

FINAL PRESENTATION

Sunnyvale: Consider a Universal Basic Income Pilot Program

Dalberg



Sunnyvale

HUMAN RELATIONS COMMISSION

SEPTEMBER 2024

Dalberg

Agenda

- Context for the GBI Pilot Study
- Current Programs/Services
- GBI Gaining Momentum/Results
- Outreach Efforts
- Four Fundamental Questions
- Funding
- Execution
- Next steps

Guaranteed Basic Income (GBI)

Universal Basic Income (UBI) provides **all individuals** a regular unconditional payment

Guaranteed Basic Income (GBI) refers to a similar concept for a **targeted population**

We use the term “**GBI**” in these materials

Sunnyvale's GBI Pilot Study

In January 2022, the City Council of Sunnyvale introduced **Study Issue (SI) CDD 22-07** to evaluate a **Universal Basic Income (UBI) pilot program**

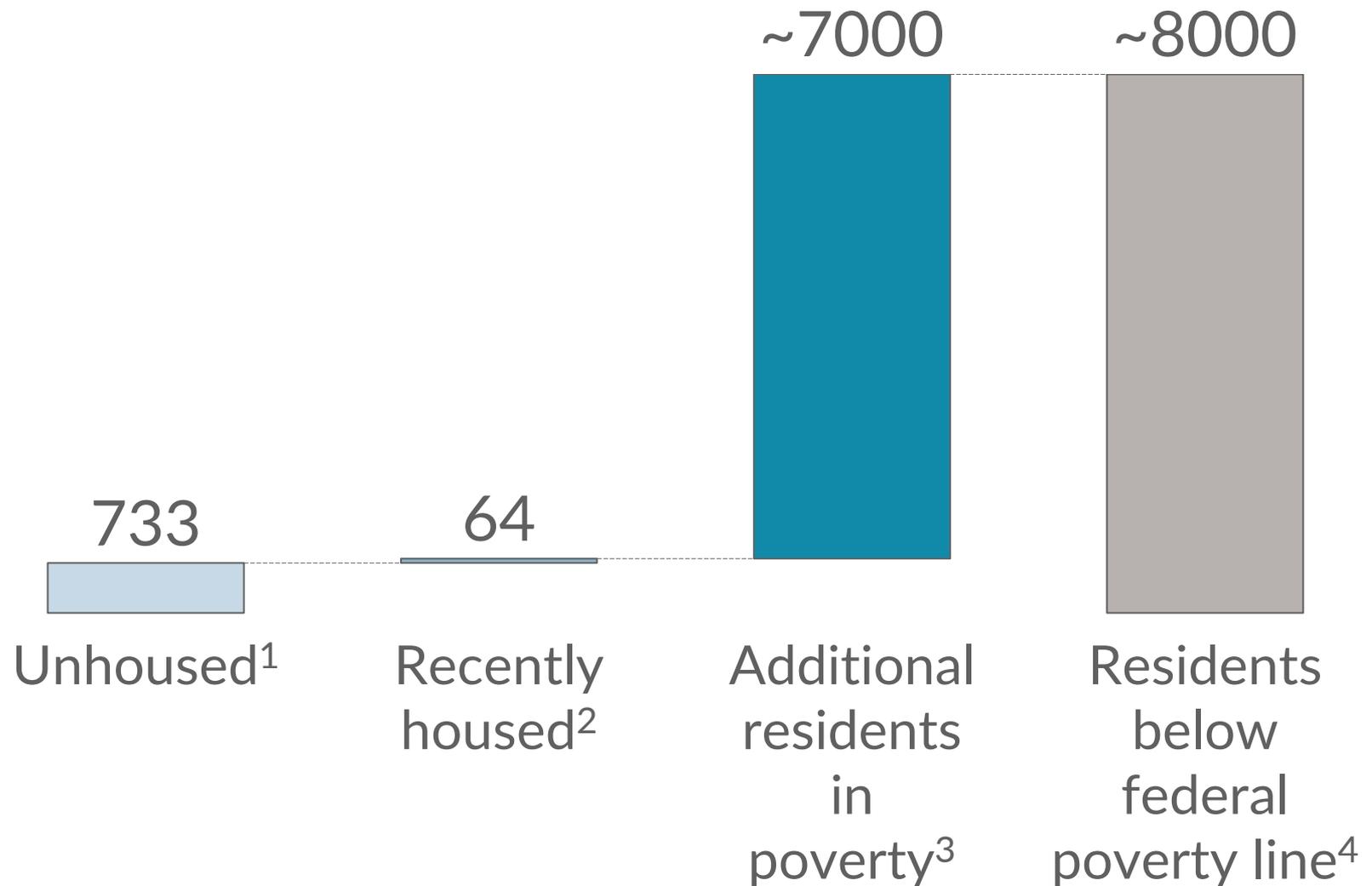
Dalberg Advisors has been supporting this Study since August 2023

