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Somerville Cares Fund Update

September 3, 2020

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<http://bit.ly/SCFreport825>

Overview

Since fundraising began on April 15th, the Somerville Cares Fund has raised over \$665,770 from over 2,000 generous donors, averaging roughly \$330 per donor. The purpose of the fund is to provide direct financial aid for household expenses during the pandemic.

As of August 25th, Our [online application](#) had received 1,674 total applications, of which 1,274 were non-duplicates that qualified for assistance. This represents over 3,244 individual household members.¹ To be eligible for the Somerville Cares Fund, applicants must live or work in Somerville, or have children in the Somerville school system.

We have distributed \$661,714 through 980 payments averaging \$672. It has been our policy in the vast majority of cases to only make one payment per household, though we have made a few exceptions. [Figure 1](#) represents the distribution of payments throughout the city by neighborhood.

We summarized what we have learned from our applicants about their experience in Somerville during the COVID-19 pandemic in [a report](#) published on June 23, 2020. This document is an update to that report. All maps were created by Nilakshi Chatterji who volunteered at CAAS while completing an M.S. in Environmental Policy and Planning at Tufts University.

¹ In our 6/22 report we reported 1175 unique applications; based on further removal of duplicates, the more accurate count at that time was 1,095. Despite the discrepancy, the overall picture described by that report remains consistent.

CAAS helps local families and individuals achieve financial security while working to eliminate the root causes of economic injustice.

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Executive Director

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Summary

In brief, **ongoing need remains extremely high**. Of particular concern is meeting fundamental basic needs and housing security during a global pandemic. With the State eviction moratorium set to expire on October 17, and Federal protections expiring in January, Somerville will likely see a historic wave of evictions based on months of accrued and unpayable rental debt. This will coincide with colder weather and the flu season.

The Somerville Cares Fund provides a valuable supplementary service, **but in no way do these one-time payments meet the ongoing need**.

Additionally, we are concerned that word of this fund has not reached enough people. We are receiving fewer and fewer applications each week, but this does not seem linked to an overall change in need, as the contents of applications look much the same as those that we previously received.

People cannot pay their basic utilities, maintain their phone connectivity, or even have reliable access to nutritious food. **We need bold action at the municipal and state level to avoid a catastrophic wave of homelessness, infection and needless death**. This is a manageable problem, but it will take coordination, resources, and a broader understanding of community obligations to individuals.

Applicant demographics

The 1,274 eligible, non-duplicate household applications we have received represent over 3,244 individuals.² Our applicants are distributed unevenly geographically, with high concentrations in East Somerville. ([Fig 1](#)) The applicants are about ⅔ women ([Fig 2](#)), 55% have children under 18, and 6.67% have people over the age of 65 in the home. Non-English-speaking households are more likely to have children (40%) compared to English-speaking households (15%).

Approximately 65% of applicants prefer a language other than English (35%), with Spanish (33.5%) and Portuguese (35.6%) being the largest groups ([Fig 3](#)).³ Based on this preference, we assume that many of these applicants are immigrants to the USA,

² Applicants can list 1, 2, 3, 4, 5, or 6+ household members, so this count represents the lower bound.

³ The SCF application is available in English, Spanish, Portuguese, Haitian Kreyol, and Nepali. Other languages spoken by applicants include Thai, Chinese, Hindi, Arabic, and Albanian.

who have less access to governmental resources and legal protections. We remain concerned by low numbers of applications from the Haitian and Nepalese communities.

Applicant Finances

People need money right now. Over 70% of all applicants have lost half their monthly income. Mean income has dropped 63.48% from \$2,400 to \$1,076 and Median income has dropped 86% from \$2000 to \$400.

Among English-speaking households, the drop was -46% (\$2600 to \$1737/month), but among Spanish-speakers, the starting point was lower (\$2000), with a drop of 72% to \$784 per household. Across all language groups, the most commonly reported (modal) monthly income has dropped to \$0. **Half of all applicants report 0 income**, with that disparity being more stark between English (41%) and non-English speaking (49%).

Geographical distribution of COVID financial impact

We can see by comparing these two maps of median income that the entire city has been hard hit by the crisis, with some areas much worse than others including East Somerville, and parts of Ward 2. Similarly, those households reporting 0 income are also distributed unevenly. The SCF distribution of funds tracks quite closely to these areas of greatest need. (Fig [4](#), [5](#), [6](#))

Scale of the problem

To estimate total need, we can look at how much money it would take to return to “normal”. Pre-COVID, our 1,274 households earned ~\$3.75 Million per month. Now they are earning ~\$1.34 million. **This is a ~\$2.38M rolling monthly deficit *just* among SCF households.** The 3,244 individuals in this group only constitute about 4% of Somerville’s overall population of ~81,000.

Have things improved?

Readers of our previous report may be wondering, have things gotten better? After all, Governor Baker started reopening businesses on June 6th, allowing many to return to work. SCF has not followed up en masse with its applicants, but we can look at the *applicant pool*, to see if different applicants are reporting different things over time.

The short answer is, *not really*. Average reported income post-COVID remains relatively flat on a month-by-month basis ([Fig 7](#)). Perhaps the “bright spot” is that a slightly lower percentage of non-English speaking applicants are reporting zero income ([Fig 8](#)), which

corresponds with a bump in median income for that group ([Fig 9](#)). There is no corresponding increase for average post-COVID income ([Fig 7](#)). At the same time, a higher percentage of English-speaking applicants are reporting zero income([Fig 8](#)), and English-speaking median income is slightly down ([Fig 9](#)).

Even though we only give one-time payments, the SCF has received about 333 re-applications, which is an indication that people feel an ongoing need, and their situation has not improved.

Application Demographics over time

Most applications were received in a deluge in the first 5 weeks after the Fund's opening. ([Fig 10](#)) Since then, they have slowed to a trickle. This indicates the Fund could be better promoted to people in need, as the situation appears to be unchanged. We have also seen an overall increase in the percentage of English speaking applicants ([Fig 11](#)), which may be related to the drop in Unemployment Insurance payments from the Federal Government. We remain concerned that people are unaware of the Somerville Cares Fund, both in terms of donations and applications. **For instance, we have had no Haitian Kreyol applications since June 23.**

Household Deficits and Impact of Somerville Cares Fund

The Somerville Care Fund application asks people to report their monthly costs for rent, telecommunications, utilities, food, medicine, funerals, childcare and miscellaneous essentials. Monthly household expenses for a family of four are, across these categories on average \$2,616. You can see the breakdown by household size in [Figure 12](#).

We can tell that our applicants were on the edge of solvency before the COVID-19 lockdown, running only very small surpluses at the end of every month. Now, they have massive monthly deficits; \$1,232 / month for a single person, and \$2,562 for a family of five. ([Fig 13](#))

The Somerville Cares Fund provides checks of \$250 per person, up to \$1,000 per household. These are one-time payments, but are still meaningful. Based on the household expenses people report, for a family of 4, \$1,000 can mean:

- (2/3) of average monthly rent
OR

- Two months of groceries
OR
- 6 months of essential telecommunications
OR
- 4 months of utilities

This money is useful to people, but only in the context of stable housing and access to food. If families are evicted, their ability to work or continue schooling is catastrophically interrupted, and they will become exposed to much more risky environments for contracting the COVID-19 virus.

State and local government must act now to prevent a cataclysmic wave of homelessness, hunger, poverty, disease and death this winter.

Conclusion and Recommendations

As the situation remains largely unchanged, we will conclude by reiterating the policy recommendations from our previous report.

We recommend the Somerville Mayor and City Council move now to cancel rental arrears accrued during the pandemic and extend the eviction ban until August 2022 on the basis of Public Health and Safety. It would be unconscionable to resume evictions this January, given the scope of this crisis, and it will take years for most of our applicants to return to any semblance of financial stability. Ithaca, NY [cancelled rent](#) for COVID-19.

We also recommend a further investment in the Office of Housing Stability, to assist residents in making applications to RAFT and other stabilizing resources—landlords could even take an active role in recommending tenants to this program, as they stand to benefit from RAFT outlays.

Many people report food insecurity and increased food costs. **We recommend the city revive its anti-hunger effort and guarantee the provision of weekly groceries to everyone, regardless of immigration status.** This will include aggressive promotion of

SNAP, but we must also understand that many immigrants are not eligible for SNAP. For this reason, Somerville should pursue a parallel nutrition guarantee.

We recommend the City use its power to gather outstanding bills from residents and reach collectively bargained settlements with Utilities and Telecommunications corporations for reduced rates, reasonable payment horizons, no cutoffs, and no credit score impact. Over the long term, the City should pursue **Municipal broadband and power generation** to meet local needs at cost, so residents are not underwriting wasteful corporate profits.

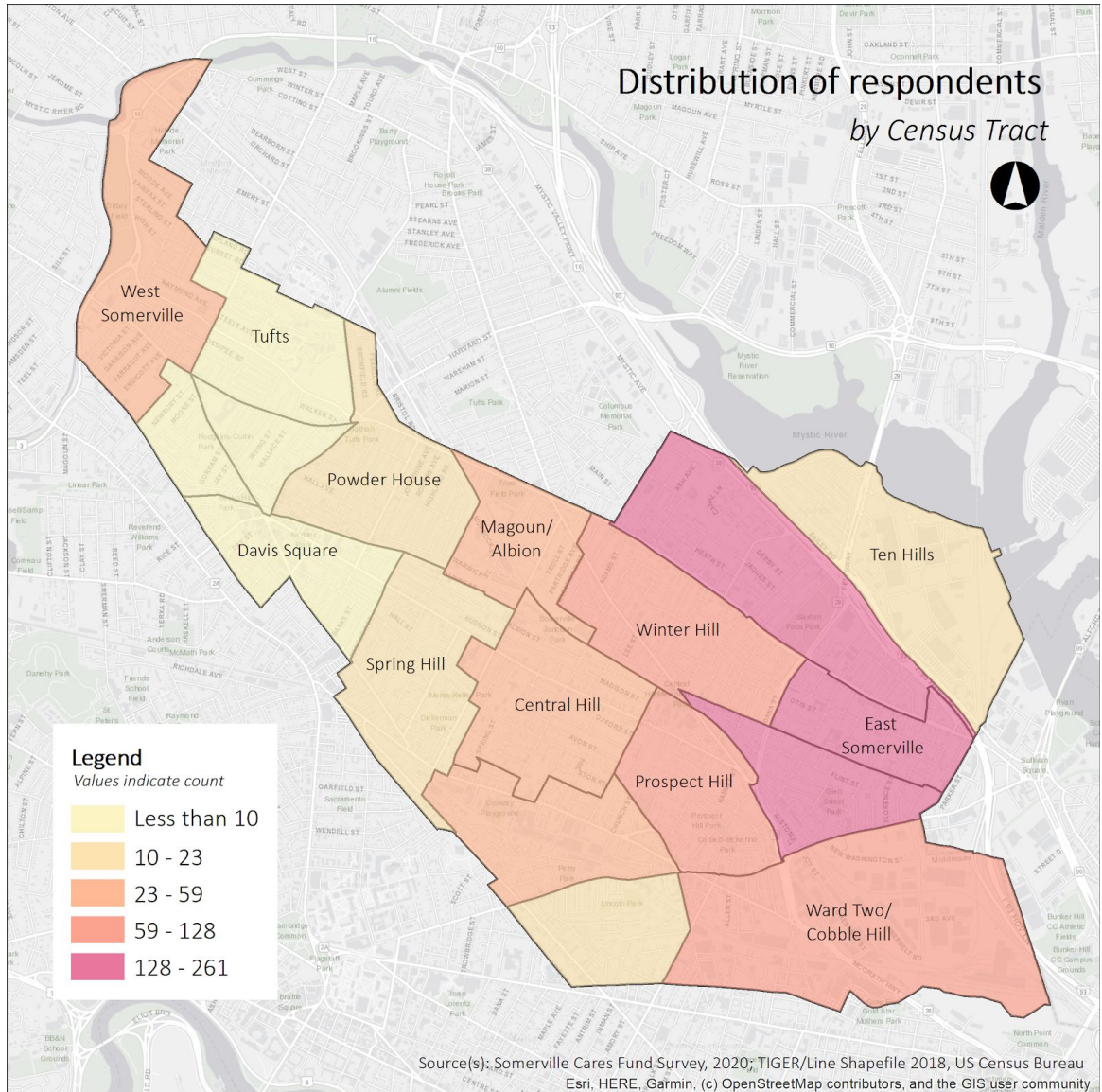
Childcare, Funerals and Medications can be extremely costly for some families, and can plunge those without income into unmanageable debt. **We recommend the City subsidize funerals, fund post-COVID childcare options, and hire additional social workers with language skills to connect residents with MassHealth and other resources.**

