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Baker-Polito Administration Announces Federal Funding Through Eviction Diversion Initiative

\$80 million in rental assistance distributed to date; \$400 million in new federal funding enables state to increase rental assistance to very-low and low-income renters, and cover utilities and other housing costs

BOSTON – Today, the Baker-Polito Administration announced that more than \$400 million in new federal funding from the Consolidated Appropriations Act is now available through the Administration’s Eviction Diversion Initiative (EDI). First launched in October 2020, EDI consists of a comprehensive set of resources that serves individuals, families and landlords in crisis with financial aid, free and low-cost legal aid and community mediation to keep people in their homes. With a focus on preserving housing stability, the Baker-Polito Administration has distributed approximately \$80 million in state rental assistance to more than 18,000 households since the beginning of the State of Emergency (data available via [public dashboard](#)).

As a result of extensive coordination detailed below, these efforts have contributed to the mitigation of the anticipated crisis in evictions. Information tracked by the Massachusetts Trial Court shows a total of 626 executions issued in residential eviction cases from October 18, 2020 through March 28, 2021 for cases filed after the state moratorium. This represents a reduction of nearly 85% compared to the number of executions issued in residential eviction cases during the same span of time one year prior (3,807).

The infusion of more than \$400 million in federal resources, which is expected to be supplemented by hundreds of millions in additional dollars through the American Rescue Plan Act, allows the Commonwealth to provide longer-term relief to low-income renters and landlords in crisis, while implementing system efficiencies and processes for the

future. This additional funding, and the flexibility created by federal regulations, enables the Commonwealth to expand aid to more households, provide deeper and longer-term assistance to households, and help households with utility payments. The Department of Housing and Community Development (DHCD) has been investing heavily in and working closely with regional administering agencies (RAAs) and the Rental Assistance Processing (RAP) Center to incorporate the new Federal Emergency Rental Assistance Program (ERAP) funding into existing delivery service models for the Residential Assistance for Families in Transition (RAFT) and Emergency Rental and Mortgage Assistance (ERMA) programs.

“The ongoing public health crisis and the economic consequences created by COVID-19 have made the importance of stable, affordable housing a clear and vital component of our strategy to keep households safe and healthy,” **said Governor Charlie Baker**. “This major infusion of resources enables us to extend and strengthen our Eviction Diversion Initiative, which supports both tenants and landlords in crisis to keep more families safely housed. With more than \$400 million available, we are pleased this funding will enable us to respond to the immense need for support right now, and make long-term investments in our homelessness prevention programs.”

“We are pleased to provide additional funding to the Eviction Diversion Initiative to further offset the impacts of COVID-19. The pandemic has disproportionately affected lower income communities and neighborhoods, and this new funding will provide longer term support for households as we continue to work toward recovery,” **said Lt. Governor Karyn Polito**. “In keeping with our goal of meeting residents where they are, these important resources will be more accessible to our affordable housing providers and families eligible for shelter, and will shield even more families from homelessness during this unprecedented crisis.”

Funding Highlights include:

- Income eligibility – households making up to 80% of Area Median Income (AMI) will be eligible for funding (RAFT has an eligibility threshold of 50% of AMI).
- Longer-term assistance – households may be eligible for up to 12 months of rental arrears (plus an extra 3 months of stipends for future rent if funding allows and need is demonstrated), as well as overdue utilities arrears up to \$1,500. All rent and utility arrears must have been accrued after 3/13/20. Currently, RAFT and ERMA can provide up to \$10,000 per household for rental arrearages or stipends.
- Prioritization of funds for those most at risk, including those making less than 50% AMI and those unemployed for 90 days or more.

In addition, DHCD, in partnership with MassHousing and the Massachusetts Housing Partnership (MHP), will launch a new program to allow qualified owners of income-restricted units, as well as Local Housing Authorities, to apply for help directly on behalf of all of their income-eligible residents with past-due rent. The Subsidized Housing

Emergency Rental Assistance (SHERA) program will expedite relief for possibly tens of thousands of eligible tenants in need, while also allowing administering agencies to concentrate on applications from non-subsidized tenants in need of assistance.

Federal resources will also be made available to families who are eligible for Emergency Assistance (EA) Shelter, by coupling ERAP rental assistance benefits with the existing HomeBASE benefit and housing services. This will help those who owe arrears and are at risk of becoming unhoused, and also those who are exiting EA shelter and transitioning into permanent housing. The Administration is also pursuing two pilot initiatives: the first will allow municipalities to provide targeted outreach and hands-on ERAP application support to communities with demonstrated need and hard-to-reach populations, and the second provides targeted outreach strategies to small landlords about the availability of ERAP and other state financial assistance programs.

