



Greater Ottawa County
United Way



MEDIA RELEASE

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LOCAL RESIDENTS WILL BE AFFECTED BY THE GOVERNMENT SHUTDOWN

Ottawa County, MI – Roughly 800,000 federal workers have been furloughed since the partial government shutdown began a month ago. A group of local residents will soon feel the effect of the shutdown as well. Currently, 411 households in Ottawa County receive rental assistance through the Housing Choice Voucher (HCV) program. Many of the households are formerly homeless and are experiencing housing stability for the first time. However, the Michigan State Housing Development Authority (MSHDA) has only been funded through February 1st, and no further payments will be made until the government reopens. On average, MSHDA contributes \$546 per unit – for a total of more than \$224,000 a month - that will not be paid out to local landlords starting in February. Tenants with HCV are required to pay their portion of the rent regardless of whether they receive their payments from MSHDA.

"A lapse in payments negatively impacts both tenants and landlords," says Laura Driscoll, Housing Director at Good Samaritan Ministries. "Many of our former clients receive subsidies to keep rents affordable. It is tragic that some hardworking families may reenter the cycle of homelessness because of an impasse in Washington." While MSHDA assures housing services providers that landlords are not legally allowed to evict tenants if the public portion of rent is not paid, many tenants at the end of their leases could be denied renewals. In the current housing market, tenants in the HCV program rely on benevolent landlords willing to offer rental rates that meet eligibility criteria. If landlords choose not to be involved in the rental program as a result of this lapse in payment, more families will remain homeless for a longer period of time. "We need an influx of compassion," says Driscoll, "both for the landlords who are waiting for payments, and tenants who are anxious about losing their homes."

Lyn Raymond, Director of Greater Ottawa County United Way's Lakeshore Housing Alliance (LHA) program, reports that HCV is not the only assistance program that could be affected by the shutdown. "LHA member agencies receive funding from the Department of Housing and Urban Development (HUD) to provide short and long- term rental assistance to more than 150 households exiting homelessness. It remains to be seen whether the participating agencies will be able to access the funds already awarded."

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