Despite the fact that SCF grants do not meet total household needs, they are useful for miscellaneous expenses. **We recommend the Mayor work with the largest corporations and developers in Somerville to build an ongoing institutional donor base for the Somerville Cares Fund.** The vast majority of our current ~2000 donors are individuals giving an average of \$330. We applaud the generosity of everyday Somervillians, but **the burden must shift to those best able to meet the community's needs.**

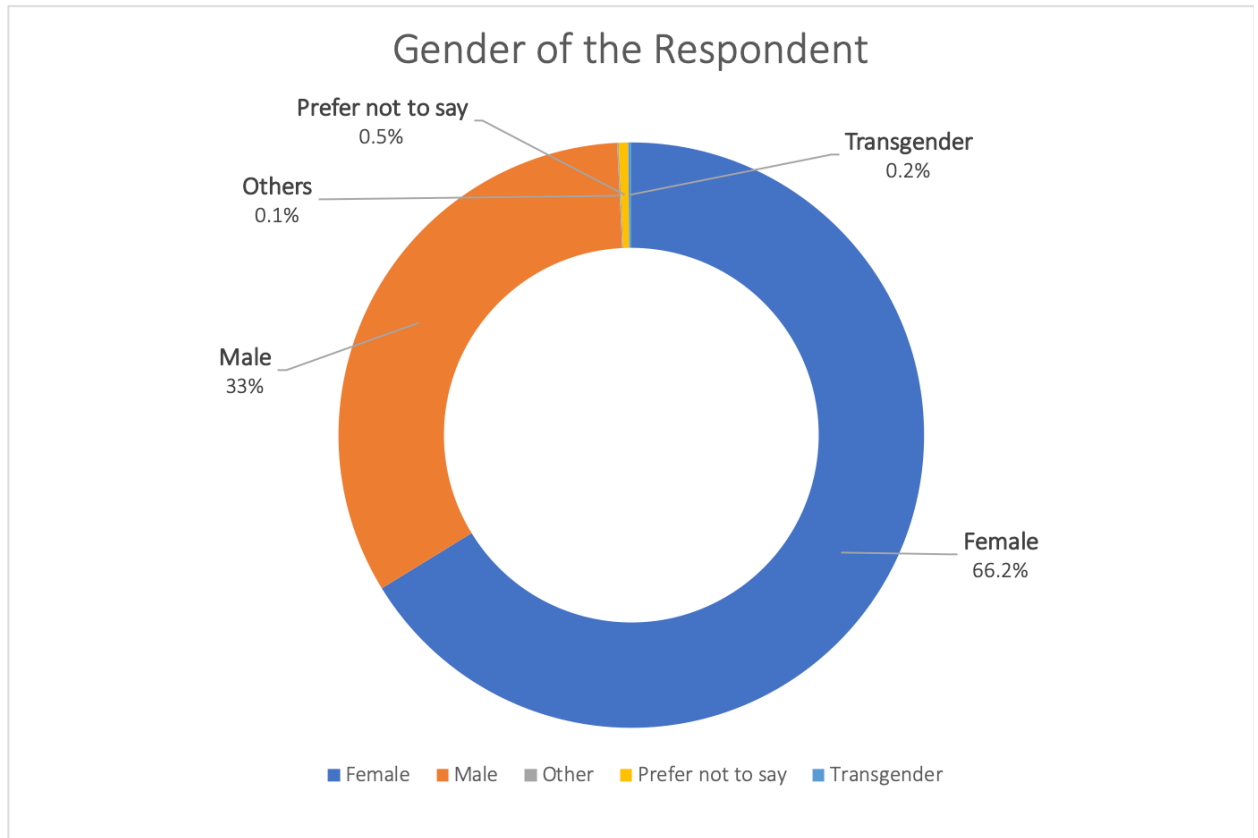
Only bold action through government institutions can prevent the most devastating impacts of this economic catastrophe. We urge the City of Somerville to lead by enacting policy to protect its most vulnerable residents.

