



Arlington's Guarantee

An Interim Report on the Guaranteed Income Pilot in Arlington County, Virginia

Mary Bogle, Camille Braswell, and James Ladi Williams

November 2022 (corrected December 2022)

The Arlington Community Foundation (ACF) launched Arlington's Guarantee in partnership with the Arlington County Department of Human Services in September 2021. This pilot program provides a monthly unconditional cash payment of \$500 over 18 months to 200 low-income working families. Target outcomes for participants include increased financial well-being, a heightened sense of personal agency, and community belonging. Arlington's Guarantee is embedded in a larger set of public-private initiatives to boost economic mobility for residents and prevent displacement for those who live far below living-wage standards for the region, including some of Arlington's most marginalized residents, such as undocumented immigrants and citizens returning from incarceration. Learning goals focus on how guaranteed income with no strings attached could fit as a tool to supplement restricted public benefits and address income and wealth inequality in a rapidly gentrifying place. This interim report covers activities and early observations from the pilot's first year of operation.

Context

Arlington County sits at the heart of the high-growth metropolitan Washington region just across the Potomac River from the nation's capital. Area median income for a family of four in Arlington County is about \$142,300 a year. A little over 10 percent of families live below 30 percent of that threshold, that is, approximately 24,000 county residents struggle to meet some of the highest child care,

housing, and food costs in the nation.¹ These individuals are disproportionately from families of color, and they often perform essential services (such as health care, hospitality, office cleaning, and restaurant, retail, and construction work) for other county residents and businesses.²

Pressure on costs like housing, child care, and health care has been rising steadily since the Washington Metropolitan Area Transit Authority opened a station in Arlington over 40 years ago, increasing its attractiveness as a bedroom community for the federal workforce. More recently, Arlington has also emerged as a regional hub for technology and educational organizations. For example, beginning in 2019, Amazon established its second headquarters in Arlington's Crystal City neighborhood. As a result of such development, as Hughes (2021) points out, "Compared to other large metropolitan areas, Northern Virginia [has] the highest rate of severe housing burden for low-income households and the sixth-highest rate for moderate-income households."

The central goal of Arlington's Guarantee is to help Arlington's lowest-wage families remain in a county that is increasingly unaffordable for them. Families use the income how they see fit, whether for making ends meet or attaining living-wage jobs. The pilot draws inspiration from the growing national movement for guaranteed income and previously launched pilots that are demonstrating the promise of direct cash for stabilizing households (Hasdell 2020; West et al. 2021) and perhaps even for moving them on to greater economic advancement. For example, recent data from the well-known Stockton Economic Empowerment Demonstration (West et al. 2021) show that a regular infusion of cash raised participant well-being, employment, and productivity while lessening stress and allowing for debt repayment. ACF also draws inspiration from and seeks to contribute to the body of knowledge created by the Guaranteed Income Community of Practice, of which it is an active participant.

The total two-year budget is \$2.5 million, all of which is privately funded. Of this amount, \$1.8 million goes directly to recipients. The remaining expenses include new costs covered by the Kresge Foundation for an ACF program advocate who onboards, surveys, and maintains contact with all recipients; gift cards for survey participants; ACF program management and communications support; and in-kind support from Arlington County for evaluation, benefits protection, and data administration.

Arlington's Guarantee is the most recent in a string of initiatives that ACF, Arlington County government, local advocates, other funders, and civic leaders have organized to encourage inclusive economic growth and maintain cultural diversity in a place that has experienced ongoing and increasingly rapid gentrification and displacement. The following initiatives are closely linked to Arlington's Guarantee:

- **Bridges out of Poverty** is a public-private partnership to redesign Arlington's safety net system by reducing bureaucratic hurdles and strengthening connections so people in poverty can gain traction and move forward.³ Arlington's Guarantee is a direct outgrowth of local lessons and networks emerging from Bridges out of Poverty.

- The **Shared Prosperity Initiative** engages business, local government, and nonprofits through policy analysis, advocacy, and demonstration pilots to attract scaled-up resource investments in affordable housing and child care, as well as gains in living wages and job attainment, for Arlington residents with very low incomes.⁴
- **Arlington County's Framework for a Racial Equity Action** sets forth a vision, mission, and tools for public and private stakeholders to apply to making policies and practices in the county measurably more equitable across areas like the social determinants of health, digital equity, and economic growth.⁵ The framework is in alignment with an equity resolution adopted by the Arlington County Board in 2019.⁶

Target Outcomes, Structure, and Partners

Like most cash pilots, Arlington's Guarantee is designed to produce practice and policy insights. The initiative's structure, activities, and partnerships draw on existing lessons learned, both locally and nationally, and seek to produce insights for key stakeholders going forward.

Target outcomes at the participant level include the following:

- increased income and assets
- increased feelings of personal power over one's life
- fostering a sense of belonging in the community

These outcomes are drawn from analyses of what is essential for people to move out of poverty, as rendered by groups like the US Partnership on Mobility from Poverty. In addition to income and assets, mobility also requires that people feel they can make choices and that those choices will have measurable impacts. Outside of the choices people make for themselves, mobility also relies on feelings of connection to and inclusion in the surrounding community.

Organizers also have policy learning goals for the pilot that align with those of the Guaranteed Income Community of Practice. In particular, they seek insights on how to ameliorate or challenge economic and government systems predicated on exploitative low-wage work, a paternalistic public benefits system, and racialized wealth inequality (Turner et al. 2020).

Structure

Pilot activities were designed to maximize the benefits of the cash, such as through connection to supportive services from the Arlington County Department of Human Services and partner organizations, while shielding participants from the loss of state and federal benefits they may rely on.

PARTICIPANT ELIGIBILITY AND SELECTION CRITERIA

To be eligible for enrollment, heads of household were required to have an income under 30 percent of the area median income for their family size, as well as a child or children under 18 years old.

Seventy-five percent of pilot participants (150) were randomly selected from the county housing grant program, which has work requirements for adults. Pilot administrators prioritized enrollment to these households on the assumption that more stable housing circumstances would support each family to use the additional cash to advance personal goals most aligned to the pilot's core economic mobility outcomes.

In addition to the housing grant recipients, the pilot enrolled 25 undocumented households and 25 individuals who were returning to the community after incarceration. The latter group was selected by Offender Aid and Restoration from its returning citizen program, and the former group was identified by multiple community organizations and partners. Pilot organizers were purposeful about including these highly marginalized populations. Both populations face additional challenges to economic stability and mobility that other participants may not experience. For example, many people without documentation immigrate alone and lack support systems in their destination communities, putting them at higher risk for mental health challenges and unstable work experiences. Citizens returning from incarceration often have trouble accessing community services and supports, and they encounter barriers to jobs and stable housing, putting them at risk of reentering the justice system.

RECURRING CASH

Participants receive \$500 a month for 18 months. Funds are delivered via monthly deposits to a low-barrier Usio MasterCard debit card. This method of cash distribution was chosen to offer user-friendly debit purchases or cash withdrawals and to reinforce the unconditional nature of the cash. Families can use the cash from Arlington's pilot for any expenses they need, such as transportation, child care, purchasing food, or paying utilities. This cash also allows Arlington's Guarantee to demonstrate to participants, many of whom have previously been denied essential services, that they belong in Arlington and that the county values them.

WRAPAROUND SUPPORTS AND COACHING

Participants may request one-on-one coaching for longer-term economic mobility planning, including paying off debt, saving money, and paying for further education or training. The ACF program advocate refers participants who are interested for coaching, which is provided by partner organizations (table 1). Although most participants are already engaged with county and nonprofit service providers, they are referred to the county by the program advocate when service gaps are identified.