Today we are providing this information report to the **Human Relations Commission**, no formal recommendation is needed.

Study Issue Parameters

- **Benchmark of UBI programs**
- **Potential funding sources**
- **Pool size, application process, and amount**
- **Outreach process**
- **Administration requirements (e.g., metrics)**
- **Distribution process**

Poverty in Sunnyvale



Note: The 2022 Federal poverty level for a family of four was \$27,750 as annual income.

Sources: [1] Santa Clara County Office of Supportive Housing, City of Sunnyvale HOME-ARP Allocation Plan Data Analysis, 2022; [2] Sunnyvale Community Services; 2023; [3] Dalberg analysis; [4] U.S. Census Bureau, [Data for Sunnyvale City](#), 2022.



What is Sunnyvale already doing?

1. TBRA: Tenant Based Rental Assistance

- **Objective:**

- *Time-limited rental assistance, maximum 2 years – coupled with case-management/employment services*
- *No HH pays more than 30% of income on housing*

- **Funding:**

- *HOME Investment Partnerships (HUD)*
- *Up to \$1M per year in rental assistance*
- *\$350k per year in local funds for case management/administration*

- **Capacity:**

- *40 Households (recently increased from 20)*
- *Administered by Sunnyvale Community Services*

Other Sunnyvale Programs/Services

Unfunded Partnerships

- *North County Shelter (Hamlin Ct)*

Recently Completed Studies and Programs

- *2020 Housing Strategy*
 - *Right to Lease/Tenant Protections*
 - *MHP Memorandum of Understanding*
- *Housing Mitigation Fees for non-residential development*