Figures

1. Geographic distribution of applicants within Somerville

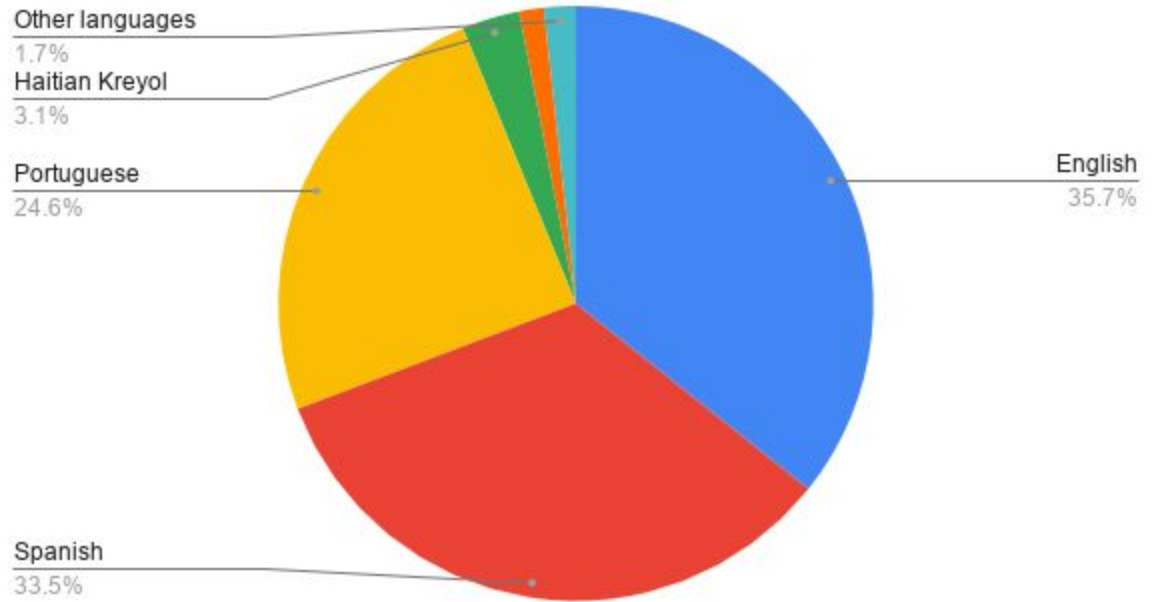


2. Gender of applicants

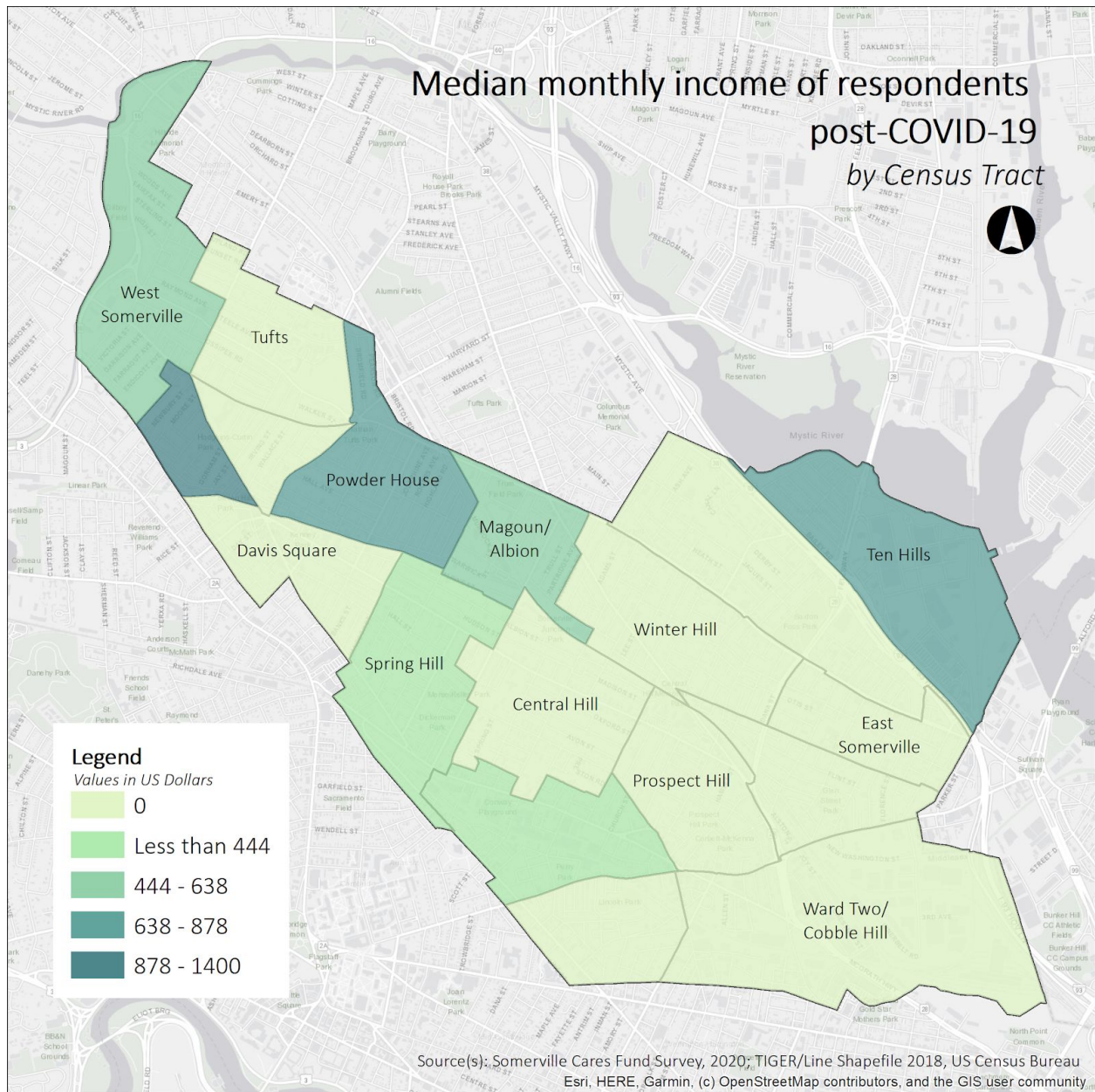


