

INTRODUCED: February 8, 2021

A RESOLUTION No. 2021-R015

To express the Council’s support for the establishment of a federal guaranteed income program to provide economic relief in the form of ongoing direct cash payments for the duration of the health crisis to families affected financially by the COVID-19 pandemic.

Patrons – Mayor Stoney, Ms. Lambert, Ms. Lynch, Ms. Trammell, Mr. Jones and
President Newbille

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: FEB 22 2021 AT 6 P.M.

WHEREAS, COVID-19 first appeared in 2019 and spread throughout the world to the extent that, on March 11, 2020, the World Health Organization declared the outbreak a global pandemic; and

WHEREAS, on March 13, 2020, the President of the United States of America declared a national state of emergency concerning the COVID-19 outbreak; and

WHEREAS, as of January 21, 2021, at least 406,000 Americans have died from COVID-19, and more than 24,000,000 cases have been reported in the United States, with Black and Hispanic or Latino communities suffering disproportionately in terms of deaths and positivity;

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: FEB 22 2021 REJECTED: _____ STRICKEN: _____

WHEREAS, the spread of COVID-19 has created an income recession and economic hardship for millions of Americans, especially low wage workers who have lost far more jobs and wages than top earners have due to the COVID-19 pandemic; and

WHEREAS, upon information and belief of the Council, approximately 46 percent of American households, with Black and Hispanic or Latino families hardest hit, have experienced serious financial trouble during the COVID-19 pandemic, including unemployment, the depletion of savings, and difficulty in paying for the necessities of food, utilities, and shelter; and

WHEREAS, in light of the COVID-19 pandemic's impact on the United States economy, the United States Congress passed the Coronavirus Aid, Relief, and Economic Security ("CARES") Act, which included a package of relief and stimulus programs including \$500,000,000,000.00 for large corporations and a one-time direct payment in the form of a one-time \$1,200.00 "Economic Impact Payment" to individuals; and

WHEREAS, upon information and belief of the Council, the direct "Economic Impact Payments" to individuals boosted the economy by increasing spending, especially on food, rent, and utilities, at all income levels, but especially among low-income earners; and

WHEREAS, upon information and belief of the Council, the "Economic Impact Payments" were the primary reason that poverty fell by as many as 4,000,000 people at the start of the pandemic-caused recession and, with the expiration of the CARES Act and the loss of the cushion of the direct payments, 8,000,000 people were forced into poverty; and

WHEREAS, the Urban Institute estimates that one additional direct payment could keep more than 8,000,000 people out of poverty and two additional checks would keep 14,000,000 people out of poverty; and

WHEREAS, upon information and belief of the Council, direct payments have a bigger

positive impact than unemployment benefits for families of color, who, studies show, are far less likely to receive unemployment benefits than unemployed White workers; and

WHEREAS, upon information and belief of the Council, another direct payment would increase Native American, Hispanic or Latino, and Black family income by 4.1 percent, 3.9 percent, and 3.6 percent, respectively, compared to two percent of household income for White families; and

WHEREAS, upon information and belief of the Council, there is strong bipartisan support for direct payments with 77 percent of voters supporting another one-time payment and a strong majority of 61 percent supporting ongoing direct payments until the COVID-19 pandemic crisis is over; and

WHEREAS, the Council believes that direct payments to provide an income floor through which no American family would fall will benefit not only individuals but communities; and

WHEREAS, the Council believes that direct payments must include dependents; individuals with no bank account, social security number or permanent address; non-citizens, including permanent residents, temporary visitors whose stay exceeds three months, and the undocumented; and residents of unincorporated territories or protectorates and Americans living abroad; and

WHEREAS, the Council believes that it is in the best interests of the residents of the city of Richmond that the Council support the establishment of a federal guaranteed income program to provide economic relief to families affected financially by the COVID-19 pandemic in the form of ongoing direct cash payments for the duration of the health crisis;

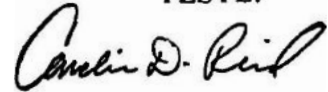
NOW, THEREFORE,

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

That the Council supports the establishment of a federal guaranteed income program to provide economic relief to families affected financially by the COVID-19 pandemic in the form of ongoing direct cash payments for the duration of the health crisis and calls on the President of the United States, the Speaker of the House of Representatives, the Housing Minority Leader, \the Senate Majority Leader, and the Senate Minority Leader to ensure such payments are included in any and all future stimulus packages.

