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Honorable Members of the City Council  
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**COUNCIL TRANSMITTAL: REPORT BACK ON THE PROPOSED FRAMEWORK FOR A GUARANTEED BASIC INCOME (GBI) PROGRAM FOR UNDERSERVED ANGELENOS MOST ADVERSELY IMPACTED BY THE COVID-19 PANDEMIC**

**SUMMARY**

The General Manager of the Los Angeles Housing and Community Investment Department (HCIDLA) respectfully requests that you review this transmittal and forward it to the appropriate committees for further consideration. As requested by the Mayor and City Council, this report outlines HCIDLA's recommendations for the design and implementation of a Guaranteed Basic Income (GBI) Pilot Program for Angelenos adversely impacted by COVID-19. These recommendations draw from elements of successful GBI pilots across the United States and are founded upon practices that best fit the needs of Angelenos.

**Recommendations**

- I. That the City Council, subject to the approval of the Mayor:
  - A. **AUTHORIZE** the General Manager of HCIDLA, or designee, to move forward with the creation of the City's Guaranteed Basic Income Pilot Program.
  - B. **AUTHORIZE** General Manager of HCIDLA, or designee, to execute a sole source agreement with the Trustees of the University of Pennsylvania. The Center for Guaranteed Income Research is housed within the University of Pennsylvania and will serve as the lead research partner. The contract term will be for the period of July 1, 2021 to December 31, 2023 for an amount not to exceed \$3,983,403. The justification for sole source is in alignment with Council File 20-0147-S5 that authorizes City Departments to suspend the competitive bidding restrictions in Charter Section 371 and LAAC 10.15 for contracts entered into by City Departments in response to the local emergency and mitigation efforts related to the COVID-19 pandemic, and find that work can be performed more economically or feasibly by an independent contractor than by City employees and, in accordance with Charter Section 1022, request approve the use of the recommended contractor.

- C. **RE-AUTHORIZE** by resolution the employment of one exempt Senior Project Coordinator, Classification Code 1538, to implement the GBI program, subject to allocation by the Civil Service Commission, and exemption in accordance to Charter Section 1001 (d) (4), based on the temporary grant-funded nature of the program and available funding from the Community Services Block Grant or other grant funding.
- D. **AUTHORIZE** resolution authority for two new Management Analysts and two Professional Student Workers to support the implementation of the GBI program.
- E. **AUTHORIZE** the HCIDLA General Manager to transfer \$29,000,000 from the GBI's unappropriated balance line item into a Special Bank Account to be determined.
- F. **AUTHORIZE** the HCIDLA General Manager to transfer \$174,364 for direct salaries (Account 1010), \$26,155 for lease (Account 6030), and \$30,000 for Student Professional Workers (Account 1070) for a total of \$230,519 from the GBI's unappropriated balance line item to CIFD's budget.
- G. **AUTHORIZE** the HCIDLA General Manager to transfer oversight of this program to the Community Investment for Families Department (CIFD) once the ordinance for the new department is adopted by the City Council.
- H. **AUTHORIZE** the General Manager of HCIDLA, or designee, to prepare Controller Instructions and/or make any technical corrections that may be required and are consistent with the intent of this action with the approval of the CAO and instruct the Controller to implement these instructions.

## **BACKGROUND**

### **Persistent Poverty in Los Angeles**

This past year, the nation has faced major economic challenges due to the global COVID-19 pandemic. In L.A., 1 in 4 Angelenos faced food insecurity;<sup>1</sup> the unemployment rate currently rests near 11%, leaving Angelenos struggling to pay rent and find work;<sup>2</sup> and 40% of LAUSD middle and high school students were disengaged or absent from classes in Spring 2020.<sup>3</sup> The burdens of this pandemic Black and Latino Angelenos disproportionately bore the burdens of the pandemic, enduring higher rates of death due to COVID-19<sup>4</sup> and increased financial insecurity.<sup>5</sup> Throughout the pandemic, low-income Angelenos of color were the least protected and continue to be the most exposed.

