access to Community Services:** In addition to homeless-specific services, families also need to be connected to community services. Often not ready to serve the specific needs of homeless people or having long waiting lists, community services need to be better prepared to provide for this group.
- **Collect Longitudinal Data:** To track families' progress towards self-sufficiency, we need longitudinal data beyond shelter and the period of receiving short-term rental assistance, that is updated on a regular basis, including data on enrollment in education and training, use of other services, and information on budgeting and finances to assess the progress of families towards greater self-sufficiency. Tracking systems should be put in place to make sure that such data will be collected. Beginning by collecting data on a representative subsample of families would be first step to achieving this goal.
- **Increase the Stock of Affordable Housing:** Working full-time at minimum wage does not pay enough for market rent apartments. With the long waiting lists for Section 8, MVRP and Housing Authority housing it is critical that more Section 8 and MVRP vouchers be issued, and that the state makes a strong commitment to building more affordable and supportive housing.

Conclusions

Housing provides homeless parents and their children with a stable environment that supports family well-being in a number of different ways: it improves individual health, employment outcomes, and family stability. Compared to living in the shelter, their own apartment provides families with independence, privacy, security and a sense of achievement. However, the lack of both affordable housing and living-wage employment stand out as critical barriers this pilot program's success. The short-term nature of the rental vouchers of just one year with the possibility of two extensions of six months, combined with limited support services, poses a number of challenges for the families in the program. Families have also had little success in finding employment within a year. This is not surprising given the extent of the current economic recession. Furthermore, the likelihood of their finding employment that will allow them to pay market rent is slim. In order to provide realistic pathways to self-sufficiency for all homeless families, this assessment reveals a critical need for improved stabilization services as well as child care and transportation options, opportunities for low-income families to pursue higher education, and, most importantly, more long-term affordable and supportive housing.