BENEFITS PROTECTION

Loss of public benefits due to means testing, asset limits, and conflicting eligibility requirements across public benefits programs is a pressing concern for all guaranteed income pilots across the US (Baker et al. 2020). In winter 2019–20, ACF worked with the Urban Institute and Arlington County to document the impact of the benefits cliff safety net beneficiaries in Arlington often encounter as they earn their way to self-sufficiency.⁷ Protecting recipients' public benefits was a critical prerequisite to launching Arlington's Guarantee. Administrators reached out to and received guidance from the Virginia Department of Social Services, which indicated that as long as the pilot is privately funded, the

monthly recurring gifts would not count as income toward Medicaid, Temporary Assistance for Needy Families, the Supplemental Nutrition Assistance Program, and energy assistance and child care subsidies. However, they learned that the monthly cash *would* count against participant eligibility for federally controlled housing choice vouchers, rapid rehousing programs, permanent supportive housing programs, and Supplemental Security Income, prompting a decision by pilot organizers to avoid enrolling participants who rely on these benefits. In addition, Arlington County amended its local policy so the extra income does not count toward eligibility for the housing grants, which the vast majority of participants receive.

Partnerships

The close partnership between ACF and the Arlington County Department of Human Services sits at the core of Arlington’s Guarantee. Staff from both the foundation and the county agency fulfill key roles in managing wraparound supports, managing data, and making policy linkages. Community-based organizations also fulfilled pivotal roles in pilot design and implementation (table 1). For example, Offender Aid and Restoration of Arlington, Alexandria, and Falls Church, a community nonprofit that works with and supports community members returning from the justice system, not only provided a sample of participants for the program but also acts as their coaches.

TABLE 1
Key Partners Involved in the Pilot’s Creation and Administration

Organization	Description	Pilot participation
■ Arlington County Department of Human Services	■ Lead agency in ensuring participants have access to important health, behavioral health, social services, and safety net services and programs	■ Houses administrative and public assistance data for all participants; acts as lead evaluator and monitors protection from benefits loss
■ Offender Aid and Restoration, Arlington Thrive, and Arlington Free Clinic	■ Community-based safety net nonprofits	■ Identified and provides coaching to 25 percent of participants; supports surveying of the comparison group

Source: Authors’ interviews with ACF staff.

Early Observations

Although it is too early to report on outcomes, the pilot evaluation has produced information on participant composition and circumstances at enrollment, as well as on early experiences with receiving the cash grants.

Pilot Evaluation

The Arlington County Department of Human Services is conducting an internal evaluation of the pilot that will be completed in late fall 2023 after all funds have been disbursed. The Urban Institute

provides modest technical support. To track outcomes, community organization partners conduct phone surveys with pilot participants that establish and track economic and social well-being at onboarding and again at 6, 12, and 18 months into the pilot. These surveys look at not only the three stated goals of the pilot (increased income and assets, autonomy, and sense of belonging), but also at family well-being, mental and physical health, and economic mobility. Arlington County Department of Human Services' administrative data systems are also an important source of data for both the cash and comparison groups of families with similar demographic characteristics who are also receiving housing grant support. The impacts of the pilot will be evaluated across various characteristics like race/ethnicity and across the three sampling groups (housing grant recipients, citizens returning from incarceration, and households without citizenship status). The following research questions frame all evaluation activities:

