



Live and Work in Arlington Housing Grant Guidelines

FY 2018 *(July 1, 2017 through June 30, 2018)*

The purpose of this program is to help employees defray the costs of purchasing or renting their first primary residence in Arlington through a grant. There are two types of grants: a **Housing Purchase Grant** and a **Housing Rental Grant**. The Housing Purchase Grant is conditional upon three years of continued employment with Arlington Public Schools (APS).

Guidelines

1) **Eligibility**

All permanent employees who:

- a) Are currently working at least 30 hours per week in a permanent position.
- b) Have not received a grant through this program in the previous three years. The home being purchased or rented with grant funds must be your first primary residence in Arlington. If you have previously owned or rented a residence in Arlington, you are not eligible for the Housing Purchase Grant or Housing Rental Grant.

Note: Employees who are purchasing or renting a home jointly will only receive one grant for the purchase. Separate grants will not be issued to each employee.

2) **Grant Amount and Use**

- a) The amount of each Housing Purchase Grant will be based on one percent (1%) of the property purchase price, up to \$6,000. For example, if a property sale price is \$375,000 the grant amount will be \$3,750. (Purchase price does not include closing costs, taxes, escrows or miscellaneous fees.)
- b) The amount of each Housing Rental Grant for FY18 is \$500.
- c) Grants are used to defray the costs of purchasing or renting a primary residence in Arlington.
- d) Grants are not available for refinancing expenses on a current residence in Arlington County.

3) **Retention Period**

- a) For the Housing Purchase Grant, employees are required to continue actively working for APS for three (3) years following the grant issue and to reside in the Arlington residence for the conditions of the grant to be met.
- b) Employees on a verified FMLA, medical, or military leave of absence will not be penalized by the length of absence for purposes of calculating the three years of active employment.

4) **End of Employment During Retention Period (Housing Purchase Grant only)**

- a) Employees who must end employment because of their own disability will automatically have their grant 100% forgiven.
- b) If an employee leaves employment within three years for reasons other than their own disability, the requirements of the grant will be unmet and therefore, the employee will be required to pay back any outstanding amount of the grant plus interest.
- c) For the Housing Rental Grant, employees who leave APS service (other than for disability) and/or relocate from Arlington within one calendar year of receipt will be required to pay back the full amount of the grant.
- d) The outstanding amount will be the balance of the original grant less the amount that has already been forgiven. The forgiven amount of the grant will increase one month for each month of continued employment, including any military or medical leaves of absence, after the grant is issued.
- e) APS will calculate interest at the prime rate in effect on the first day of the calendar quarter in which the employment ended. Interest will accrue monthly beginning the first day of the month following the employee's end of employment.
- f) APS will withhold any outstanding amount from the employee's final paycheck(s), including leave payouts, to the extent permitted by law.

- g) If there is still an outstanding balance due after the employee's final pay, payment on the remaining balance, plus interest, will be due in full no later than 6 months after the last day of employment. Payments will be due on the first of the month following the end of employment. Monthly payments will be the greater of (1) 1/6th of the original grant amount plus interest or (2) the outstanding balance plus interest divided by six. APS reserves the right to pursue legal action, at the employee's expense, 30 days after any missed payment.

5) Interest and Taxes

- a) Interest will not accrue on the grant provided the employee remains employed by APS for three years following issuance of the grant. The grant is taxable income. Home Purchase Grants will be taxed over a pro-rated 36-month period. A pro-rated amount of the grant will be included in the employee's pay statement as earnings.
- b) Housing Rental Grant amounts are added to the employee's W-2 statement earnings at the end of the year in which the grant is paid.

6) Property Ownership – Housing Purchase Grant

- a) Property purchased with grant funds must remain as the employee's primary residence for a 36-month period of time starting from the date the check is issued to the employee.
- b) If the property purchased with grant funds transfers ownership or is sold within the 36-month period, the remaining amount of the grant not forgiven must be repaid to APS. Repayment of the remaining grant funds will be withheld from the employee's paychecks. The amount withheld from the paychecks will be agreed upon by the employee and APS.