While every Angeleno has felt the impact of this crisis, communities that were financially vulnerable before the pandemic faced the most detrimental costs. Prior to the pandemic, 19.1% of Angelenos faced poverty (nearly 30% of whom are children). Their families were already living on the brink of financial crisis— where one setback could have devastating consequences for their livelihood.<sup>6</sup> This financial insecurity is both caused and compounded by the high cost of living in LA: 48% of L.A. households spent over half of their household income on rent and utilities in 2019.<sup>7</sup> Families that find themselves in this situation, facing poverty and unaffordable living conditions, cannot afford to make investments in their future, accumulate wealth, or address their basic needs. They face impossible financial decisions, prioritizing between food, rent, and other necessities. When the pandemic caused historic rates of unemployment, higher rates of serious illness and food insecurity, and loss of accessible support networks and child care in low-income communities, more Angelenos struggled to sustain their livelihoods.

The persistent poverty seen among Angelenos emerges out of a lack of financial resources, not a lack of judgment. Over 16% of working adults (ages 25-64) in Los Angeles live in poverty, and over half of these adults are working full-time and year-round.<sup>9</sup> While Angelenos are doing everything in their power to achieve financial security, the burdens of the high cost of living, unaffordable housing options, and insufficient wages are simply too much for a

person to mitigate— especially during a global pandemic. It is evident that employment alone cannot break the vicious cycle of poverty. Instead, numerous national studies have confirmed that welfare programs reduce poverty.<sup>8</sup> Additional support and external financial intervention are paramount to securing the safety and stability of vulnerable families in Los Angeles.

National and state-level economic trends reflect wage stagnation and increasing income inequality which adversely affects the financial security of Angelenos. In comparison to other developed countries, the U.S. ranks among the highest in income inequality.<sup>10</sup> From 1970 to 2018, the median incomes of upper-income households increased by 64% while middle-class incomes increased by 49% and only 43% for the lower-income tier.<sup>11</sup> Furthermore, over 40% of Americans could not cover an unexpected \$400 expense with cash, savings, or a credit card charge that could be quickly paid off.<sup>13</sup> On a state level, California has the fifth-highest rate of income inequality in the country.<sup>14</sup> Locally, Los Angeles ranks seventh in income inequality out of the largest 150 metro regions.<sup>15</sup> Researchers have linked wage stagnation in the middle-class and lower-income households to less economic opportunity and mobility which adversely affects the financial health of Angelenos.<sup>12</sup>

The financial challenges that have emerged during this pandemic will outlast the pandemic itself. Even as the rates of COVID-19 begin to decline and more Angelenos are vaccinated, the financial setbacks caused by the pandemic such as layoffs, temporarily leaving the workforce to take care of children, and loss of wages due to illness will continue to exacerbate the financial insecurity in our community. Many people will be grappling with overdue rent, housing instability, and re-entering the workforce. Moreover, the inequality and poverty that existed prior to the pandemic will continue to detrimentally impact the lives of Angelenos. A comprehensive path to recovery must not only address the challenges caused by the pandemic, but work to end the longstanding economic instability that marginalized communities were and are enduring.

### **Need for a Guaranteed Basic Income Program**

GBI programs consist of unconditional, regular, and direct cash payments to individual participants that supplement existing welfare programs. This means there are no restrictions on how the money can be spent and no work requirements for the participants. GBI programs are founded upon the belief that the people enduring financial instability or poverty are best positioned to make informed financial decisions that efficiently address their household's needs. Champions for a guaranteed income come from vastly different backgrounds, including Nobel Prize winners like Milton Friedman and activist Dr. Martin Luther King Jr. While California has seen great success in traditional programs like CalFresh, GBI programs are leading the charge in innovative and effective social welfare policy initiatives.

GBI programs grant participants the flexibility and freedom to meet their most urgent needs. Most traditional benefit programs target essentials like food; however, that model prevents households from making financial decisions that best fit their unique situations. Participants are granted the agency to meet their most pressing needs without delay— whether that means paying for rent, a new tire, or an unexpected trip to urgent care. Furthermore, the participant's financial future becomes more secure and predictable, providing families the resources to meet problems before they lead to larger and costlier burdens. Through GBI, Angelenos are empowered to forge their own path towards financial security.

Work requirements in traditional safety net systems exclude many of the participants that could most benefit from these programs. These include people who engage in informal work or have yet to find work, the formerly incarcerated, and undocumented and recent immigrants who are oftentimes disqualified by traditional programs such as TANF which requires participants to engage in work-related activities, and the EITC which bases their benefits calculations on participants' incomes. The Tax Policy Center predicts that insufficient earnings prevented about 16.8 million people from receiving the maximum EITC disbursement.<sup>16</sup> In comparison, GBI programs avoid excluding marginalized communities by making their payments unconditional.

Though some may be concerned that a GBI program would discourage participants from entering the workforce, numerous studies on existing GBI programs have disproved this notion. In an analysis of several unconditional cash

programs including the Alaska Permanent Fund Dividend, the Eastern Band of Cherokees Casino Dividend, and U.S. and Canada negative income tax programs, researchers found no effect on labor market supply.<sup>17</sup> This suggests that large cash transfers do not encourage workers to drop out of the workforce. When they have the resources to do so, people facing financial instability make smart, efficient financial decisions for their unique situations.

The results of GBI programs across the U.S. are inspiring. Most recently, a GBI pilot in Stockton, California called the Stockton Economic Empowerment Demonstration (SEED) released a one-year research report detailing the results of their program which offered 125 residents \$500 a month.<sup>18</sup> They found that participants had reduced income volatility, meaning their monthly income fluctuated less. With the extra security, participants could afford to engage in activities that would provide benefits in the long run, including pursuing better jobs. Participants reported a 12% increase in full-time employment, increased well-being, and less depression and anxiety. Overall, SEED decreased financial scarcity and offered participants the opportunity to set new financial goals and the freedom to pursue fruitful economic and personal opportunities.

This pilot comes at a time when our most vulnerable residents face unprecedented challenges to their financial stability, and nationwide movements for racial justice call for meaningful investments in marginalized communities. GBI answers the challenge before us: to reimagine the very foundation from which the City serves its residents so that it can meet this bold vision for change. The program has demonstrated success across the U.S. in improving mental health and well-being, increasing financial stability, and providing pathways to full-time employment for vulnerable families. While no single program can reverse decades of economic and racial inequality that marginalize low-income people of color, a GBI pilot can move the City towards a more equitable and prosperous future.

### **Section I: How Other Cities Are Approaching GBI**

#### *Stockton, CA: Stockton Economic Empowerment Demonstration (SEED)*

SEED was the nation's first mayor-led guaranteed income pilot, launching in February 2019 and providing 125 residents \$500 a month for 24 months. The program was funded through private dollars with a total budget of 5 million dollars. Participants had to be at least 18 years old and reside in a Stockton neighborhood where the median income is less than the city's median household income level— about \$46,000 a year. Participants received the payments through a Visa Focus Card which allows cash to be withdrawn and comes with options for online banking, bill pay/direct deposit, and a savings account. The program was evaluated and designed by the following team of independent researchers: Dr. Stacia West of the University of Tennessee and Dr. Amy Castro Baker of the University of Pennsylvania.

#### *Compton, CA: Compton Pledge*

Compton Pledge is the largest city-based guaranteed income pilot and was launched in August 2020; the program gives 800 residents between \$300 and \$600 a month for 24 months. Participants must be low-income and will reflect the racial makeup of the city (68% Latino and 30% Black) including undocumented people and formerly incarcerated residents. It is funded privately and has an estimated budget of \$12.1 million. Cash disbursement details have yet to be released. The research and evaluation, and some of the identification of and enrollment of participants, is coordinated by the Jain Family Institute.

#### *Santa Clara, CA: County of Santa Clara UBI Pilot*

The County of Santa Clara County foster care system launched a UBI program in July 2020 that provides \$1,000 a month to 72 young adults (up to age 25) leaving the foster care system. The total budget of the program is \$900,000 and will be funded by the County's general fund. Santa Clara County has partnered with Excite Credit Union and MyPath to provide financial support and mentorship to participants. No information concerning the research team, nor the cash disbursement process has been released.

#### *Oakland, CA: Oakland Resilient Families Program*

The Oakland Resilient Families program launched in March 2021 and will give 600 low-income families of color \$500 a month for 18 months; half of the spots will be reserved for participants who are considered very low-income,

earning less than 138% of the federal poverty level. Thus far, the program has raised \$6.75 million from private donors. Details about cash disbursement have yet to be announced.

