

# City of Sunnyvale

## **Agenda Item**

**22-0285** Agenda Date: 2/17/2022

#### **2022 COUNCIL STUDY ISSUE**

## <u>NUMBER</u>

CDD 22-07

#### **TITLE**

Evaluate a Pilot Program for Universal Basic Income Including Potential Funding Sources

#### **BACKGROUND**

**Lead Department:** Community Development Department

**Support Departments:** Office of the City Manager

Office of the City Attorney

Finance Department

**Sponsor(s):** Councilmembers: Din, Klein, Melton, Cisneros

**History:** 1 year ago: N/A

2 years ago: N/A

#### SCOPE OF THE STUDY

## What precipitated this Study?

Universal Basic Income ("UBI") Programs have been adopted by several California cities over the past few years, with Stockton becoming the first city in California to adopt one in 2019. These programs seek to confront, address, and humanize some of the most pressing problems our country faces: inequality, income volatility, and poverty. While Sunnyvale is located within the heart of Silicon Valley with a relatively high median income, nearly six percent of Sunnyvale residents have incomes that fall below the poverty line.

## What are the key elements of the Study?

The concept of a UBI program revolves around providing a monthly stipend to income- qualified individuals over a specific time period. Key elements of this Study would include:

- Assessment of Universal Basic Income Programs in the state and the success or lack of success with those programs
- Identification of potential funding sources which include:
  - o California Department of Social Services Guaranteed Basic Income Project Funding
  - County and other Federal Funding Sources
  - Private Donations and Fundraising
- Identification of appropriate participant pool size and process to apply for a potential Pilot Program
- Outreach
- Identification of amount of monthly funding to distribute to qualified individuals

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Process for distribution of funds and potential for third party assistance

 Program administration requirements, metrics for success, and other data necessary to determine outcome of pilot program

**Estimated years to complete study:** 1.5 years from initiation of study

#### **FISCAL IMPACT**

### **Cost to Conduct Study**

Level of staff effort required (opportunity cost): Moderate

Funding Required for Non-Budgeted Costs: \$0 Funding Source: \$N/A

The cost to study would be minimal as the Study could be completed in-house with existing staffing.

#### **Cost to Implement Study Results**

Unknown. The Study would include assessment of potential costs, including capital and operations, which would vary significantly based on proposed funding source of program. At a minimum, additional staffing will be needed to support ongoing administration, oversight, data tracking/analysis, and other items.

#### **EXPECTED CITY COUNCIL, BOARD OR COMMISSION PARTICIPATION**

Council-Approved Work Plan: No

Council Study Session: No

Reviewed by Boards/Commissions: Housing and Human Services Commission

#### STAFF RECOMMENDATION

Support. This policy issue merits discussion at the 2022 Study Issues Workshop.

Prepared by: Jenny Carloni, Housing Officer

Reviewed by: Trudi Ryan, Director, Community Development

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager