

**City of Alexandria, Virginia
 FY 2025 Proposed Operating Budget & CIP
 Budget Questions & Answers**

March 28, 2024

Question:

Can you provide a refresher on the ARISE current pilot, when it ends, and when we expect to have study data after it is completed? How much money would it take to bridge the current recipients of the ARISE program from its expiration in February 2025 to the end of the fiscal year (June 2025)? How much money would it cost to expand the program to 100 more residents in FY 26?

Response:

Overview

Alexandria Recurring Income for Success and Equity (ARISE) is a guaranteed income project that allows the city to test a way to ensure people have what they need to make decisions to support their well-being. ARISE is funded with \$3.0 million dollars from the city’s American Rescue Plan Act (ARPA) allocation. There are 170 participants who were randomly selected from the applicant pool of just over 4,000 people. City residents, 18-years or older, with a household income at or below 50% Area Median Income were eligible to apply. Participants receive \$500 monthly for 24 months. The first payment went out to participants on February 15, 2023, and the final payment will go out on January 1, 2025.

Aligned with the principles of guaranteed income, participants choose how to spend the money they receive and there are no strings attached. Guaranteed income is intended to supplement existing social safety support programs and services rather than replace them. In order to adhere to this approach, DCHS successfully secured waivers for Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), Medicaid, Low Income Housing Energy Assistance Program (LIHEAP), childcare subsidies, as well as city means tested programs. Participants have access to supportive services that connect them with services available to the general public.

Demographics of Participants

Race	Language Spoken at Home	Zip Codes
41.8 % Black	38.2% English	34.7% 22304
25% White	29.4% Spanish	20.6% 22305
13.5% Latinx	15.3% Amharic	15.3% 22311
8.2% Asian	6.5% Dari	12.9% 22312
5.9% Two or more	4.1% Arabic	12.4% 22314
5.3% Other	3.5% Pashto	2.9% 22302

	2.9% Other	1.2% 22301
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Average Household Size: 2.8
Median Household Income: \$21,400
Average Age: 43
Gender: 68% Female, 32% Male

Top Spending Categories

Grocery stores: 25%
 Restaurants: 6%
 Wholesale clubs: 5%
 Participants are also paying rent, car notes and paying down debt.

Research

The city is conducting a mixed method, Randomized Control Trial (RCT) evaluation with 170 treatment and 210 control group participants in partnership with Abt Associates. Research aims to understand the impact of \$500 cash, monthly on:

- Physical and emotional well-being
- Housing and food security
- Financial stability
- Labor market participation
- Sense of hope and mattering
- Child outcomes

The evaluation includes quantitative methods including a full survey at baseline, 12 months, and 30 months (6 months after participants receive the final payment). As well as a short survey tracker at months 6, 18 and 24 to understand specifically the impact of \$500 on employment and financial security.

The evaluation also includes qualitative methods including surveys with 30 participants after the 12-month survey to understand trends seen in the quantitative data as well as an ethnography with in-depth interviews and observations with 12 single parent participants to better understand the impact of cash on single parents. Participation in the study is not mandatory and both treatment and control group respondents are compensated for their time.

Preliminary findings will be available late summer 2024 and final research findings will be available early 2026.

Program Expansion

The cost of ARISE beyond the pilot is as follows:

Scenario	Number of Households	Number of Months	\$500 Cash Assistance	Financial Distribution Partner	Operations Cost	Total
Beyond 2025	170	12	\$1,020,000	\$40,800	\$250,749	\$1,311,549

Expand by 50	220	12	\$1,320,000	\$52,800	\$250,749	\$1,623,549
Expand by 100	270	12	\$1,620,000	\$64,800	\$250,749	\$1,935,549
FY25 Feb- June 30	170	5	\$425,000	\$17,000	\$106,086	\$548,086