*Jackson, MI: Magnolia Mother's Trust*

The Magnolia Mother's Trust Cash Transfer program launched in August 2018 and provided 15 families with \$1,000 a month for one year. This year, the program expanded to include another 110 mothers. The program targets extremely low-income families headed by African-American females who currently reside in affordable housing. A research report concerning the impact of the program was recently published with New America, a think-tank. Cash disbursement information is not available.

Other cities considering implementing Guaranteed or Universal Basic Income programs include the following: Long Beach, CA; Newark, NJ; Chicago, IL; Atlanta, Georgia

**Section II: Proposed Objectives and Research for the City of Los Angeles**

In consultation with the Mayor Eric Garcetti, Councilmembers Price, Ridley-Thomas, Harris-Dawson, Council President Martinez, and other interested stakeholders, HCIDLA proposes the following objectives to guide the City in tailoring the GBI pilot to the unique needs of Los Angeles:

- **Financial relief:** Provide immediate and ongoing financial relief to those impacted by poverty and the effects of COVID-19.
- **Transform the role of local government:** Direct local funding to City departments and empower them to implement comprehensive, bold programs that uplift our most vulnerable residents from poverty.
- **Grow the research:** Conduct a rigorous research assessment of the GBI program to evaluate its efficacy so that other government entities have the necessary evidence to implement these programs at a greater scale.
- **Policy reform:** Influence federal and state regulations that limit the City's ability to offer direct cash assistance with existing grant funds.
- **Increase assets and opportunities to build generational wealth:** This pilot will work to connect participants to outside financial resources that can better assist them in developing wealth. In order to break the cycle of poverty that keeps families trapped for generations, these resources will promote accumulating savings, setting attainable, long-term financial goals, and incrementally building intergenerational wealth. Connection to and knowledge of financial institutions is paramount to increasing financial security in families and communities over time.
- **Connect families to LA's social safety net:** Bring participants into the city's vast network of resources to aid them in their path to financial security.

**Section III: Proposed Program Design, Eligibility, and Enrollment**

**Program Design**

The GBI Program in Los Angeles will be the nation's largest and most comprehensive GBI pilot program. This will be a citywide effort, reaching across all council districts and residents. HCIDLA has been working closely with the Mayor's Office, Councilmembers Price, Ridley-Thomas, Harris-Dawson, and Council President Martinez to discuss the program design, eligibility criteria, and proposed timeline.



The program will be funded by public dollars allocated by the Mayor and Councilmember Curren Price. Additionally, Council President Martinez and Councilmember Ridley-Thomas have made a contribution to this citywide program. Councilmember Harris-Dawson has also expressed interest in a GBI pilot. HCIDLA has been meeting weekly with the Mayor, Council Offices, and a network of other stakeholders to inform and finalize the proposed framework. HCIDLA has also been involved in discussions related to securing private funds to seed a “contingency fund” for households that experience an unforeseen loss in public benefits and to assist with other GBI operational costs.

While implementing the program, HCIDLA will leverage existing government systems and community partners to encourage linkages to additional wrap-around services available through the FamilySource System. In order to ensure widespread access to the program application and support with on-boarding and long-term services for high barrier populations, HCIDLA also recommends building a strong community partner network. HCIDLA will work with the Mayor and Council Offices to leverage community anchor organizations to reach people not traditionally included in public assistance programs like undocumented immigrants and the formerly incarcerated.

Below is the funding allocation using the Federal Poverty Index by Council District based on the \$27,786,078 available plus the additional City Council investments for a citywide GBI program. The Mayor’s FY 2021-2022 budget allocated \$24 million plus an additional investment of \$5 million allocated by the City Council. A percentage of the \$5 million was allocated to support the increased number of people who will be surveyed, both GBI participants and households in the controlled group as part of the research and evaluation. This adjustment makes available a total of \$27,786,078 citywide.

This is an approximate breakdown per Council District based on analysis by the Mayor’s Innovation Team. The analysis apportions block-level federal poverty data from the 2018 American Community Survey to each Council District. The funds allocated are based on federal poverty data per Council District. All percentages are based on the number of households and individuals for which poverty status could be determined, which for Los Angeles is about 97.5%. HCIDLA will consult with the research partner to verify that funds are properly weighted and distributed across the City. Any remaining citywide funds will be reallocated across all 15 Council Districts.

<b>Council District</b>	<b>% of Individuals in Poverty within each Council District</b>	<b>Allocation of GBI Funds from Mayor’s Office</b>	<b>Allocation of GBI Funds from Council Offices</b>	<b>Total Allocation of GBI Funds</b>	<b>No. Households Served</b>
9	12.3%	\$3,417,687.59	\$6,000,000.00	\$9,417,687.59	785
8	10.3%	\$2,861,966.03		\$2,861,966.03	239
1	9.8%	\$2,723,035.64		\$2,723,035.64	227
6	7.7%	\$2,139,528.01	\$1,181,202.50	\$3,320,730.51	277
10	7.7%	\$2,139,528.01	\$400,000.00	\$2,539,528.01	212
14	7.6%	\$2,111,741.93		\$2,111,741.93	176
15	7.5%	\$2,083,955.85		\$2,083,955.85	174
13	7.0%	\$1,945,025.46		\$1,945,025.46	162

2	5.8%	\$1,611,592.52		\$1,611,592.52	134
7	5.4%	\$1,500,448.21		\$1,500,448.21	125
3	4.8%	\$1,333,731.74		\$1,333,731.74	111
5	3.9%	\$1,083,657.04		\$1,083,657.04	90
4	3.7%	\$1,028,084.89		\$1,028,084.89	86
12	3.3%	\$916,940.57		\$916,940.57	76
11	3.2%	\$889,154.50		\$889,154.50	73
<b>Total</b>	100%	\$27,786,078.00	\$7,581,202.50	\$35,367,280.50	*2,947

\*The total allocation of \$35,367,280.50 does not evenly divide by the available cash aid of \$12,000. Any remaining funds can be redistributed.

### Eligibility Requirements

Eligible Angelenos will be at least 18 years old with at least one dependent minor (by law or kinship), reside in the City of Los Angeles, make at or below the federal poverty level, and have been impacted medically and/or economically by the COVID-19 pandemic.

The **U.S. Department of Health and Human Services (HH)** publishes annually in January the Federal Poverty Guidelines for each household size. The poverty guideline is a measure of income the U.S. government uses to determine who is eligible for subsidies, programs, and benefits. The guidelines are the same for all 48 contiguous states. Below is the poverty level table by family size:

Family Size	Poverty Level
1	\$12,880
2	\$17,420
3	\$21,960
4	\$26,500
5	\$31,040
6	\$35,580
7	\$40,120
8	\$44,660
For each additional person in family more than 8, Add:	\$4,480

At a minimum, the program will provide 2,947 Angelenos with \$1,000 a month for a 12-month period. The funds provided are unconditional and will be dispersed once a month.

### Enrollment

The Center for Guaranteed Income Research (the Center), launched with the University of Pennsylvania School of Social Policy & Practice and Mayors for a Guaranteed Income (MGI), will create the application form for participants which will be accessible through a secure website link. This link will be housed in a secure, online portal created by HCIDLA.

The Center will coordinate a randomized, weighted selection of participants based on the eligibility criteria. The participants will then be notified and receive further instructions about the enrollment process.

In order to address concerns that a Guaranteed Basic Income program could have negative effects on a participant's eligibility for other social service programs, HCIDLA has entered into conversations with the City Attorney, County of Los Angeles, GBI program experts, and other social service providers. HCIDLA will also pursue waivers that exempt the income accrued through the GBI program from affecting participants' eligibility for other benefits programs. During the onboarding process, HCIDLA will ensure potential participants understand the potential impact the cash payments may have on their benefits eligibility and provide them with the resources needed to make an informed decision concerning their participation.

#### **Section IV: Disbursing Cash**

To ensure that participants have easy access to their funds, HCIDLA recommends that the City makes available multiple payment options to disburse money to participants. For Angelenos with bank accounts and existing relationships with financial providers, the City will allow for a direct deposit of the funds. However, approximately 12% of Angelenos do not have bank accounts, 80% of whom earn less than \$30,000 per year. For this reason, the GBI program will also make available other resources such as prepaid debit cards for people to receive direct deposits.