Procedures

1) Application

Housing Purchase Grant

- a) Employees are required to complete a Housing Purchase Grant Application and attach a copy of their certificate of completion from the VHDA Housing Counseling Course prior to closing on their home. Employees may obtain information about the course by contacting VHDA (1-800-227-VHDA (8432) or www.vhda.com).
- b) Attach a copy of your home purchase contract. Name of the APS employee must be on the ratified home purchase contract.
- c) Completed Housing Purchase Grant Application must be submitted to Human Resources.
- d) A limited number of grants are available. Applications will be processed on a first-come, first-served basis determined by the date of receipt of a completed application until the funds are depleted. Grants will not be distributed retroactively once funds are depleted.
- e) **Completed Housing Purchase Grant Application, copy of VHDA Housing Counseling Course certificate, and copy of home purchase contract must be submitted to Human Resources within 30 days of settlement to be eligible to receive the housing grant. Housing grant requests made after this date will not be accepted.**

Housing Rental Grant

- a) Employees are required to complete a Housing Rental Grant Application, which includes certification that prior address was outside Arlington County.
- b) Attach a copy of your lease agreement. Name of the APS employee must be on the lease agreement.
- c) Completed Housing Rental Grant Application must be submitted to Human Resources.
- d) **Completed Housing Rental Grant Application and copy of your lease agreement must be submitted to Human Resources within 30 days of the lease start date.** There are a limited number of grants available. Applications will be processed on a first-come, first-served basis determined by the date of receipt of a completed application until the funds are depleted. Grants will not be distributed retroactively once funds are depleted.

2) Approval Process

- a) Applications will be reviewed and approved in the order received.
- b) Upon receipt of the completed application, Human Resources will verify the employee's eligibility.
- c) Human Resources will notify the employee regarding grant approval within 2 weeks of receipt of the completed application.
- d) If a Housing Purchase Grant is approved, the employee has 60-days from the date of approval to submit the ratified residential real estate contract.
- e) If the initial residential real estate contract or lease agreement falls through, the employee still will have 60-days from the date of the application's initial approval to obtain another contract or lease agreement and update the initial application with the address of the residence under the new contract/lease.
- f) If the initial residential real estate contract or lease agreement falls through and the employee is not able to secure another contract/lease within the 60-day period, the grant will become available for the next approved applicant. The employee may reapply for another grant, if funds are still available.

3) Check Issuance

- a) For Housing Purchase Grants, APS will request a check payable to the employee upon receipt of a copy of the employee's ratified residential real estate contract and signed promissory note. For Housing Rental Grants, APS will request a check payable to the employee upon grant approval.
- b) A physical check will be mailed to the employee's current address listed in STARS.
- c) For Housing Purchase Grants, the employee must present a copy of the deed that has been recorded by the Arlington County Clerk of the Court to Human Resources within two (2) months of the scheduled closing date to confirm the settlement occurred. If a copy of the deed is not provided, APS will view the ratified contract as invalid as described in the section below (see "Invalid Real Estate/Lease Contract").

4) Invalid Real Estate/Lease Contract

- a) In the event the contract becomes invalid, any monies distributed to the employee will become immediately due back to APS.
- b) The employee has the option to either submit payment within two (2) weeks of the contract becoming invalid or have the money withheld from future pay checks, to the extent permitted by law.
- c) The employee will continue to have a grant reserved for 60-days from the date of the initial application approval.

5) Waiting List

- a) Once all available funds for the fiscal year have been utilized, eligible employees who request funds will be placed on a waiting list.
- b) If funds become available, individuals on the waiting listed will be contacted in order.
- c) In cases of the waiting list, the grant may be distributed retroactively, however; the employee must be placed on the waiting list before or on their closing date.



Live and Work in Arlington Housing Grant

Questions and Answers

FY 2018 *(July 1, 2017 through June 30, 2018)*

Overview

Arlington Public Schools (APS) offers a limited number of grants to employees working more than 30 hours per week in a permanent position for APS to assist employees with the costs associated with purchasing or renting a primary residence in Arlington County.

What is a forgivable grant?

A forgivable grant is one that does not require repayment, if certain requirements are met. In this program, the only requirements for the Housing Purchase Grant are that an employee must occupy the residence and must remain employed by APS, in a permanent position, for 3 years for the grant to be totally "forgivable."

For what purpose can the grant be used?

These grants are to be used solely for the purposes of defraying the costs of purchasing or renting a **primary residence** in Arlington. Once you have the check, you decide what costs you want to apply the grant money. Examples of uses for the grant are for:

- Closing costs
- Inspections
- Appraisal
- Lender fees
- Security deposit

The grant **cannot** be used to refinance a home you currently own in Arlington County.

Does this property have to be my first primary residence in Arlington?

Yes. The home being purchased with grant funds must be your first primary residence in Arlington. If you have previously owned a residence in Arlington, you are not eligible for the housing grant. If you have previously rented a residence in Arlington, you are not eligible for the rental grant.