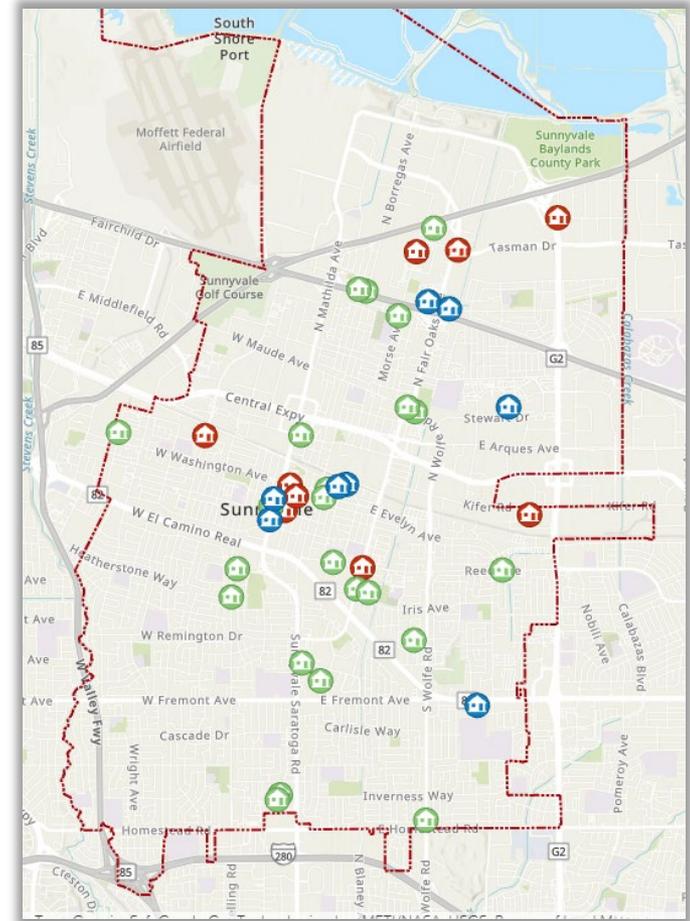
Activities

- *Promote Accessory Dwelling Units (ADUs)*

Other Sunnyvale programs/services

Sunnyvale Investments

- *WorkFirst Sunnyvale*
- *HomeFirst transitioning to WeHOPE Outreach*
- *Housing Improvement Program*
- *Affordable Housing Sites and Project Funding*
 - *Subsidized affordable units: >1500 in operation and ~750 in the pipeline*



★ Pipeline projects

Other Sunnyvale programs/services

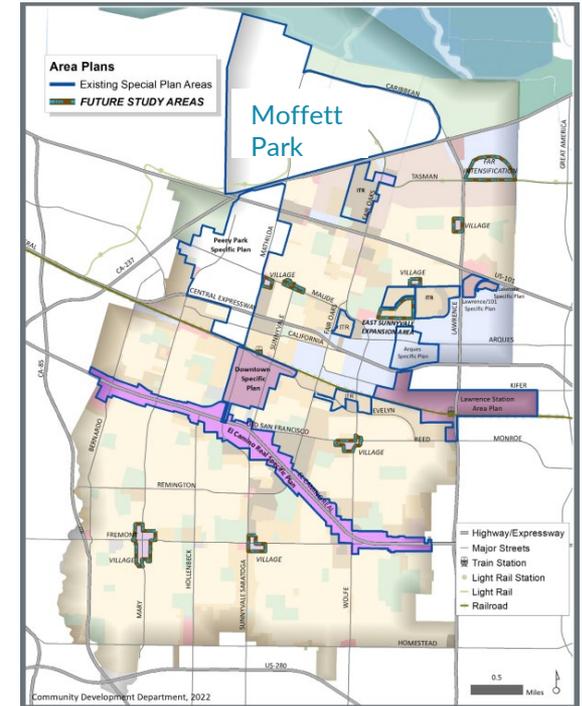
Specific Plans (additional housing)

- ❖ Moffett Park (~20,000)
- ❖ East Sunnyvale (~700)
- ❖ Lawrence Station (~3400)
- ❖ El Camino Real (~5,300)

Studies/Programs in Progress

- Housing Element Programs (45)
- Overnight Warming Centers
- Safe Parking
- Emergency Housing & Shelter Opportunities for Families
- 20% Affordable Unit Inclusionary Requirement*

*with Countywide collaborative



Other Investments

Non-Profit Agency	Human Service Program
First United Methodist	Senior Food Program
SCS Food Pantry	Food Program
Bill Wilson Center	Counseling
YMCA	Domestic Violence Support
CASA	Foster Youth Support
Catholic Charities	Long Term Care Ombudsman
SALA	Legal Aid for Seniors
Health Trust	Meals on Wheels
SVILC	Emergency Housing Assistance
AbilityPath	Support for Developmentally Disabled
Friends for Youth	Youth Mentor Program
Next Door Solutions	Domestic Violence Support
Live Oaks	Adult Day Program for Seniors
TOTAL INVESTMENT	Over \$400,000