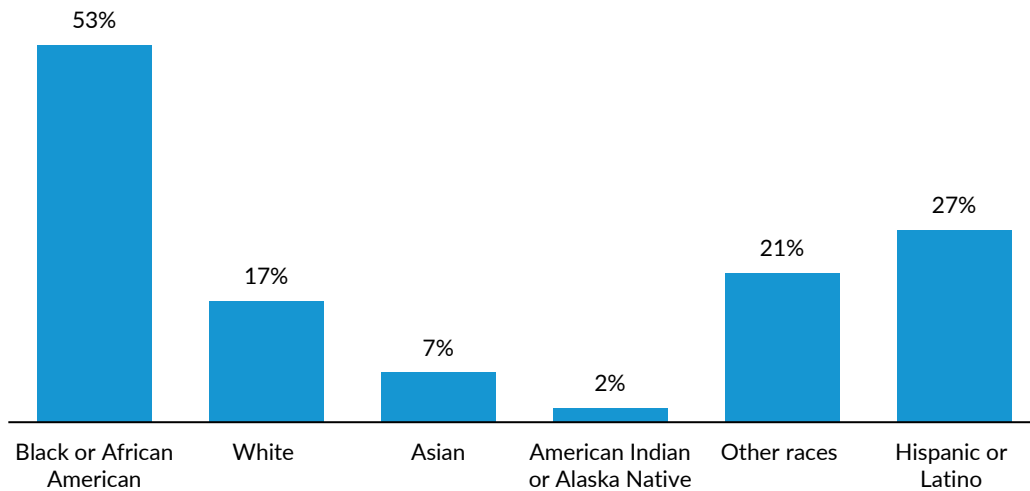
- What outcomes did cash transfer recipient families experience in domains related to ongoing basic needs and economic mobility as defined below by the US Partnership on Mobility from Poverty?
 - » traditional measures like income, employment, education, and food security
 - » measures of well-being and personal power
 - » measures of social capital and connectedness to the community
- How did outcomes for cash transfer recipients compare to outcomes for comparison families with similar demographic characteristics and resources?
- How did cash transfer recipients spend their payments in the aggregate? How did spending patterns change over time?

Baseline Characteristics and Circumstances

Early data from the pilot evaluation reveal that participants are primarily people of color (figure 1). Although almost three-quarters of the participants were employed full or part time at the onset of the pilot, many reported experiencing food and housing insecurity, and most have no emergency cash reserves in the event of an unanticipated need like car repair or uncovered medical expenses (table 2).

FIGURE 1

Race and Ethnicity of Participant Households



URBAN INSTITUTE

Source: Participant survey at enrollment.

TABLE 2

Circumstances of Participant Heads of Household at Enrollment

Circumstance	Participant responded "yes" (%)
Employed at the time of enrollment	74
Among employed, employed full time	50
Able to pay off a \$400 emergency expense at enrollment	9
Worried about running out of food before getting money to buy more	60
Worried about having stable housing in the next two months	47
Believe they can almost always rely on family or friends for help if they have a serious problem	37
Believe that what happens in their lives is often beyond their control	42
Have access to health care for all household members	78
Feel valued in the community	83

Source: Participant survey at enrollment.

Participant Experience of the Cash Grants

The first 80 participants were asked the following question: “Within the past six months, what have you been able to do with the extra income?” Their responses reflect the flexibility that regular monthly cash creates for families, enabling them to pay for basic needs, improve wellness, plan for the future, and much more. For the first six months, the most common categories mentioned were food, utilities, and household expenses for children. Much of the narrative feedback from participants centers on the stress-reducing effects of the cash. Several participants also noted that they were able to catch up on debt or start new endeavors.

“I use [the cash] for food and emergencies. I have to buy my baby's medicines.”

“I was able to restore a sense of hope back in my life. I was able to make ends meet, which [felt] impossible since 2021.... Something I did for us that can be considered fun is that I bought a few books for my daughter and myself.”

“I feel like the cash allows you to be more proactive in your finances, so you can actually stop and think about it, versus being reactive.”

—Arlington's Guarantee parents

Looking Ahead

Over the past 5 to 10 years, public discourse and policymaker interest in advancing guaranteed income policy for the US has grown in response to burgeoning economic inequality, increasingly high costs of living, and evidence that economic stimulus payments helped many US households weather the worst of the pandemic. What form such a policy could or should take remains to be seen.