One example is the Angeleno Connect Card program announced by Mayor Garcetti last year which is already in use at the City to disburse funds from any department. The Angeleno Connect Card does not have any fees for consumers and provides 100% of the value of the funds to the recipient. The Angeleno Connect Card can also be used for online payments and to withdraw fee-free cash at thousands of Los Angeles locations including CVS and Target.

#### **Section V: Research Partners and Sole Source Justification**

Los Angeles is the first to implement a locally-led GBI pilot of this scale and is poised to contribute to a body of knowledge to advance Guaranteed Income across the nation. HCIDLA will be working in partnership with the Center for Guaranteed Income Research (the Center) to create and execute a comprehensive research study. Additional partners will include Mayors for a Guaranteed Income (MGI), a network of mayors advocating for a guaranteed income to ensure that all Americans have an income floor. Together with the University of Pennsylvania School of Social Policy & Practice, MGI established the Center for Guaranteed Income Research to consolidate the key learnings from the pilots taking place in MGI member cities, address knowledge gaps in the contemporary understanding of guaranteed income's impact for Americans, and to facilitate a narrative for federal advocacy that combines quantitative data with anecdotal evidence.

Since launching, MGI has more than doubled its membership from 11 to 25 cities, unanimously passed a US Conference of Mayors resolution urging Congress to adopt a guaranteed income policy, and submitted this sign-on letter to House and Senate Leadership. Current MGI cities include Stockton, CA; Newark, NJ; Columbia, SC; Compton, CA; Saint Paul, MN; Atlanta, GA; Jackson, MS; Shreveport, LA; Oakland, CA; Tacoma, WA; New Orleans, LA; Seattle, WA; Providence, RI; Long Beach, CA; Hudson, NY; Philadelphia, PA; Holyoke, MA; Paterson, NJ; Ithaca, NY; Mt. Vernon, NY; Pittsburgh, PA; Gainesville, FL; Madison, WI; Patterson, NJ; Richmond, VA; and of course, Los Angeles, CA.

As member cities explore guaranteed income projects of their own, MGI will operate as a technical assistance provider and centralized clearinghouse for pilot and research design. Staffed and advised by people who have been instrumental to the success of SEED and task forces in Newark, Chicago, and Atlanta, MGI will also provide



centralized research and evaluation support, and will partner with Drs. Stacia Martin-West and Dr. Amy Castro Baker, both with a distinguished and proven track record of conducting rigorous and meaningful community-based research, including leading the evaluation of the Stockton Economic Empowerment Demonstration.

Dr. Martin-West completed the first evaluation of a modern cash transfer program in the U.S., led an ongoing community-based research program with real-time data on individuals experiencing housing instability, and collected and analyzed data to reveal new insights about income and wealth inequality. Her work has appeared in leading social work and microeconomics journals, including *Social Work*, *The Journal of Family and Economic Issues*, and *The Journal of Poverty*.

Dr. Castro Baker is a distinguished qualitative and mixed-methods scholar focused on exploring how economic and social policies contribute to racial and health disparities, particularly within housing and lending markets. Her work on financial instability, housing strain, stress, and mental health has been published throughout social welfare literature, including in *The Gerontologist*, *The American Journal of Public Health*, and *Social Science and Medicine*. She was awarded the GADE Research Award, the SSWR Research Award, and the Nina Fortin Award for her work on risky lending in the foreclosure crisis. She is also currently a principal investigator for the Strengthening Working Class Families Initiative.

Due to their robust experience, the Center and MGI are best suited to support the Los Angeles' program.