How is the grant amount determined?

The amount of each Housing Purchase Grant will be based on one percent (1%) of the property purchase price, up to \$6,000. For example, if a property sale price is \$375,000 the grant amount will be \$3,750. For FY18, the amount of the Housing Rental Grant is \$500.

How many grants are available?

The number of grants available will depend on the property purchase prices and the number of applicants that qualify.

Who can apply?

Any permanent employee working more than 30 hours per week in a permanent position. Employees who are jointly purchasing or renting a home are eligible for only one grant.

How do I apply?

For the Housing Purchase Grant, complete the Housing Purchase Grant Application and include

your VHDA Housing Counseling Course certificate and a copy of your home purchase contract. Send your completed application to Human Resources. Application, course certificate, and contract must be received **within 30 days** of settlement.

For the Housing Rental Grant, complete the Housing Rental Grant Application and include a copy of your lease agreement within 30 days of the lease start date.

Where do I get information on the VHDA Housing Counseling Courses?

You may call VHDA - 1-800-227-VHDA (8432) or www.vhda.com.

When do I need to send in my application?

Applications will be accepted beginning July 1, 2017. There are a limited number of grants available. Applications will be processed on a first-come, first-served basis determined by the date of receipt of a completed application until the funds are depleted. Grants will not be distributed retroactively once funds are depleted.

How will I know if my grant has been approved?

After Human Resources has received your application, your eligibility will be verified. Applications will be processed in the order received. Human Resources will notify you of approval. For the Housing Purchase Grant, you have 60-days from the approval date to submit your ratified contract to Human Resources so that a check can be issued directly to you.

What type of home can I purchase?

APS is requiring only that the home be in Arlington County and that the employee occupies the home. It does not matter what type of home you purchase. If you currently own a home in Arlington and are buying a new primary residence in Arlington, you are not eligible for this program.

What qualifies for the Housing Rental Grant?

APS provides the Housing Rental Grant for your **first** primary residence in Arlington; you are only eligible if you are moving from outside of the county.

What if my contract or lease falls through?

If your application is approved, APS will continue to hold your grant for up to 60 days from the date of your initial application's approval. This allows you an additional 60 days to provide a copy of a new contract or lease. If the 60 days expire and you do not obtain a new contract or lease, APS will assign the grant to the next approved applicant.

Will APS request a copy of my credit history?

No, this is a benefit provided to you as an employee of Arlington Public Schools.

Is the grant taxable?

Yes. The grant is taxable income. For Housing Purchase Grants, the grant amount will be taxed over a 36-month period. A pro-rated amount of the grant will be included in the employee's pay statement as taxable earnings. Housing Rental Grants will be added to the employee's W-2 statement for the year paid.

Why are taxes taken out over a pro-rated 36-month period?

Taxes will be deducted in this manner to ease the tax burden placed on the APS employee. By taxing the grant amount over 36 months, the APS employee will be taxed less than applying the taxes all at once.

Do I pay interest on the grant?

No interest applies to the grant as long as you continue your employment with APS for 3 years.

What happens if I leave APS before the 3-year requirement?

The amount of the grant that has not been forgiven will be withheld from your final paycheck, to the extent permitted by law. Any remaining outstanding balance will be due within 6 months of your last day of employment. See the Housing Grant Guidelines for details. If your employment ends due to a disability, your grant will be 100% forgiven automatically.

Who do I call if I have more questions?

Contact Christy Laschen in the APS Human Resources Department at Christy.Laschen@apsva.us, or 703-228-2881.



Live and Work in Arlington
Housing Purchase Grant Application
FY 2018 *(July 1, 2017 through June 30, 2018)*

Instructions:

1. Complete Sections A, B, and C.
2. Attach a copy of your VHDA Housing Counseling Course completion certificate.
3. Attach a copy of your home purchase contract.
4. Return your completed Housing Purchase Grant Application, VHDA certificate, and property contract to:
Human Resources, Attn: Christy Laschen
2110 Washington Blvd., 4th Fl
Arlington, VA 22204
or e-mail your paperwork to Christy.Laschen@apsva.us

Section A:

General Information:

Employee's Name (Last, First): _____

Employee's EID: _____ Work Location: _____

Daytime Phone: _____

Current Residence Information:

Current Street Address: _____

City, State, Zip Code: _____

Proposed Residence Information:

New Street Address: _____

City, State, Zip Code: _____

Expected Closing Date: _____

Section B:

Grant Agreement

Amount of Grant (1% of Purchase Price – Maximum of \$6,000): \$ _____

I, _____, hereby apply for assistance through the Live and Work In Arlington program. I understand Arlington Public Schools (APS) will not be requesting any credit history information.

