

RESOLUTION NO. 20210603-073

WHEREAS, the City of Austin has made it a priority to understand and mitigate the economic impacts of the COVID-19 pandemic on Austin residents, especially historically marginalized and underinvested communities; and,

WHEREAS, the economic uncertainty resulting from the COVID-19 pandemic, the 2021 Winter Storm, and related necessary mitigation measures have left an unprecedented number of Austin residents facing increased financial hardship, unemployment, or underemployment; and,

WHEREAS, even the pre-pandemic economic equilibrium left many Austin residents struggling to support themselves and their families, living paycheck-to-paycheck, and the economic shock currently unfolding leaves these residents more vulnerable than ever; and,

WHEREAS, the Mayor of Austin believes economic security should be a right granted to all and has agreed to participate in Mayors for A Guaranteed Income (AGI), joining other Mayors across the country in advocating for “A Guaranteed Income” in our cities, states, and nation; and,

WHEREAS, as highlighted by AGI, the U.S. is one of the wealthiest countries in the world; but prosperity and well-being are not broadly shared, nearly 40% of Americans cannot afford a single \$400 emergency, and rising income inequality is compounded by a growing racial wealth gap; and,

WHEREAS, a 2017 study, funded by the Urban Institute, ranks Austin in the top 42 quarter of the nation’s economically segregated areas; and,

WHEREAS, a guaranteed income empowers recipients to address their most urgent needs and provides a cushion for unpredictable expenses, external shocks, and volatility; and,

WHEREAS, the mission statement in the City of Austin's Strategic Direction 2023 highlights the values of economic opportunity and equity, which are echoed throughout the numerous outcomes, indicators, anchors, and strategies that guide the City's priorities and governance; and,

WHEREAS, the City's 2023 Strategic Direction Anchors itself to Equity, Affordability, Innovation, Sustainability and Resiliency, Proactive Prevention, Community Trust and Relationships and Across ALL Outcomes- Values supporting Quality of Life in Austin; and,

WHEREAS, one of the City's Strategic Direction 2023 Strategic Anchors is EQUITY, which means to advance equitable outcomes, and the City is leading with a lens of racial equity and healing, and understanding that race is the primary predictor of outcomes, therefore it is time to recognize, understand, and address racism at its various levels: personal, institutional, structural, and systemic; and,

WHEREAS, one of the City's Strategic Direction 2023 Strategic Anchors is INNOVATION, which means that, in Austin, we define innovation as any project that is new to you with an uncertain outcome; aimed at addressing pressing challenges that affect our community, human-centered innovation means a new approach to exercising authority and decision-making that starts with the needs, behaviors, and experiences of our community, and continues through a process of questioning assumptions, engaging with empathy, stewarding divergent thought, reflecting, and learning; and,

WHEREAS, one of the City's Strategic Direction Strategic Anchors is PROACTIVE PREVENTION, which means that the City embraces the dual responsibility of being responsive to emerging challenges while also dialing up efforts to prevent problems on the front end; and,

WHEREAS, one of the City's Strategic Direction 2023 Strategic Anchors is COMMUNITY TRUST AND RELATIONSHIPS, which means that Austin is a place where leadership comes from the people; and,

WHEREAS, the City of Austin can lead in the state of Texas by launching a more elaborate guaranteed income initiative and cash-based program through policies that help working people and families become more resilient to financial emergencies, make rent, cover childcare, and put food on the table as a response to the coronavirus pandemic; and,

WHEREAS, providing a baseline of stability and security to Austin residents can have an economic ripple effect, providing much needed boosts to our local economy and small businesses; and,

WHEREAS, Austin City Council has successfully begun implementing direct aid programs, passing the Relief in a State of Emergency (RISE) Fund, Resolution No. 20200409-081 and Ordinance No. 20200409-087, to allocate and appropriate funds to provide direct relief services and direct financial assistance to vulnerable Austin-area residents in underserved communities, who have been impacted by COVID-19 and who may not receive other forms of assistance; and,

WHEREAS, the City of Austin's Equity Office partnered with local community groups like the Family Independence Initiative (FII) to distribute direct cash aid to Austin residents, and through this partnership between FII and the City

of Austin's Equity Office, FII distributed more than 2.6 million dollars directly to over 1,300 Austin families and individuals in 2020; and,

WHEREAS, according to surveys of recipients conducted by FII, 93% reported they would use the funds from such direct cash aid for basic needs such as housing, food, utilities and other bills, and 53% identified their race/ethnicity as Hispanic/Latino, 29% as Black, and 11% as white, while 77% of recipients identified as females and the average household size was 4; and,

