

January 17, 2023

R-18

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. RFP ED22-154 and award a contract to California State University, Long Beach Research Foundation, of Long Beach, CA, to research and evaluate the Long Beach Guaranteed Income Pilot Program, in a total amount not to exceed \$450,000 for a period of eighteen (18) months, with the option to renew for one year if additional funding is secured, at the discretion of the City Manager; and, authorize the City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary subsequent amendments. (Citywide)

DISCUSSION

Long Beach Recovery Act

On March 16, 2021, the City Council adopted the Long Beach Recovery Act (LB Recovery Act) becoming one of the first major cities to approve COVID-19 recovery programs made possible through the federal American Rescue Plan Act (ARPA) and other federal and State funding sources. Additional adjustments to the LB Recovery Act were made as part of the Adopted FY 22 Budget and periodic adjustments are brought to the City Council as needed. Additional information about the LB Recovery Act is available at longbeach.gov/recovery. As part of the LB Recovery Act, under the category of Economic Recovery, approximately \$2 million was allocated to the Long Beach Guaranteed Income Pilot ("Pilot") to address the financial hardship that has been created by the COVID-19 pandemic.

About Guaranteed Income Programs

Guaranteed Income (GI) is an innovative approach to support people in a rapidly changing economy by providing a minimum amount of income to supplement the basic costs of living with the goal of reducing poverty. GI programs typically provide regular, unconditional direct payments to individuals or entire households that help offset basic living expenses like housing, food, healthcare, and transportation. GI programs provide a secure income source for individuals and households that enables individuals to work and better care for themselves and their families.

A common overarching theme of GI programs is to help support working people and their families to move away from poverty toward financial security over time. GI programs also aim to reduce economic inequalities that have resulted in some members of the same

geographical community thriving while others cannot afford the basic cost of living. GI programs can also provide the added benefit of stimulating the local economy by boosting access to discretionary spending for goods and services in the surrounding community.

Within the state of California, we have seen much success with similar GI Pilots. The Compton Pledge GI Project has documented that participants used GI funds to buy groceries, pay for rent, start small businesses, and three participants used the GI to start nonprofits that are now serving the community. The Stockton Economic Empowerment Demonstration (SEED) Pilot found that recipients of GI were healthier, showing less depression and anxiety, and attained enhanced well-being.

Long Beach Guaranteed Income Pilot

The goal of the City of Long Beach's (City) Guaranteed Income Pilot (Pilot) is to increase the monthly income of the city's most vulnerable residents with the highest poverty rates and who have had the greatest continued impact from COVID-19. The Pilot will distribute \$1.5 million in direct cash assistance in the form of guaranteed income to 250 households living at or below the poverty level in the 90813 Zip Code. Each participating household will receive \$500 a month for a period of twelve (12) months, with access to multiple payment options. Each participating household will have access to expert financial benefits counseling to reduce or eliminate the impact on any local, County, State, or Federal public benefits. Using data collected as part of the Pilot, the City hopes to contribute to the discourse around local, regional, and national guaranteed income policy and its efficacy, and seeks to identify additional matching funds for program expansion. If additional matching funds are secured, the Pilot may be expanded to serve additional cohort participants in other high-need Zip Codes. The evaluation would not be expanded to include additional participants but may be extended if additional funding extends the program timeline.

Recommended Contract Approval

City Council approval is requested to enter into a contract with California State University, Long Beach Research Foundation (CSULB) to research and evaluate the Pilot. CSULB shall provide the full research plan and evaluation of the Pilot, including:

- the overall research program design,
- survey-instrument development and launch,
- community-informed Key Performance Indicator (KPI) identification,
- analysis of survey and participant data,
- the preparation of the final research report of methods,
- findings and other services as specified.

The Request for Proposals (RFP) was advertised in the Long Beach Press-Telegram on September 15, 2022, and 79 potential proposers specializing in consulting and evaluation of programs were notified of the RFP opportunity. Of those proposers, nine downloaded

the RFP via the City's electronic bid system. The RFP document was made available from the Purchasing Division, located on the sixth floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. An RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 42 local, minority-owned, and women-owned business groups. Additionally, the City engaged in additional outreach via Facebook, Twitter, and Instagram. The opportunity was also advertised in the Go Long Beach Newsletter, City of Long Beach Equity Newsletter, and Economic Development Newsletter. There were three proposals received on October 6, 2022, of which one is a Minority-owned Business Enterprise (MBE), one is a Women-owned Business Enterprise (WBE), none are certified Small Business Enterprises (SBEs), and two are Long Beach vendors (Local). The selection committee determined that California State University, Long Beach Research Foundation was the most qualified firm to provide the services.

CSULB was selected due to the organization's demonstrated expertise in research and evaluation, their conformance with the RFP, experience engaging with and building trust with the Long Beach community, comprehensive proposal, and the reasonableness of cost.

Local Business Outreach

To align with the City's outreach goal, Long Beach businesses are encouraged to submit proposals for City contracts. The Purchasing Division also assists businesses with registering on the Long Beach Buys database to download RFP specifications. Through outreach, five Long Beach vendors were notified to submit proposals, six Long Beach vendors downloaded and two submitted a proposal. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

Equity Lens

The City has incorporated the Equity Toolkit in this recommendation, as requested by the City Council on April 21, 2020. CSULB will embed an equity lens to address the unique needs of diverse and low-income households in the 90813 Zip Code and ensure equitable protection of participant data and respectful treatment of Pilot participants as regulated by the CSULB Institutional Review Board. To accomplish this, CSULB will work with City staff to create research materials in digital and print format, translate materials into multiple languages, and hire research associates who speak languages spoken in the 90813 Zip Code. Program data will be tracked by the Program Administrator (the Fund for Guaranteed Income) and be reported as a part of the LB Recovery Act throughout the program's implementation. The strategies developed will create equitable economic opportunities for residents, workers, and businesses in Long Beach for sustained economic recovery. These best practices will enable the City to advance its equity goals for LB Recovery Act programs.

This matter was reviewed by Deputy City Attorney Marsha Yasuda on December 27, 2022, Purchasing Agent Michelle Wilson on December 28, 2022, and by Budget Management Officer Nader Kaamoush December 30, 2022.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. RFP ED22-154 and award a contract concurrently is requested on January 17, 2023, to ensure the contract is in place expeditiously for the evaluation of the City's Pilot.

FISCAL IMPACT

The LB Recovery Act has identified \$2 million for the Pilot Program. The total amount of this contract will not exceed \$450,000. Sufficient funding for the contract is currently budgeted in the General Fund Group in the Economic Development Department. For administrative efficiency and for reporting and auditing purposes, these are technically General Fund monies made available with the use of the ARPA funds providing for current City services based on the City's pandemic-related revenue loss and in accordance with the U.S. Department of Treasury Final Rule for APRA funds. In addition to the evaluation phase, if additional funding is determined to be required to support the actual implementation of the Pilot, staff will return to the City Council with an update and recommendation for an appropriation adjustment. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities identified in the Long Beach Recovery Act in March 2021. The local job impact associated with this recommendation is undetermined at this time.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



BO MARTINEZ
DIRECTOR
ECONOMIC DEVELOPMENT

APPROVED:



THOMAS B. MODICA
CITY MANAGER