

**Subject: DHS-Housing Grants Eligibility Proposals**

**FY 2022 Proposed Budget  
Budget Work Session Follow-up**

**4/13/2021**

The following information is provided in response to a request made by Ms. Garvey at the work session on 3/9/2021, regarding the following question:

Provide cost estimates for keeping the Housing Grant Program's alternative COVID guidelines in place for existing recipients. Also, provide more information on loosening requirements going forward including policy recommendations and cost estimates.

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Keeping Alternative COVID Guidelines for Existing Recipients

At the start of the pandemic in March 2020, eligibility criteria for the County's Housing Grants program were loosened in order to provide support to those facing hardship during the pandemic:

- Unemployment compensation was substituted for earned income;
- The minimum work hour requirement for working families was waived for unemployed households;
- Households and unemployed individuals ineligible for unemployment benefits had their income level calculated based on the minimum wage (\$7.25) and program work hour requirements (20-40 hours per week depending on household size); and
- Other pandemic-related subsidies such as payroll protection payments issued by the federal government and state-issued rental assistance were not factored in the household's income calculation.

Households unable to contribute 40% of their annual income towards rent seek assistance from Arlington THRIVE, the state's eviction prevention programs or County sources of emergency rental support.

If the pre-COVID Housing Grants income and working hour limits were enforced, an estimated 118 households (107 working families, 2 seniors, and 9 disabled households) would lose their rental subsidy. Keeping the relaxed eligibility criteria for existing recipients has an annual cost of \$1,036,512 (likely ongoing until the pandemic impacts have mitigated) above what was included in the County Manager's FY 2022 Proposed Budget.

In addition to the eligibility criteria option, staff prepared an additional option that reduces the client's annual income contribution from 40% to 30% which is summarized in the table below. Staff is also prepared to offer other options for consideration in

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future budget processes that would provide expansion of the program to seniors or other populations where the Board is interested.

<b>Proposal</b>	<b>Cost</b>	<b>Impact</b>
<b>Reduce the client's annual income contribution from 40% to 30%</b>	\$487,713 annual ongoing	1,411 current households (as of March 2021) and new program participants