

## PHDC and the City of Philadelphia, in Partnership with the University of Pennsylvania and PHA, Announce Initial Successes of Guaranteed Income Pilot Program: PHLHousing+

PHILADELPHIA – December 20, 2022-Today PHDC and the City of Philadelphia, in partnership with University of Pennsylvania and Philadelphia Housing Authority (PHA), announce initial successes of the PHLHousing+guaranteed income pilot program. This is the City's first guaranteed income program.

Each month, the PHLHousing+ pilot is providing 300 qualifying households selected at random from PHA Housing Choice Voucher and public housing waitlists with a direct cash payment loaded onto a prepaid debit card. The pilot will last for 30 months.

"PHLHousing+ provides a more flexible resource for participants to make their own decisions to meet their family's needs," said Mayor Jim Kenney. "Programs like this give Philadelphians the extra help they need to make a difference in their future. We are grateful to the partners in this pilot for supporting participants and creating this opportunity to learn more about the benefits of flexible assistance."

Participation in the PHLHousing+ pilot was optional and by invitation-only. The 300 participating households have already been randomly selected from PHA waiting lists and the program is not open to the public. Participating households must earn no more than 50% of Area Median Income at the time of enrollment and have a child at or under the age of 15 in the household.

The monthly payment amount received by the program participants is calculated to close the gap between what a household can afford to pay for housing – generally 30% of the household's income – and actual housing costs. This means monthly payment amounts differ across households. The funds are unconditional and unrestricted. PHLHousing+ is unique in the country for its explicit focus on housing cost burden and relevance to national programs like HUD's Housing Choice Voucher program.

"As a single mother of five children, this program is very beneficial," said T. Harrington, PHLHousing+ recipient. "These funds have taken the stress level down and making household decisions has become a lot easier."

Recognizing that many low-income households currently participate in safety net programs to help them make ends meet, PHLHousing+ is working to protect participants as much as possible from any impact on the public benefits they receive, including by obtaining waivers from other public agencies that administer benefits. Invited households were strongly encouraged to join benefits counseling sessions hosted by the City's Office of Community Empowerment and Opportunity (CEO) to understand these protections and how

participating in PHLHousing+ might impact public benefits they may receive. Over 90% of participants have attended those sessions.

"PHLHousing+ Program is an extension of PHDC's commitment to helping our residents with their housing needs," said David Thomas, CEO of PHDC. "Because of rising cost for basic needs, persons can often be at risk of housing insecurity. This extra income can help them bridge the gap in their finances to create more room in their budget to make better choices for them and their families."

Research partners at the University of Pennsylvania are surveying and interviewing participants to understand and document their experiences as guaranteed income recipients. An additional 900 households from PHA waitlists will be invited to participate in a series of surveys conducted by researchers. Their experiences will then be compared to those receiving cash assistance. The results will contribute to the national conversation around the effects of rental assistance and direct cash assistance programs on the well-being of children and families.

"PHLHousing+ is a truly innovative housing program," said Sara Jaffee, Professor of Psychology, University of Pennsylvania. "The lessons learned from this program will offer invaluable insight about the impact of housing assistance on a broad set of adult and child outcomes and about the difference flexible assistance makes in people's ability to access and maintain housing."

If a participating household is offered a housing voucher or Public Housing unit while participating in PHLHousing+, they can withdraw from the pilot to accept the voucher or unit. Participants can withdraw at any time for any reason.

"Philadelphia really needs multiple housing strategies because no single approach will work for everyone," said PHA President and CEO Kelvin A. Jeremiah. "PHLHousing+ supports Philadelphians in reimagining their lives and their futures. It also shows them that they are no longer on this journey alone."

"I'm a single dad raising two boys," said A. Walker, PHLHousing+ recipient. "Between COVID, job loss and remote schooling for my children, my finances took a major hit. This program has helped me with rent and other household expenses, and made a huge difference for me and my family."

Funding for this pilot comes from a combination of public and philanthropic sources, including the Neighborhood Preservation Initiative bond proceeds, Housing Trust Fund, PHFA, William Penn Foundation, Spring Point Partners LLC, and the Stoneleigh Foundation.

Program partners: Housing Initiative at Penn, Center for Guaranteed Income Research, The City of Philadelphia's Office of Community Empowerment and Opportunity (CEO), Mayor's Policy Office, Atlanta Federal Reserve Bank and Philadelphia Housing Authority.