Emerging evaluation findings from other guaranteed income pilots demonstrate cash with no strings attached targeted to low-income beneficiaries frequently results in immediate benefits like reduced income volatility and increased short-term saving, as well as reduced stress for household heads. Some studies show that participants also experience gains in working hours and more stable housing. In addition, findings from older experiments in guaranteed income demonstrate large gains in well-being for children.⁸ Recent analysis of census and other relevant data shows that the briefly expanded

federal Child Tax Credit—a promising form of guaranteed income for struggling American families—played a dominant role in reducing child poverty in the US by 46 percent in 2021, from 9.2 percent of children in poverty in 2020 to 5.2 percent in 2021 (Wimer et. al. 2022).

Over 100 pilots on guaranteed income are currently under way or recently completed in cities and states across America.⁹ Arlington’s Guarantee, which is similar to other pilots in many ways (e.g., size of cash payment and efforts to safeguard benefits), stands out for its forthright inclusion of often marginalized populations like undocumented immigrants and citizens returning from incarceration, as well as its thoughtful approach to stacking the cash alongside key public benefits and community services (e.g., county housing grants and coaching) and nestling the entire project within an umbrella set of initiatives aimed at poverty reduction and economic inclusion.

Arlington’s Guarantee will wrap up by late 2023, at which time a final evaluation report will be issued. The early observations rendered in this report suggest that the pilot is on track for producing positive outcomes commensurate with other recent and notable place-based cash infusion demonstrations. In addition, because pilot organizers are active participants in formal evaluation and learning forums like the national Guaranteed Income Community of Practice, findings from pilots like Arlington’s Guarantee are likely to have a significant influence on shaping future cash-based policy design aimed at fostering equity, stability, and economic mobility for American households.

Notes

- ¹ “Poverty in Arlington,” Arlington Community Foundation, May 2022, <https://www.arlcf.org/wp-content/uploads/2022/05/Poverty-in-Arlington-May-2022-1.pdf>.
- ² Peter A. Tatian, “Who Is Most Affected by the Economic Downturn in the DC Region?,” *Greater DC* (Urban Institute blog), May 4, 2020, <https://greaterdc.urban.org/blog/who-most-affected-economic-downturn-dc-region>.
- ³ “Bridges out of Poverty Initiative,” Arlington Community Foundation, accessed November 18, 2022, <https://www.arlcf.org/bridges/>.
- ⁴ “Shared Prosperity,” Arlington Community Foundation, accessed November 18, 2022, <https://www.arlcf.org/sharedprosperity/>.
- ⁵ “Realizing Arlington’s Commitment to Equity,” Arlington, VA, accessed November 18, 2022, <https://www.arlingtonva.us/Government/Topics/Equity>.
- ⁶ “Equity Resolution,” Arlington County Board, September 21, 2019, <https://arlingtonva.s3.amazonaws.com/wp-content/uploads/sites/21/2020/02/Equity-Resolution-FINAL-09-21-19.pdf>.
- ⁷ “The Cliff Effect in Arlington,” Arlington Community Foundation, accessed November 18, 2022, <https://www.arlcf.org/cliffeffect/>.
- ⁸ Mary Bogle, “Why Cash Assistance Is Essential to Moving Americans out of Poverty,” *Urban Wire* (blog), September 12, 2016, <https://www.urban.org/urban-wire/why-cash-assistance-essential-moving-americans-out-poverty>.
- ⁹ Gaby Galvin, “Basic Income Pilots Gain Momentum across US Cities,” *Smart Cities Dive* (newsletter), September 8, 2022, <https://www.smartcitiesdive.com/news/basic-income-pilots-cities-direct-cash-payments/631426/>.