WHEREAS, the City of Austin's Austin Public Health, Equity Office, and other City departments have worked to implement and fund equity grant programs, driven by community needs and designed to support work on-the-ground reaching specific populations; and,

WHEREAS, cities across the country have begun to implement guaranteed income pilot programs to provide a steady and reliable income stream that helps recipients respond to needs as they arise and at their own discretion; and,

WHEREAS, previous and ongoing experiments of universal basic income programs have found the following results for participants: better educational outcomes, substantive improvements in physical and mental health, significant reduction of predatory debt, and greater confidence in having basic necessities met, with no appreciable impacts on the labor market; and,

WHEREAS, the Economic Prosperity Commission's budget recommendation 20210129-003b in January 2021 encourages the development of a universal basic income program, similar to that of cities facing affordable housing crises such as Stockton, CA, to help combat displacement, curb houselessness, and help individuals out of houselessness; and,

WHEREAS, the Hispanic Quality of Life Commission's recommendation 20210310-5a in March of 2021 highlights the need for universal basic income, guaranteed income, and/or other form of regular payments to be examined, piloted, and explored with individuals/families in most need of chronic circumstances; and,

WHEREAS, the most recent report from the Community Equity Reinvestment Working Group of the Reimagining Public Safety Task Force expressed support and included their recommendations for immediate, direct economic support for Austin residents as a means toward more long term and sustainable investment in communities of color and working class families; and,

WHEREAS, the Austin City Council has begun setting the foundation to make a more elaborate guaranteed income pilot possible, having facilitated a few successful initiatives, such as the RISE Fund, and the City has proven the infrastructure, mechanisms, and expertise needed to launch such a pilot for a guaranteed income program; and,

WHEREAS, in addition to the multiple RISE programs implemented by the City of Austin, there are innovative pilot programs occurring locally as well as nationally, one example of which is a recent partnership between FII and local philanthropic funds (\$1.2M) that partnered with 125 families on a 12-month pilot starting in March; this initiative will have invested \$12,000 per family over 12 months (\$1,000/month), and a baseline report of this pilot will be shared in June 2021; and,

WHEREAS, the City of Austin is continuously exploring new approaches to anti-displacement, housing stabilization, and public safety through the work of the Innovation Office, Equity Office, Neighborhood Housing and Community Development; and,

WHEREAS, on March 4, 2021, Austin City Council committed to acknowledging and correcting the City's systemically racist practices and eradicating the effects of the City's systemically racist past practices in Resolution No. 20210304-067, and guaranteed income programs also serve as a form of repair for the historic and structural economic inequities that Black, indigenous, and other communities of color have faced for hundreds of years nationally and locally;
NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City hereby affirms its commitment to furthering the economic security of its residents, recognizing that the key to Austin's prosperity is its people. The hard work, resilience, and diversity of Austin's communities have driven its success, and the city thrives when we prioritize equity in investing in residents, especially those who have been historically excluded from the same opportunities as others in our economic efforts.

BE IT FURTHER RESOLVED:

The City Manager is directed to conduct a study on current and past direct cash assistance efforts, including tracking the current 12-month pilot with FII as well as measuring the impacts of past and future RISE Fund allocations. The City manager is directed to develop actionable recommendations on how the city or other public or private partners could continue or build upon similar direct aid programs, outlining the findings and exploring what future implementations of a more robust guaranteed income initiative can look like for the City of Austin. Specific attention should be given to understanding how race and gender equity is being furthered through these direct aid programs by considering the selection process of the families involved in the pilot programs and the recipients

of past RISE Fund allocations, as well as tracking the impact the direct cash assistance has had on their housing stability, economic opportunities, and mental well-being.

BE IT FURTHER RESOLVED:

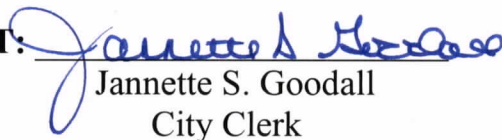
The City Manager is directed to amend the Federal Legislative agenda to indicate support for a guaranteed income and advocate for it at the federal level.

BE IT FURTHER RESOLVED:

The City Manager is directed to report back to Council by August 1, 2021, with the analysis and report requested by this Resolution.

ADOPTED: June 3, 2021

ATTEST:


Jannette S. Goodall
City Clerk