GBI is gaining momentum



100+ GBI pilots in U.S.¹



20+ GBI pilots in CA^{1,2}



4 GBI pilots by Santa Clara County³

1 GBI pilot by Mountain View⁴

1 GBI pilot by Destination: Home⁵

Permanent Guaranteed Income

NON-EXHAUSTIVE

Current permanent UBI programs:

- **Alaska Permanent Fund¹**

GBI pilots committed to continue:

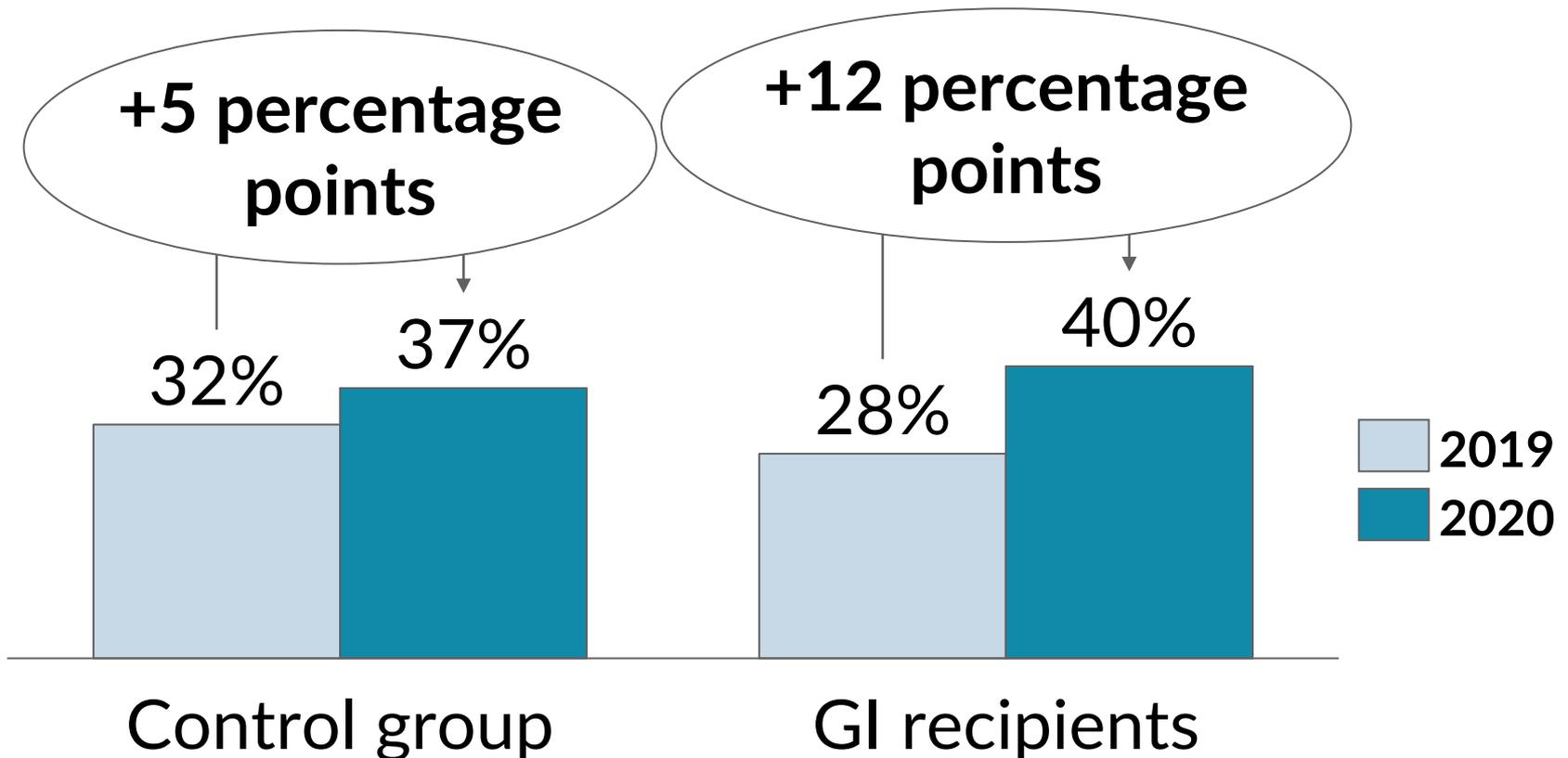
- **Cook County (Illinois) - Promise Guaranteed Income Pilot²**
- **New York City - The Bridge Project³**