3. Preferred Language of Applicants

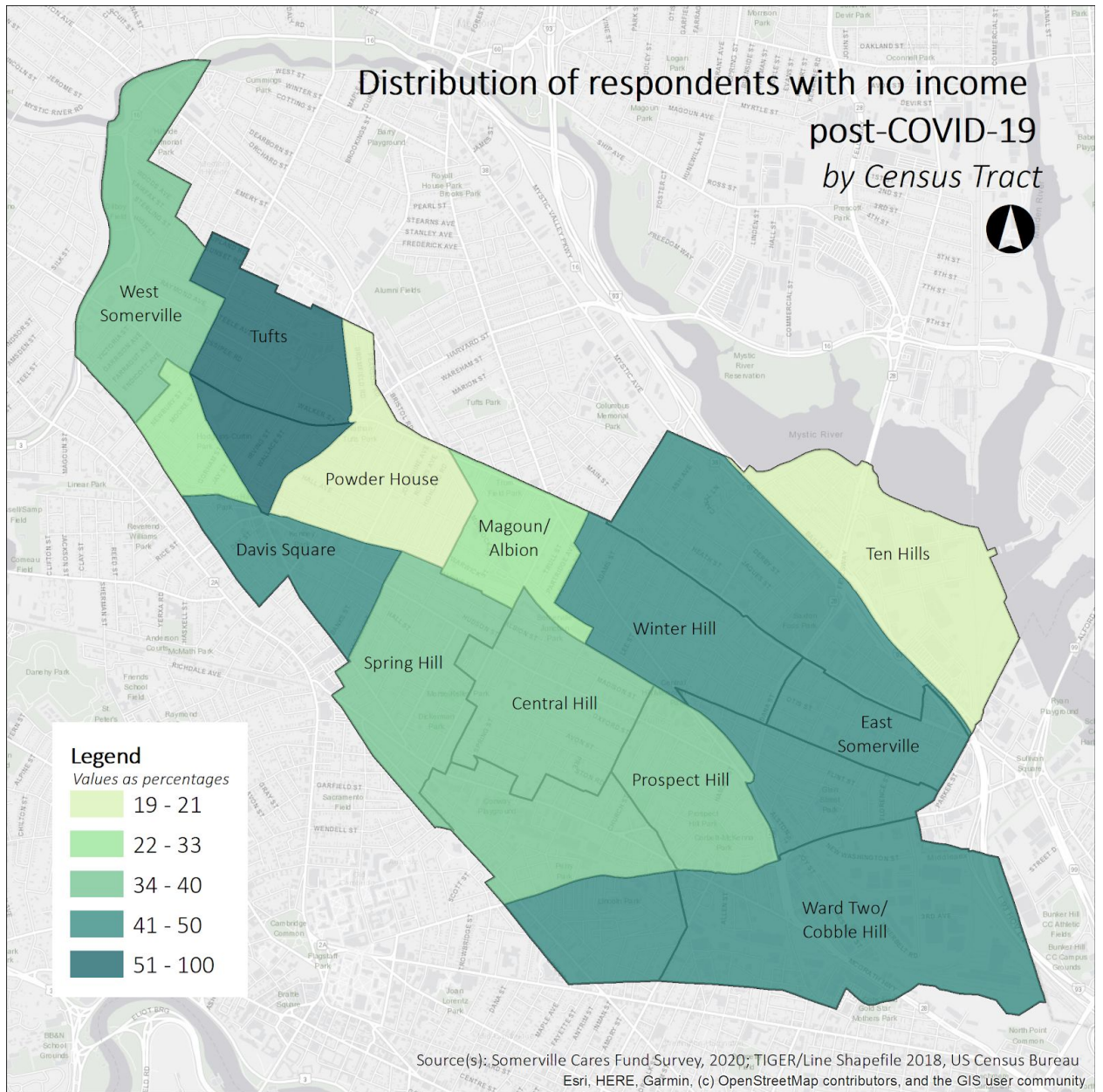
Languages of SCF applicants



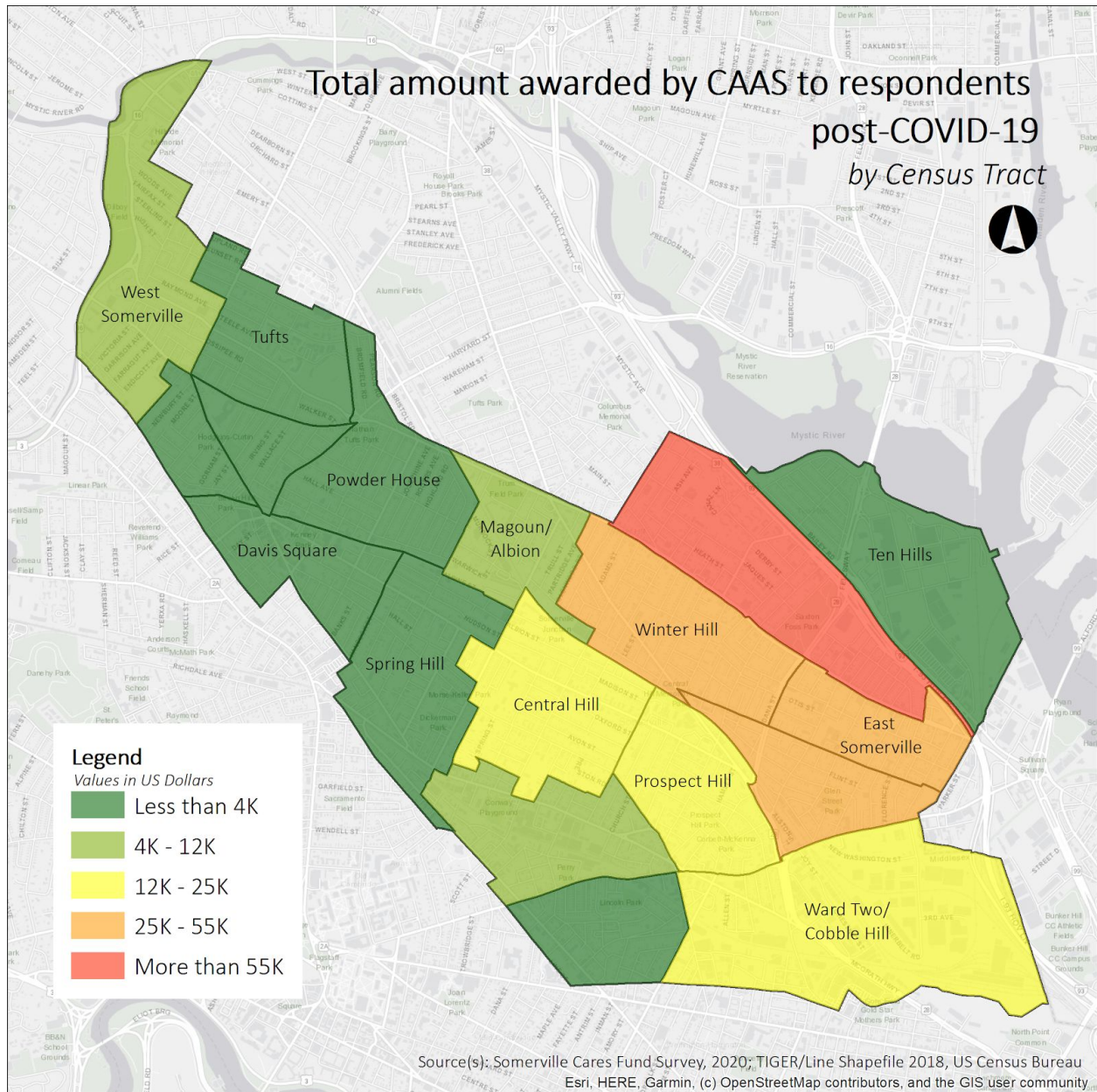