I understand my continued employment with APS for 3 years is required to have the full amount of my grant forgiven. The forgiven amount of my grant will increase one month for each month of continued employment, including any military or medical leaves of absence, after the grant is issued.

I understand the property purchased with grant funds must remain my primary residence for a 36-month period of time starting from the date the check is issued to me.

I understand the amount forgiven shall be treated as taxable income that will be added as income on my paychecks over a 36-month period.

I understand this grant is only available to APS employees who have not previously owned a home in Arlington County.

The issuance of a grant under this Program does not constitute an agreement by APS that my employment shall be continued, rather, my employment shall continue to be dependent upon the same considerations as if no grant had been issued.

Should my employment be discontinued by either party for any reason other than my disability, any outstanding balance of the grant that has not been forgiven plus interest will become due and payable as specified in the Program's Policy and Promissory Note.

The interest will be calculated at the prime rate on the first day of the calendar quarter in which the employment ended.

I further agree the full amount of my grant will be evidenced by a Promissory Note to be executed by me after approval of this application and before receipt of the grant. The Note will authorize withholding of pay and leave payouts in the event I owe APS any money under this program.

I accept this grant of 1% of purchase price of my home in Arlington, Virginia contingent upon my agreeing by signature below that this is my first primary residence in Arlington.

I understand I will be required to reimburse APS for the full grant amount if I do not meet the requirements for receipt of the grant as specified in Policy Implementation Procedures 35-6.4 Live and Work in Arlington Housing Grants.

Employee Signature: _____ Date: _____

Section C:

Additional Information

Home Price: \$ _____

Home Type (Check One): ☐ Single Family ☐ Townhouse ☐ Condo ☐ Duplex/Side-by-Side

Employee's Scale (Check One): ☐ A-Scale ☐ T-Scale ☐ M-Scale ☐ E/P-Scale

☐ D-Scale ☐ C-Scale ☐ X-Scale ☐ G-Scale

Section D:

Human Resource Department Approval

HR Department Representative's Signature: _____ Date: _____



Live and Work in Arlington
Housing Rental Grant Application
FY 2018 *(July 1, 2017 through June 30, 2018)*

Instructions:

1. Complete Sections A, B, and C.
2. Attach a copy of your lease agreement.
3. Return your completed Housing Rental Grant Application and copy of your lease agreement to:
Human Resources, Attn: Christy Laschen
2110 Washington Blvd., 4th Fl
Arlington, VA 22204
or e-mail your paperwork to Christy.Laschen@apsva.us

Section A:

General Information:

Employee's Name (Last, First): _____

Employee's EID: _____ Work Location: _____

Daytime Phone: _____

Current Residence Information:

Current Street Address: _____

City, State, Zip Code: _____

Proposed Residence Information:

New Street Address: _____

City, State, Zip Code: _____

Expected Rental Agreement Date: _____

Section B:

Grant Agreement

Amount of Grant: \$ _____

I, _____, hereby apply for assistance through the Live and Work In Arlington program. I understand Arlington Public Schools (APS) will not be requesting any credit history information.

I certify that my current residence is outside of Arlington County.

I understand this grant is only available to APS employees who are not current residents of Arlington County.

I understand that if I leave APS service and/or relocate from Arlington within one calendar year of receipt (for any reason other than disability), I will be required to pay back the full amount of the grant.

The issuance of a grant under this Program does not constitute an agreement by APS that my employment shall be continued, rather, my employment shall continue to be dependent upon the same considerations as if no grant had been issued.

I accept this rental grant of \$500 contingent upon my agreeing by signature below that this is my first primary residence in Arlington.

I understand I will be required to reimburse Arlington Public Schools for the full grant amount if I do not meet the requirements for receipt of the grant as specified in Policy Implementation Procedures 35-6.4 Live and Work in Arlington Housing Grants.

Employee Signature: _____ Date: _____

Section C:

Additional Information

Rental Type (*Check One*): ☐ Single Family ☐ Townhouse ☐ Condo ☐ Duplex/Side-by-Side

Employee's Scale (*Check One*): ☐ A-Scale ☐ T-Scale ☐ M-Scale ☐ E/P-Scale
☐ D-Scale ☐ C-Scale ☐ X-Scale ☐ G-Scale

Section D:

Human Resource Department Approval

HR Department Representative's Signature: _____ Date: _____