GBI pilots have proven results (1 of 2)

- Higher probability of finding **full-time employment**¹
- Increased **housing stability**²
- Improved **physical and mental health**¹
- Reduction in **household income volatility**¹
- Increased **self-determination**¹

GBI pilots have proven results (2 of 2)

Percentage point increase in full-time employment, from Stockton Economic Empowerment Demonstration¹



Outreach Efforts

Stage 1

Engage **community stakeholders** and **City staff**

Stage 2

Engage **external experts** and **potential co-funders**

Stage 3

Share **initial findings** with Council; hold **community outreach & focus group meetings**

Stage 4

Re-engage stakeholders as needed and share **final findings**

Four fundamental questions

Why?

What are the strategic objectives for the pilot?

Who?

Who is the pilot for?

What?

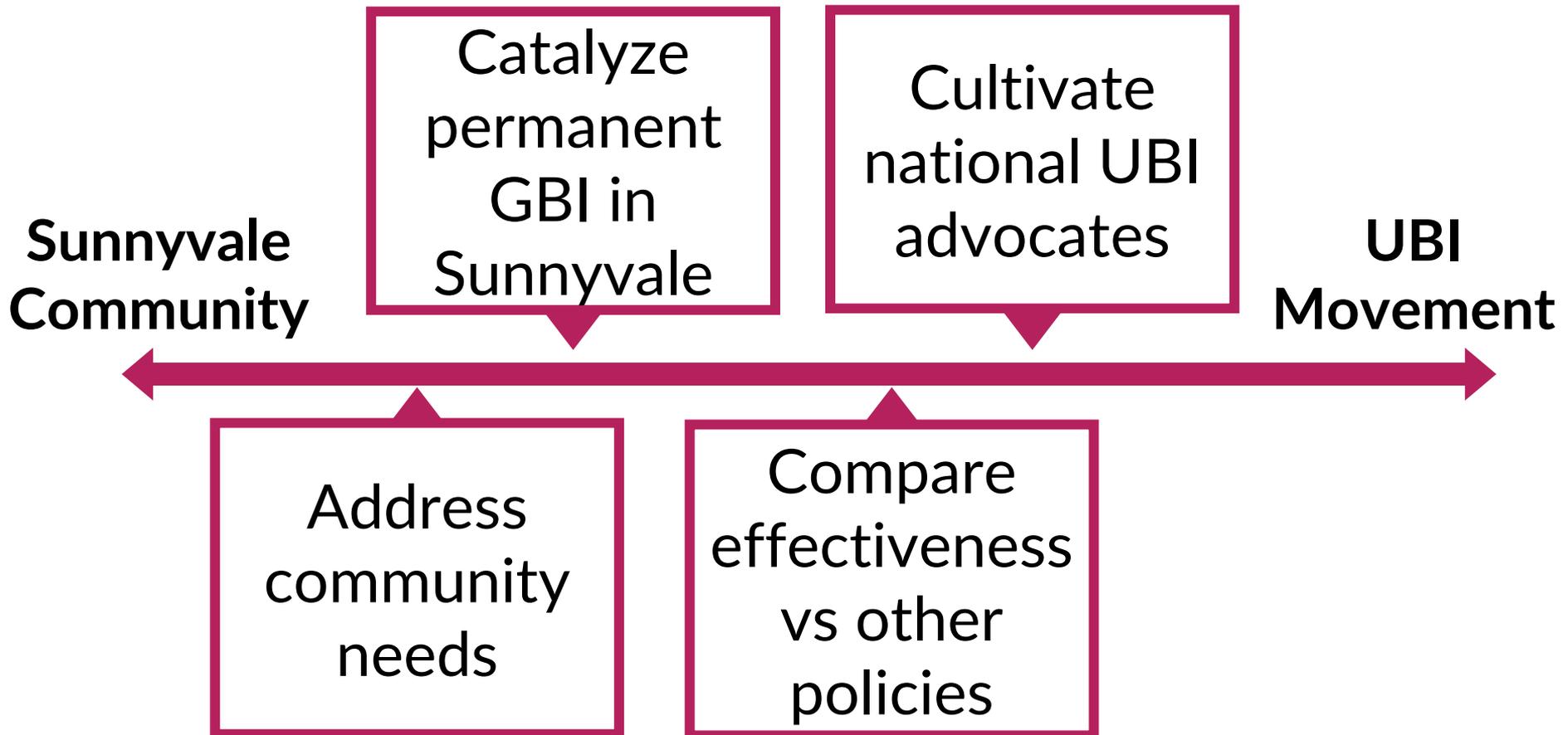
What is the pilot design (amount, frequency, duration, etc.)?