References

- Baker, Amy Castro, Stacia Martin-West, Sukhi Samra, and Meagan Cusack. 2020. "Mitigating Loss of Health Insurance and Means Tested Benefits in an Unconditional Cash Transfer Experiment: Implementation Lessons from Stockton's Guaranteed Income Pilot." *SSM: Population Health* 11:100578.
- Hasdell, Rebecca. 2020. "What We Know about Universal Basic Income: A Cross-Synthesis of Reviews." Stanford, CA: Basic Income Lab.
- Hughes, Elizabeth. 2021. "Unequal Burden: Low-Income Northern Virginians Face the Country's Most Severe Housing Cost Burden." Oakton: Community Foundation for Northern Virginia.
- Turner, Margery Austin, Gregory Acs, Steven Brown, Claudia D. Solari, and Keith Fudge. 2020. *Boosting Upward Mobility: Metrics to Inform Local Action*. Washington, DC: Urban Institute.
- West, Stacia, Amy Castro Baker, Sukhi Samra, and Erin Coltrera. 2021. *Preliminary Analysis: SEED's First Year*. Stockton, CA: Stockton Economic Empowerment Demonstration.
- Wimer, Christopher, Sophie Collyer, David Harris, and Jiwan Lee. 2022. "The 2021 Child Tax Credit Expansion: Child Poverty Reduction and the Children Formerly Left Behind." Poverty and Social Policy Brief volume 6, number 8. New York: Columbia University Center on Poverty and Social Policy.

Errata

This brief was corrected on December 15, 2022. On page 5, we corrected an organization name to read "Offender Aid and Restoration of Arlington, Alexandria, and Falls Church."

About the Authors

Mary Bogle is a principal research associate in the Metropolitan Housing and Communities Policy Center at the Urban Institute. She conducts formative and summative research on policies and place-conscious interventions intended to help parents with low incomes surmount the economic, equity, and mental health challenges that often interfere with their efforts to create healthy, productive, and protective environments for their children. Bogle's work often sits at the intersection of whole-family support, social networks, and economic development at the neighborhood level. She is a nationally recognized thought leader on two-generation policy and practice, as well as an expert on cash-based social policies and highly effective program models for moving Americans out of poverty. Over the course of her career, Bogle has worked extensively with and for community-based organizations, government agencies, and foundations to plan, implement, and evaluate programs and policies aimed at creating more prosperous futures for children and families with low incomes.

Camille Braswell is a research assistant in the Metropolitan Housing and Communities Policy Center, where she researches place-based discrimination across sectors such as housing, community development, and environmental justice. Before joining Urban, Braswell was a fellow at the UC Berkeley Othring and Belonging Institute, focusing on disconnects between local needs and federal policy.

James Ladi Williams is a research associate in the Metropolitan Housing and Communities Policy Center, where he researches urban development challenges in developing countries, including public

service delivery, urban resilience, and resource mobilization. Before joining Urban, Williams consulted for the US Agency for International Development on an assessment of the agency's urban policy; advised on monitoring and evaluation strategies for Emerging Public Leaders' public service fellowships in Liberia and Ghana; and provided analytical support for education programs at Rising Academy Network in Freetown, Sierra Leone. As a fellow in the New York City Mayor's Office for Economic Opportunity, he helped manage evidence-based programs to tackle urban poverty.

Acknowledgments

This brief was funded by The Kresge Foundation. We are grateful to them and to all our funders, who make it possible for Urban to advance its mission.

The views expressed are those of the authors and should not be attributed to the Urban Institute, its trustees, or its funders. Funders do not determine research findings or the insights and recommendations of Urban experts. Further information on the Urban Institute's funding principles is available at urban.org/fundingprinciples.

We also thank the Arlington Community Foundation for its collaboration and partnership, which made this brief possible.



500 L'Enfant Plaza SW
Washington, DC 20024

www.urban.org

ABOUT THE URBAN INSTITUTE

The nonprofit Urban Institute is a leading research organization dedicated to developing evidence-based insights that improve people's lives and strengthen communities. For 50 years, Urban has been the trusted source for rigorous analysis of complex social and economic issues; strategic advice to policymakers, philanthropists, and practitioners; and new, promising ideas that expand opportunities for all. Our work inspires effective decisions that advance fairness and enhance the well-being of people and places.

Copyright © November 2022. Urban Institute. Permission is granted for reproduction of this file, with attribution to the Urban Institute.