A TRUE COPY:

TESTE:

A handwritten signature in black ink, appearing to read "Amelia D. Reil". The signature is written in a cursive style with a large initial 'A'.

City Clerk



CITY OF RICHMOND

INTRACITY CORRESPONDENCE


O&R REQUEST

DATE: January 21, 2021 **EDITION:** 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor 

THROUGH: Lincoln Saunders, Acting Chief Administrative Officer 

THROUGH: Reginald Gordon, Deputy Chief Administrative Officer, Human Services 

FROM: Valaryee Mitchell, Director of the Office of Community Wealth Building 

RE: Local Resolution calling for the Biden Administration to provide emergency funding to families to ensure critical relief during the COVID-19 crisis and until our economy recovers, and to develop a federal guaranteed income program to provide an income floor for all Americans

ORD. OR RES. No. _____

PURPOSE: Resolution in support of a Federal Guaranteed Income Program for families

REASON: Last year COVID-19 was declared a global pandemic and as a result, millions of Americans were forced into poverty due to lack of income and loss of employment. A guaranteed income program would help to provide an income floor so that families can afford basic essentials.

RECOMMENDATION: The city administration recommends adoption of this ordinance.

BACKGROUND Mayors for a Guaranteed Income, sometimes called "MGI," was founded by Michael D. Tubbs, then-mayor of Stockton, California in June 2020 after his city launched and later extended a basic income program where 125 residents received \$500 monthly thanks to funding from a nonprofit that supports other guaranteed income experiments.

Here in Richmond, 55 families were randomly selected from a pool of Office of Community Wealth Building clients who the city has determined suffer from a "cliff effect" where the family makes too much money to qualify for federal benefits but not enough to live comfortably as measured by the region's living wage. These families are receiving \$500 a month with no

strings attached for the next 24 months, through the Richmond Resilience Initiative (RRI) with funding from the CARES ACT, the Robins Foundation and a gift from CEO of Twitter Mr. Jack Dorsey. These funds will provide an income floor for many families who are struggling to make ends meet while enduring a global pandemic.

SOURCE: (must select all that apply)

- New/increased revenue
- Existing general
- Fund Balance/Reserve/Contingency/Other Funding)

FISCAL IMPACT/COST ():

- **If Adopted:** The project will commence
- **If Not Adopted:** The project will not move forward

FISCAL IMPLICATIONS NONE

BUDGET AMENDMENT NECESSARY: N/A

REVENUE TO CITY: N/A

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: February 8, 2021

CITY COUNCIL PUBLIC HEARING DATE: February 22, 2021

REQUESTED AGENDA: Consent Agenda

RECOMMENDED COUNCIL COMMITTEE: No committee – Rule VI (B)(3)(c)

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: N/A

RELATIONSHIP TO EXISTING ORD. OR RES.: N/A

REQUIRED CHANGES TO WORK PROGRAM(S): N/A

ATTACHMENTS: NONE

STAFF Valaryee Mitchell (804-646-0393)

GENERAL FUND TRANSFER BUDGET ITEM DETAIL:

*for item # and title, see ordinance #2017-036, FY2018 Program Level Budget)

Existing Item – You must show the total appropriation/s for each budget item for your agency EXCEPT the budget item to receive funds

<u>FROM</u>					
<u>Item #</u>	<u>Title</u>	<u>Program</u> (cost center #)	<u>Subprogram</u> (service code #)	<u>Transfer</u> <u>Amount</u>	<u>New Appropriation</u> <u>Amount</u>

Existing Item – You must show the total appropriation for each modified budget item to receive funds, for your agency

OR

New Item – You must show the total appropriation for each modified budget item to receive funds, for your agency

*for a new item you must reference the next corresponding item # with a (.) decimal point, see ordinance #2017-036, FY2018 Program Level Budget)

TO

