



**DATE:** May 25, 2021

**CATEGORY:** Consent

**DEPT.:** City Manager's Office

**TITLE:** **Support for the Principles of the Mayors for a Guaranteed Income Initiative and Support Basic Income, a Cash-Based Pilot Program**

### **RECOMMENDATION**

Adopt a Resolution of the City Council of the City of Mountain View Committing City Support for the Principles of the Mayors for a Guaranteed Income Initiative, Authorizing Participation in the Initiative, and Expressing Support for Basic Income, a Cash-Based Pilot Program in the City of Mountain View, to be read in title only, further reading waived (Attachment 1 to the Council report).

### **BACKGROUND**

Mountain View has been at the forefront regionally with its COVID-19 response, launching financial assistance programs for rental payments, landlords, and small-business owners strained by the COVID-19 pandemic. Taking further proactive steps at the April 27, 2021 City Council meeting, Council recommended staff include for approval as a part of the Fiscal Year 2021-22 budget \$3 million in American Rescue Plan Act (ARPA) funds for a triad of programs that will be used to support our community's most vulnerable residents during the recovery from the COVID-19 pandemic.

The first \$1 million will be used to launch a Universal Basic Income (UBI) pilot program, another \$1 million will be used to provide additional funding to Community Services Agency (CSA), including \$750,000 in direct financial assistance and \$250,000 to be used at CSA's discretion to fund priority needs as they deem appropriate, and the third \$1 million will be used as an exponential increase in funding for an existing community-based Solidarity Fund.

The triad of programs will be incorporated into the City's new Strategic Roadmap to be approved by Council in June. These creative and responsive programs align broadly with the City Council's newly crafted strategic priorities, including Community for All, Economic Vitality, and Livability and Quality of Life, by addressing racial equity, income disparity, and recovery from the COVID-19 pandemic.

Staff is in the very early stages of determining the scope of the new pilot UBI initiative, and there is one initial action recommended at this time. The initial UBI scope and the recommended action is summarized in the next section of this report and similar content will be included in the Recommended Budget report that is scheduled for the June 8 City Council meeting.

## **ANALYSIS**

### **Universal Basic Income (UBI) Pilot Program**

Universal Basic Income (UBI) programs typically provide a flat monthly cash payment to qualified residents. The UBI pilot program goal is to alleviate the suffering of residents struggling with the wide-ranging financial ramifications of the COVID-19 pandemic by developing and implementing a fast and direct way to stabilize residents in need. The cash payment is most effective because it is fast, flexible, and fills the gaps that other assistance programs are missing.

Unlike other government assistance programs that normally come with restrictions and requirements, recipients would be empowered to make their own decisions on how to spend the money and best meet their own basic needs. Program designs vary, but many UBI pilot programs most often focus on low-income individuals or families with children. Other programs under way have specifically helped low-income single mothers with children and/or pregnant women or immigrant families in need of assistance due to the barriers from some Federal assistance programs.

The City of Stockton implemented one of the most widely recognized programs for UBI. It was the nation's first local guaranteed-income initiative. Launched in February 2019 by former Mayor Michael D. Tubbs, Stockton Economic Empowerment Demonstration (SEED) provided 125 residents \$500 per month for 24 months. The financial support was unconditional with no strings attached. The program design included a randomized control trial to provide for data evaluation by a team of independent researchers.

The SEED program has evolved into Mayors for a Guaranteed Income (MGI), which is a nationwide coalition advocating for a guaranteed income to ensure that all Americans have an income floor. Member cities/mayors have signed on to a statement of principles and commit to advocating for cash-based policies at the Federal level, participating in narrative change efforts to highlight the lived experience of economic insecurity, and inviting other cities to join MGI effort. There are flexible levels of engagement based on each city's time and resources.

### *City Developing a UBI Action Plan*

A cross-departmental team led by the City Manager's Office and the Economic Development Division has begun gathering best practices from leaders in this space with an emphasis on local and regional exemplars, such as the City of Stockton, the Santa Clara County Program for aged-out foster youth, the City of South San Francisco, the City of Oakland, County of Marin, and the City and County of San Francisco, among others.

This is supplemented by engagement with potential thought or technical assistance partners, such as the Silicon Valley Community Foundation, MGI Initiative (discussed further in this report), and the Stanford Basic Income Lab. A full review of needs and options for thought or technical assistance partners to assist with program design, implementation, and administration will be analyzed.

It is also anticipated that staff will review data on the socioeconomic disadvantaged population, including, but not limited to, parks and recreation waivers, Mountain View unemployment, rental assistance program data from CSA, Census tracts, Title 1 schools in our school districts, and eligibility for free and reduced-price meals. Strategies for branding the pilot program and developing a communications and community outreach plan along with the pursuit of philanthropic and corporate donations will also be explored.

On May 14, 2021, Governor Newsom announced that the State budget would include \$35 million in funding for cities or counties launching universal basic income pilot programs. Cities or counties would have to commit their own financial resources or receive philanthropic donations in order to receive any of the State funding, and the program must target low-income individuals. Staff will be actively monitoring this program as more details are released.

### *UBI Anticipated Timeline*

The staff team will analyze the groups to serve, qualification parameters, income restrictions, such as the guidelines already used successfully for the CSA rental assistance program, payment amounts, program length, and data metrics, and will develop program recommendations to present at a Study Session in fall 2021. The UBI pilot program is anticipated to launch by January 2022.

### *Early UBI Recommendation*

Staff recommends Council authorize the Mayor this year and during the years of the pilot program to participate in the MGI Initiative and thereby show City support for basic income and a cash-based pilot program for Mountain View. This action will allow staff to work with MGI immediately and benefit from hands-on assistance in developing a pilot program, gain a deeper understanding of the MGI data-gathering program and other best practices, and directly connect with staff in other cities that have launched pilot programs.

By adopting the proposed resolution (Attachment 1), Council would be broadly signing on to the MGI statement of principles (Attachment 2) to: (1) advocate for cash-based policies at the Federal level; (2) participate in narrative change efforts to highlight the lived experience of economic insecurity; and (3) invite other cities to join in these efforts. As mentioned previously, there are different levels of engagement on these principles depending on time and resources. The resolution also expresses Council's support for basic income, a cash-based pilot program. This action may be helpful to compete for the matching State funds discussed earlier in this report.

At this early stage, staff is not preparing a detailed resolution expressing the City's commitment to a defined guaranteed income program or requesting authorization for a Memorandum of Understanding (MOU) with MGI at this time. As staff moves forward with the initiative, MGI will be one of several organizations that the City will review for future thought and operations partnerships.

### **FISCAL IMPACT**

There is no fiscal impact associated with the adoption of this resolution. Funding for the pilot UBI initiative will be a part of the Fiscal Year 2021-22 budget authorization and will be included with the Recommended Budget on June 8, 2021.

### **ALTERNATIVES**

1. Do not adopt the resolution supporting the Principles of the Mayors for a Guaranteed Income Initiative and expressing Council support for basic income, a cash-based pilot program.
2. Provide other direction to staff.

**PUBLIC NOTICING**

The meeting agenda and Council report have been posted on the City's website and announced on Channel 26, and notices were sent to MGI's representatives.

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Attachments: 1. Resolution  
2. [MGI Statement of Principles](#)