



## CITY OF TACOMA, WASHINGTON OFFICE OF THE CITY COUNCIL COUNCIL CONSIDERATION REQUEST

**TO:** Mayor Woodards, Deputy Mayor Blocker, & Members of the City Council  
**FROM:** Council Member Kristina Walker and Chief Policy Analyst Melanie Harding  
**COPIES TO:** Elizabeth Pauli, City Manager; Tadd Wille, Deputy City Mgr.; Bill Fosbre, City Attorney  
**SUBJECT:** **A resolution authorizing the execution of a memorandum of understanding with Mayors for a Guaranteed Income and United Way providing additional funding for a Guaranteed Income Demonstration in the City of Tacoma**  
**DATE:** June 24, 2021

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**I ask for your support for a resolution authorizing the execution of a memorandum of understanding with Mayors for a Guaranteed Income and United Way providing \$500,000 in additional funding for a Guaranteed Income Demonstration in the City of Tacoma.**

### **LEGISLATIVE INTENT:**

In June 2020, Mayor Woodards signed on to be a founding member of Mayors for a Guaranteed Income (MGI). She noted at that time that her participation was motivated by the potential to be connected to non-governmental funding opportunities for local demonstration projects. In November 2020, the City Council approved an initial Memorandum of Understanding (MOU) accepting \$100,000 in funds from MGI for exploration and/or design of a Tacoma guaranteed income demonstration.

Because Mayor Woodards is a founding member of MGI, they have offered an additional \$500,000 in starter funds that could be distributed to participants selected for a guaranteed income demonstration in Tacoma.

In a presentation in Study Session on June 29, 2021, the City's key community partner in administering this work – United Way of Pierce County – will provide an update on the work done since the initial MOU. The presentation will include information on the design and implementation steps of a Tacoma guaranteed income demonstration and offer council members an opportunity to ask questions. A second MOU between City of Tacoma, United Way of Pierce County, and MGI accepting the additional \$500,000 in funding will be provided for review with the Council Action Memorandum and resolution when they come forward in July.

A small group of community leaders have continued discussion and community outreach, including focus groups, to determine what elements should be included in the design of a Tacoma guaranteed income demonstration. Partners in this work have included Mayor Woodards, Council Member Walker, United Way, Sound Outreach (who administers the Center for Strong Families), Tacoma Urban League, Greater Tacoma Community Foundation, and Tacoma Housing Authority. A representative from the Washington State Department of Social and Health Services has also joined the work group to help inform how a guaranteed income might impact benefits received by participants and to align the demonstration efforts with the State's 10-year plan to dismantle poverty.

Design of the Tacoma guaranteed income demonstration, now known as "Growing Resilience in Tacoma," or GRIT, is also being informed by feedback from researchers at University of Pennsylvania's Center for Guaranteed Income Research. With assistance from the Center for Guaranteed Income Research, the lessons learned from a local demonstration would be aggregated with data from other validated demonstrations across the nation and inform state and federal policy work.

Among the community leaders who have been engaged, there remains a shared goal to identify additional private or philanthropic dollars for the guaranteed income payments provided to participants in a Tacoma demonstration.

As defined by the national MGI initiative, guaranteed income is:

- A monthly, cash payment given directly to individuals;
- The payment is unconditional, with no strings attached and no work requirements;
- The additional income is meant to supplement, rather than replace, the existing social safety net; and
- It can be a tool for racial and gender equity.

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. The median white worker made 28% more than the typical Black worker and 35% more than the median Latinx worker in the last quarter of 2019. At the same time, the median wealth of white families was more than \$100,000 while the median wealth of Black families was approximately \$10,000 prior to the coronavirus pandemic.

Additionally, women – particularly women of color – are the most likely to live in poverty. They are overrepresented in low-paying occupations, and are far more likely to lack access to sick leave and health care benefits. When we look at these disparities combined, Black women are paid 66 cents for every dollar that is paid to white men, and Latinas make even less at 58 cents for every dollar white men make.

Recent research has indicated significant disparities when looking at the earnings for gay and transgender workers, and specifically for gay men and transgender women. Looking at data across 12 studies, the Williams Institute found that gay and bisexual men earn 10-32% less than heterosexual men that were similarly qualified. One study found that the earnings of female transgender workers fell by nearly one-third following their gender transitions.

Finally, we live in a time of pandemics and climate disruptions, and MGI holds the position that everyone deserves an income floor through a guaranteed income which empowers recipients to address their most urgent needs and provides a cushion for unpredictable expenses, external shocks, and volatility. This follows the foundational anti-poverty work pursued by Dr. Martin Luther King Jr. His speeches using the term “guaranteed income” are foundational to MGI’s work.

Early data from the Stockton Economic Empowerment Demonstration – where they are providing \$500 per month for 24 months showed that 40% of the funding was spent on food. That percentage has increased during COVID-19. Initial qualitative data reflect improved mental health, the ability to seek medical or dental care, and the ability to better show up for and support their children.

These findings align with research showing that income levels are directly linked to public health outcomes. “Poverty and low-income status are associated with a variety of adverse health outcomes, including shorter life expectancy, higher rates of infant mortality, and higher death rates for the 14 leading causes of death.”<sup>1</sup>

Overall, the effects to the health and wellness of our cities’ lowest income earners have a collective impact on our health, behavioral health, education, housing, and social services systems.<sup>2</sup> Using a guaranteed income to establish an income floor can reduce the need to spend public dollars in these areas that are crucial to residents’ health and wellbeing.

DESIRED RESOLUTION DATE: July 13, 2021

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<sup>1</sup> <https://www.aafp.org/about/policies/all/poverty-health.html#poverty>

<sup>2</sup> <https://academic.oup.com/jpubhealth/article/40/1/3/2966187>

**ALIGNMENT WITH TACOMA 2025 KEY FOCUS AREAS:**

This legislation, program, project, or event is best aligned with the following:

**Livability:** *Equity Index Score:* Moderate Opportunity

Improve health outcomes and reduce disparities, in alignment with the community health needs assessment and CHIP, for all Tacoma residents

Decrease the percentage of individuals who are spending more than 45% of income on housing and transportation costs.

**In you have a question related to the Council Consideration Request, please contact Chief Policy Analyst Melanie Harding at 253-591-5156 or [melanie.harding@cityoftacoma.org](mailto:melanie.harding@cityoftacoma.org).**

**SUBMITTED FOR COUNCIL CONSIDERATION BY:**



Council Member Kristina Walker

**SUPPORTING COUNCIL MEMBERS SIGNATURES (2 SIGNATURES ONLY)**

*(Signatures demonstrate support to initiate discussion and consideration of the subject matter by City Council for potential policy development and staff guidance/direction.)*

1.  POS# 3
2.  POS# 4

**Mayor's initials**