4. Map: Median Monthly Income Post-Covid



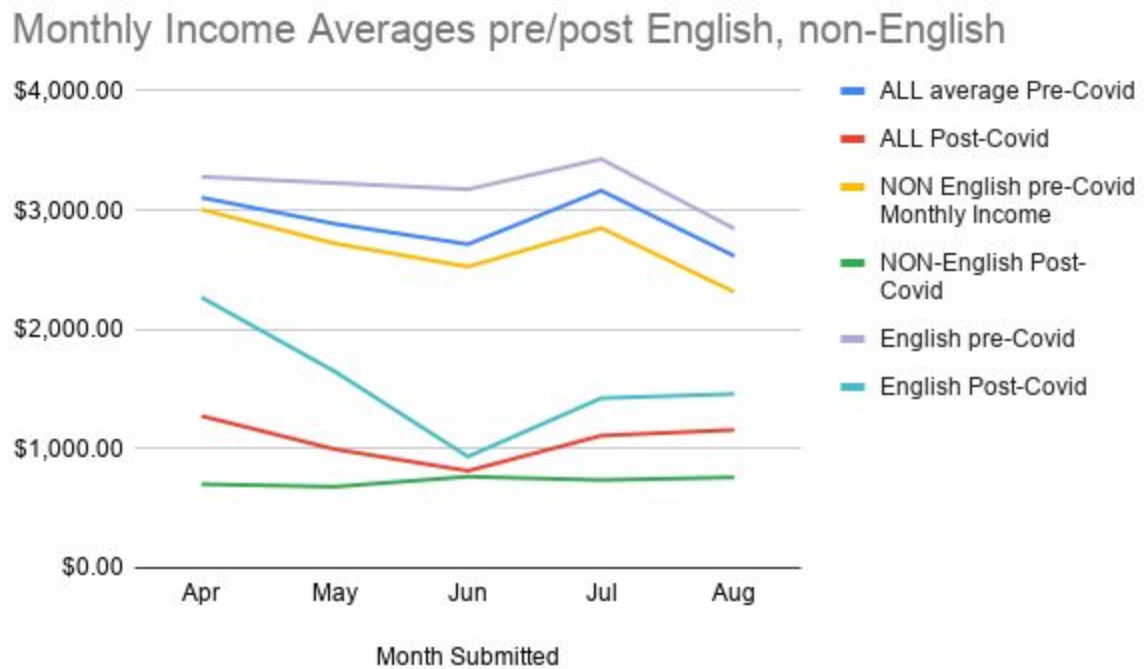
5. Geographic distribution of respondents with no income Post-COVID