### **City Staffing Needs**

The GBI Los Angeles program provides an opportunity for LA to influence policy and bolster the growing evidence that unrestricted economic support can effectively address poverty and income inequality. To assist with the early research and completion of this report, HCIDLA recruited a UCLA Research Fellow who has been assigned to this project since March 2021. The Fellow will be completing her paid internship with HCIDLA in June. It is imperative for HCIDLA to secure additional staff support to ensure the continuity of this work and assist with the various tasks associated with the program. A GBI program of this magnitude requires two Management Analysts and two part-time student workers to assist with implementing the program and gathering the data needed for research and evaluation. Responsibilities of the proposed positions include:

- **NEW Resolution Authority Management Analysts (2 Positions)** - The Management Analysts will work under the direction of the Senior Project Coordinator to oversee the day-to-day functions of the GBI program. This includes, but not limited to: Assisting with program development and implementation of the GBI program, working with a researcher to collect and analyze GBI related data, working with management to highlight GBI program and successes through social media, journals, presentations, and assisting in preparing transmittals and reports detailing the progress of the GBI program for Mayor, City Council, and department management. A total of \$200,519 is requested to support staffing and leasing costs for two Management Analysts.
- **NEW Professional Student Workers (2 positions)** - Staff will support the program by assisting with the development of materials for program partners; providing technical assistance, training, and responses to applicant and community stakeholder GBI questions and concerns; assisting with program marketing and outreach; assisting in the facilitation of participant enrollment into the GBI program; and prepare and submit for review and approval, routine correspondence and statistical and narrative reports. A total of \$30,000 is requested for two Professional Students Workers authorized to work a maximum of 1040 hours annually.

### **Section VI: Program Timeline**

The proposed GBI program will begin implementation in July 2021. Below is a timeline of key tasks:

Timeline	Task Deliverables
Jul 2021	Identify and execute a contract with a research partner to conduct the GBI evaluation.
Jul 2021	Identify the method to disburse cash payments. Selected methods will ensure participants have the flexibility to withdraw cash and have effective options for those who do and do not want formal bank accounts.
Aug 2021	Develop the online application.
Aug 2021	Provide a briefing of the online application and selection criteria with all community organizations interested in supporting outreach.
Sept 2021	Application period opens for one week.
Sept 2021	Applicants are randomly selected with weights to ensure geographic representation.
Sept 2021	Selected applicants are notified to upload eligibility documentation, or schedule an appointment for assistance in uploading eligibility documents.
Sept 2021	FSCs review and certify eligibility.
Sept 2021	Participant completes paperwork for cash payment disbursement.
Oct 2021	City of LA submits waiver requests to DPSS
Nov/Dec 2021	Issue first monthly cash payment disbursement.
Dec 2021 & on-going	Provide technical assistance and troubleshoot any issues.

## FISCAAL IMPACT

The GBI Los Angeles program will have a \$39,581,202.50 fiscal impact on the City’s General Fund, which includes \$35,367,280.50 allocated for the infusion of cash aid, up to \$3,983,403 for the evaluation, and \$230,519 to support salaries and leasing costs associated with administering the GBI program. The \$35,367,280.50 for cash aid, \$3,983,403 for the evaluation, and \$230,519 for direct salaries is already part of the Mayor’s Proposed FY 2021-22 Budget and Council funds. Additional dollars may be allocated by Councilmembers interested in participating in the citywide GBI program. While the program will affect the General Fund, the potential return on investment is estimated to outweigh the program costs. Studies show that each infusion of cash likely generates a multiplier effect. When businesses buy a large part of their supplies from local suppliers, the new receipts of those businesses will go to other local businesses and individuals. More local income is generated each time, producing a larger local income multiplier of that initial injection of funds into the community.

### Notes

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2. U.S. Bureau of Labor Statistics. Unemployment rate of Los Angeles-Long Beach-Glendale area, March 2021, Raw data (Washington DC: U.S. Bureau of Labor Statistics, April 30, 2021).

3. Great Public Schools Now. Educational Recovery Now: *LA's Children and Schools Need a Comprehensive Plan*. Great Public Schools Now, 2020. Accessed May 4, 2021. [https://greatpublicschoolsnow.org/wp-content/uploads/2021/03/EdRecoveryNow\\_Final\\_3-29-21.pdf](https://greatpublicschoolsnow.org/wp-content/uploads/2021/03/EdRecoveryNow_Final_3-29-21.pdf)
4. Santos, Fernanda. "Life, Death and Grief in Los Angeles." *NY Times*, last modified March 2, 2021. <https://www.nytimes.com/interactive/2021/03/02/magazine/covid-la-county-hospitals-black-latino-residents.html>
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A handwritten signature in cursive script, appearing to read "Ann Sewill".

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