How?

How will the City fund and execute it?

Why fund GBI?

GBI pilots may serve various objectives:



Who is the pilot for? (1 of 2)

Eligibility criteria can vary:

Targeted

Broad



Example pilots

Saint Paul, MN

Artists in specific neighborhoods

Santa Clara Co.

Families experiencing or at risk of homelessness

Mountain View

Parents with income below 30% of AMI

Sources: [1] Dalberg Analysis; [2] The Stanford Basic Income Lab, [The Guaranteed Income Pilots Dashboard](#), 2023; [3] Mayors for a guaranteed income, [Resources](#), 2022; [4] Mayors for a guaranteed income, [End of Year Report](#), 2022.

Who is the pilot for? (2 of 2)

Most mentioned by interviewees

- Unhoused residents
- Residents at risk of becoming homeless or recently housed
- Low-income families with children
- Low-income community college students

Less mentioned by interviewees

- Residents with 30% of AMI
- Domestic violence survivors
- Low-income seniors
- Undocumented residents
- Foster youth
- BIPOC communities
- LGBTQ+ population

What are the typical characteristics?

- Participants: **100 - 325**
- Frequency:
 - **Monthly**
 - **Hybrid** (lump sum + monthly)
- Amount: **\$500 - \$1,000**
- Duration: **1-2 Years**
- Administration costs: **~15%* of distribution**

**Up to 40%*

This implies min. total costs of \$700K - \$1.4M per year

Note: The ranges for number of participants and duration of pilot reflect the 20th to 80th percentile of the pilots reviewed. The frequency of payments, administration costs, and range for the amount of support provided is based on expert interviews and research.

Sources: [1] Stanford Basic Income Lab, [The Guaranteed Income Pilots Dashboard](#), 2023; [2] Mayors for a Guaranteed Income, [Resources](#), 2022; [3] Dalberg research.

How will the City fund program?

Potential sources of co-funding include:

County & State

- Appears unlikely to materialize

Major employers

- Appears unlikely to materialize

Philanthropic funders

- Growing pilot fatigue
- Interest likely to be strongest in a pilot that contributes to broader UBI movement

How will the City execute program?

Important considerations include:

- Funding of a Pilot Program
- Defining the **rigor of monitoring and evaluation** (e.g., randomized controlled trials vs tracking basic indicators through existing systems)
- Mitigating the **benefits cliff** issue
- Being thoughtful about the **governance structure and how to engage beneficiaries**

Next Steps

- **Housing and Human Services Commission**
–September 17th
- **City Council**
–October 29th
- **Contact Information:**
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