6. Geographic distribution of SCF Funds

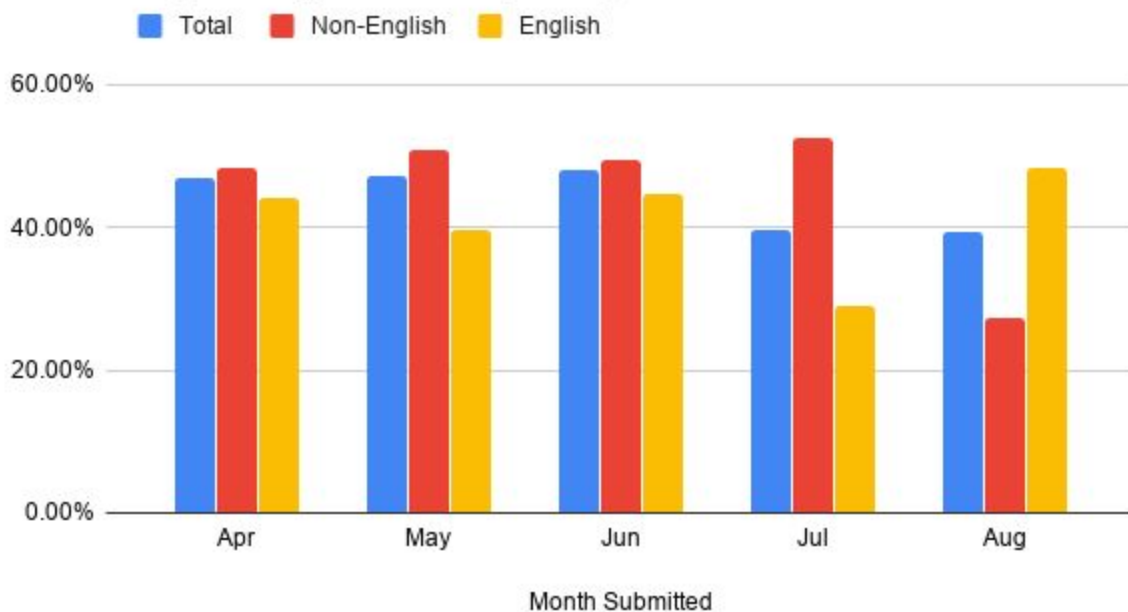


7. Monthly Average Income pre/post English, Non-English



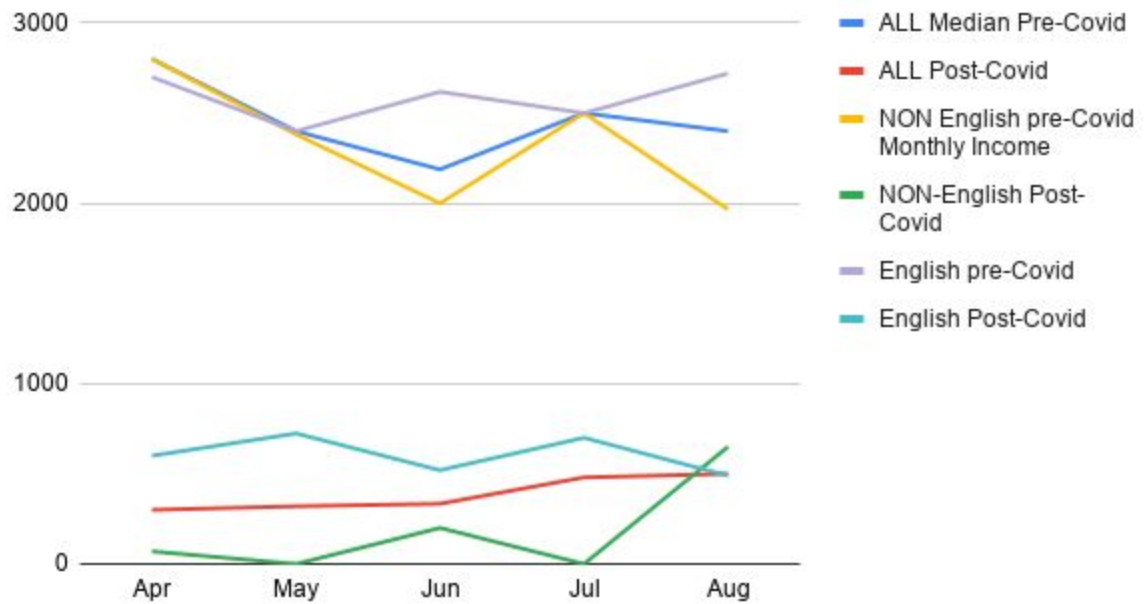
8. Proportion of applicants reporting zero income, by month

Percentage of applicants reporting 0 income over time.



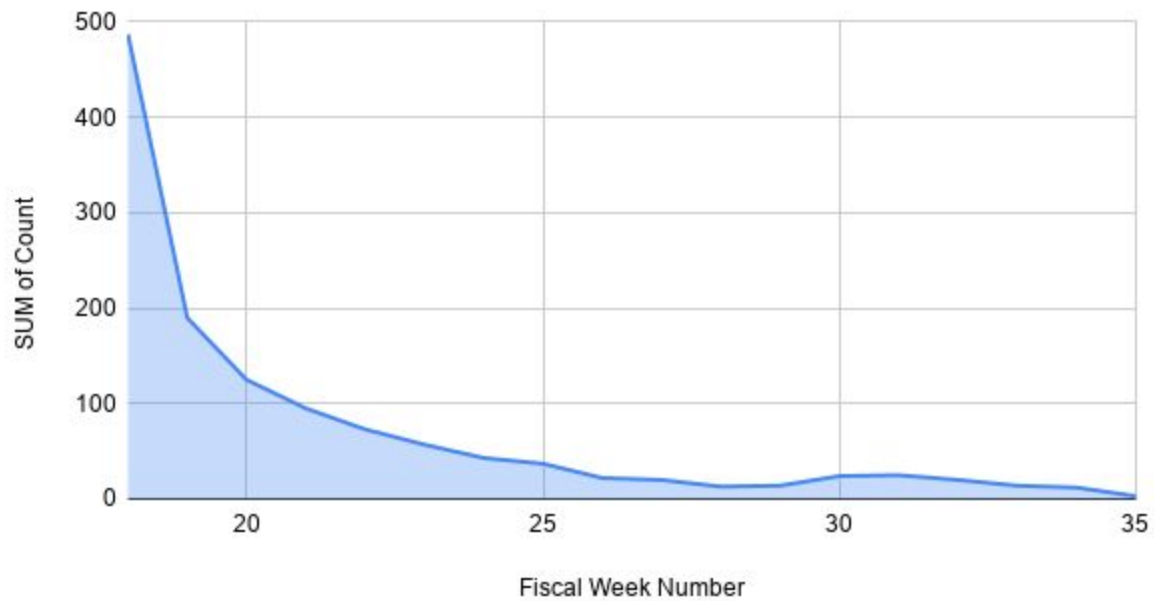
9. Median Income Pre & Post Covid for All, English and Non English applicants

Monthly Median Income pre/post, English, Non-English



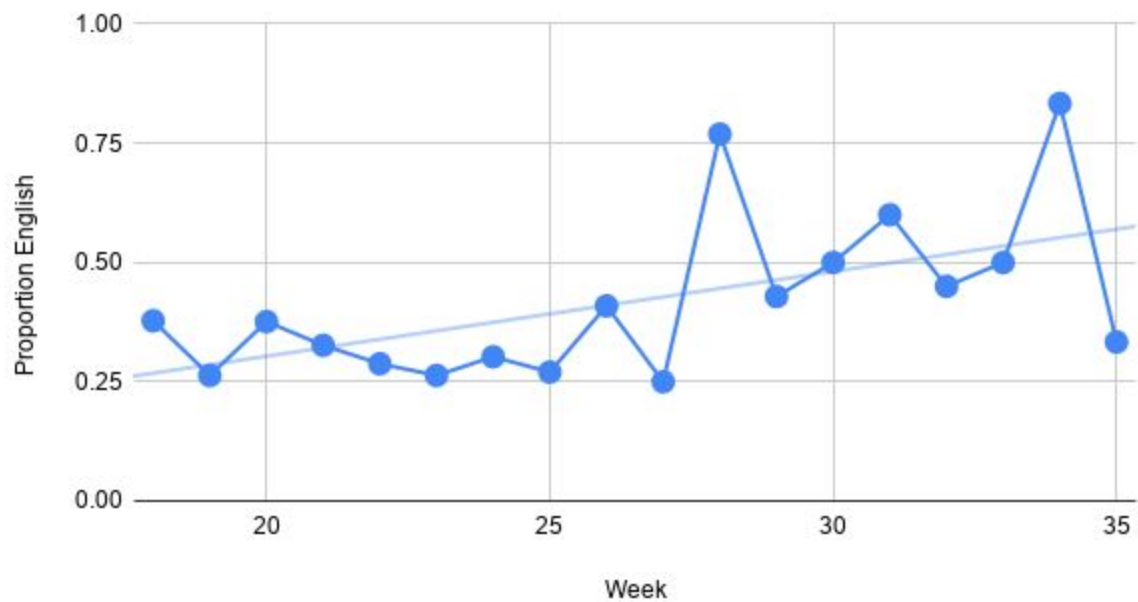
10. Applications over time

Number of applications by fiscal week



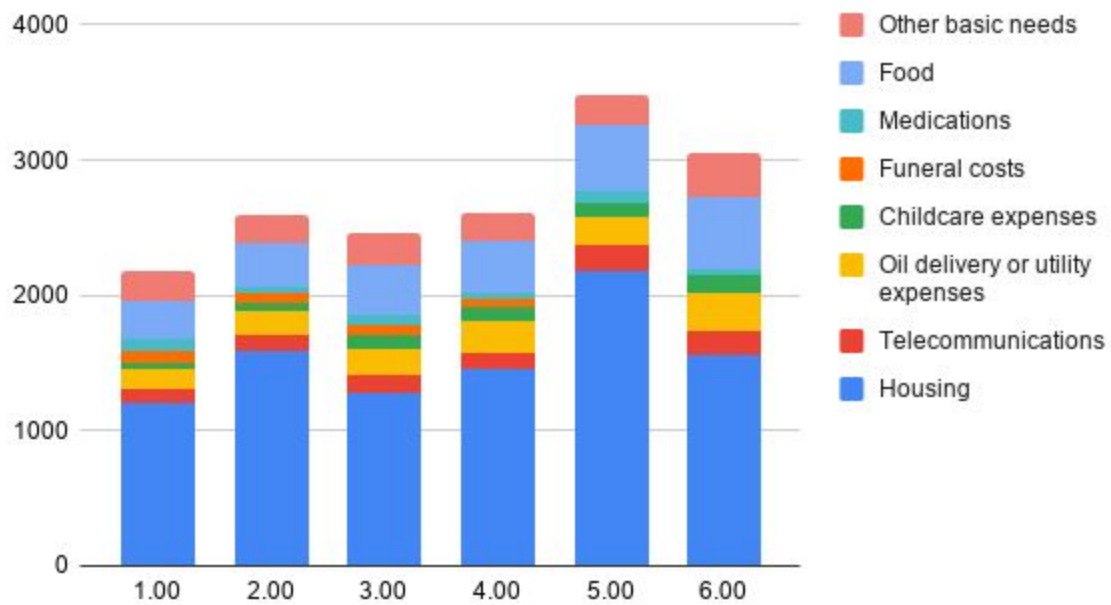
11. Proportion of English-speaking applicants over time

Proportion English-language applicants over time



12. Breakdown of Monthly Household costs

Average household costs by size



13. Costs by family size, with post-COVID deficits

Household Deficits

