



# Long Beach Guaranteed Income Pilot Program

City Council Meeting - May 24, 2022

# Long Beach Recovery Act

- On March 16, 2021, the City Council approved the Long Beach Recovery Act to support COVID-19 recovery for residents and businesses
  - Economic Recovery
  - Health and Safe Community
  - Securing our City's Future
- Program: Long Beach Guaranteed Income Pilot Program
- Category: Economic Recovery
- Funding: \$2,012,224

# Background on Guaranteed Income

## Guaranteed Income (GI)

- Overarching theme of GI Pilots are to lift residents out of poverty
- Reduce economic inequalities that exist in communities where people live and work together
- Payments can also stimulate the local economy by boosting access to discretionary income to spend on goods and services in the surrounding community

## GI Pilot Findings

- Participants in the Compton Pledge have used GI funds to buy groceries, pay for rent, start small businesses, and three participants started their own nonprofits
- The Stockton Economic Empowerment Demonstration Pilot found that overall, participants were healthier, showed less depression and anxiety, and attained enhanced wellbeing

## Community Working Group

- In April 2021, a Community Working Group was established with representatives selected for their diverse background in nonprofit administration, academic achievement, and prior service to residents
- Reviewed dozens of historical GI related programs including those that already launched and those that were in pre-launch status
- Concluded that a Long Beach pilot would have the most impact on residents who have been hit hardest by the COVID-19 pandemic and living in poverty within one concentrated geographic area

## Singled Headed Households Living in Poverty in 90813

- Highest concentration of poverty in Long Beach is within the 90813 Zip Code
- One out of every four families live at or below the Federal Poverty Line
- Residents were hit hardest economically by COVID-19 as the predominant occupation was within hospitality, retail and tourism sectors with unemployment rates exceeding 25 percent
- Residents had, at time of research, the highest concentration of COVID-19 positivity rates and the lowest percentage of vaccinations



# Long Beach Guaranteed Income Pilot

## Community Impact

- 250 households will be randomly selected to participate in the treatment group and will receive GI benefits
- Yet to be determined number of households (estimated 250 to 300) will be randomly selected to participate in the control group and will not receive GI funds
- \$500 a month will be provided for 12 months to those participating in the treatment group
- Though 250 families will be selected to receive monthly GI funds, it is anticipated that the number of beneficiaries living within those households will exceed 1,000
- Efforts continue to identify grants that could provide matching funds to expand the program
- Research results will be added to the regional, State and national dialogue on the value of Guaranteed Income

# Long Beach Guaranteed Income Pilot & F4GI

## F4GI (Fund for Guaranteed Income)

- F4GI is a Los Angeles County based nonprofit that administers and implements Guaranteed Income programs
- Currently F4GI is administering the Compton Pledge, Chicago Future Fund, and the Chicago Community Love Fund
- F4GI is led by Nika Soon-Shiong who is the Founder and Executive Director
- All F4GI staff are based in Southern California and many have family roots in Long Beach with some currently reside within the city
- F4GI is connected with over two dozen endowments who invest in GI programs
- F4GI were selected through an RFP process





**Thank you**

**Nick Schultz**

**Deputy Director, Economic Development**