“Thanks to the hard work of DHCD and so many partners, we’ve transformed how we support families facing an eviction or a housing crisis during the pandemic. We’ve increased our dollar commitment, and introduced new, comprehensive services like free and low-cost legal aid and community mediation between tenants and landlords to help keep people housed,” **said Housing and Economic Development Secretary Mike Kennealy**. “As we enter a critical stage of our economic recovery, it is absolutely vital to ensure families have access to safe, stable housing.”

“These additional resources, combined with process improvements and expanded eligibility, have allowed us to adjust our relief programs to match the urgency required by this public health crisis. Over the last nine months, we have worked closely with our partners to create a better application process for applicants and administering agencies,” **said Housing and Community Development Undersecretary Jennifer Maddox**. “Thanks to our partners in the Legislature, the Courts, and our network of advocates, we’ve never been more ready to provide assistance to families in need.”

“The addition of the federal dollars means we can serve even more households struggling to pay their housing costs and provide deeper resources to fully bridge the gap of what’s needed to stabilize tenancies,” **said Stefanie Coxe, Executive Director of the Regional Housing Network of Massachusetts**. “This helps us further transform a homelessness prevention program into a disaster relief fund.”

“The last year has shown how important our homes are to our health and the health of our communities. Our state and local governments have dedicated tremendous resources to help people pay their rent. However, as unemployment persists, work hours change, and kids are not fully back in school, federal funding is critical to keeping up with the need,” **said Rachel Heller, CEO of Citizens’ Housing and Planning Association (CHAPA)**. “This new federal funding provides us with the resources we need to help people and our neighborhoods stay stable through the pandemic.”

Over the last nine months, DHCD and partners have worked to reduce paperwork, streamline the application process, implement technology upgrades, and provide better

language access. To increase capacity, DHCD and regional agencies hired more than 200 new staff and created the new Rental Assistance Processing (RAP) Center to lend added support with increased applications across the state. DHCD is also working to expand access and awareness with a public information campaign and targeted outreach to vulnerable communities.

To address this immense increase in demand due to COVID-19, DHCD worked with administering agencies to transform the RAFT program from a narrow, homelessness prevention program into a comprehensive disaster relief program to stabilize renters and landlords. The RAFT program was more targeted in its aid, requiring a court summons or other evidence that a household was facing an unstable situation, and was limited to \$4,000 to address a short-term crisis. In past years, with an annual budget of roughly \$20 million, RAFT served between five and six thousand households. During this crisis, the state has already distributed about \$80 million to more than 18,000 households, more than tripling its annual output.

In February 2021 alone, the state served a record 5,463 households, spending \$21.1 million through the RAFT program to keep them in their homes. By comparison, in February 2020, the month before the start of the public health emergency, the state issued \$1.5 million in RAFT funds. February of 2021 represents approximately a 1,300% increase in assistance over February of 2020. During the first three weeks of March, the state distributed \$23.6 million in RAFT payments to 7,445 households, putting the Commonwealth on track for another record month. Payments from those three weeks alone represent more than the entire annual RAFT budget in any fiscal year before the current fiscal year.

In addition, DHCD continues to see fewer families enter and stay in the family shelter system compared to the previous year. Family shelter caseload in February 2021 was down approximately 20% compared to February 2020. Similar trends can be seen in the HomeBASE program, with new participants since October down between 30% and 60% each month compared to the preceding year. Moreover, while there was an initial increase in post-moratorium eviction filings in November and December, new weekly eviction filings for non-payment of rent have declined and have remained consistently below pre-pandemic levels in Calendar Year 2021. Additionally, this week, the Centers for Disease Control extended its eviction moratorium through June 30, 2021.

The EDI effort combines financial assistance with resources for renters and landlords to avoid an eviction. The COVID Eviction Legal Help Project (CELHP), a partnership with the Massachusetts Legal Assistance Corporation, Massachusetts Law Reform Institute, and the Volunteers Lawyers Project, provides free legal assistance to low-income households facing an eviction, and free or low-cost assistance for low-income homeowners who live in a home with rental units. Agencies have hired nearly 130 direct service staff to increase capacity, and more than 200 lawyers have been recruited to volunteer their time and expertise. To date, more than 1,000 cases have been opened at legal aid organizations under this partnership. Additionally, with the Massachusetts Office of Public Collaboration, professional, confidential mediation services are available across the Commonwealth for tenants and landlords to solve lease or other housing issues outside of the court process.

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