



## Legislation Text

File #: 20-1494, Version: 1

**Dept./ Agency:** Office of the Mayor

**Action:**  Ratifying  Authorizing  Amending

**Type of Service:** Memorandum of Understanding

**Purpose:** To research and strategize a plan on how to implement a Guaranteed Income Program within the City of Newark.

**Entity Name:** Reinvent Stockton Foundation Income

**Entity Address:** 110 North San Joaquin Street, Stockton, California 95202

**Grant Amount:** \$100,000.00

**Funding Source:** Reinvent Stockton Foundation and Mayors for a Guaranteed Income

**Total Project Cost:** \$0.00

**City Contribution:** \$0.00

**Other Funding Source/Amount:** \$0.00

**Contract Period:** September 1, 2020 through December 31, 2021

**Contract Basis:**  Bid  State Vendor  Prof. Ser.  EUS

Fair & Open  No Reportable Contributions  RFP  RFQ

Private Sale  Grant  Sub-recipient  n/a

**Additional Information:**

**WHEREAS**, historically, Black and Brown people have been and continue to be severely underpaid economically, and underrepresented in the United States; and

**WHEREAS**, despite the United States being one of the wealthiest nations in the world, Black and Brown individuals in our urban cities, such as the City of Newark, live at or below the poverty line; and

**WHEREAS**, the Reinvent Stockton Foundation (RSF), 110 North San Joaquin Street, Stockton, California 95202, established in January 19, 2017 is premised on the principle that everyone needs and should have an income floor through having a Guaranteed Income Program; and

**WHEREAS**, a Guaranteed Income Program would enable recipients to provide for their most critical needs, as well as provide a cushion for unforeseeable expenses, crises and emergencies; and

**WHEREAS**, RSF is the fiscal sponsor of the Stockton Economic Empowerment Demonstration ("SEED") launched by Mayors for a Guaranteed Income ("MGI"), a non-profit corporation, which is a subproject aimed at supporting other cities to adopt a Guaranteed Income Program; and

**WHEREAS**, through MGI, like-minded Mayors, have come together to advocate and network

for a Guaranteed Income Program, in the form of direct, reoccurring payments, to its economically disadvantaged residents to thereby create a stronger community and ultimately, for Newark, a stronger, more economically viable City; and

**WHEREAS**, MGI engaged Mayor Ras J. Baraka to explore the viability of implementing a Pilot Program to establish Guaranteed Universal Income Program (“Pilot Program” or “Program”) for the residents of the City of Newark (the “City”); and

**WHEREAS**, because of this engagement, MGI granted Community Foundation of New Jersey (“CFNJ”), 35 Knox Hill Road, Morristown, New Jersey 07960 One Hundred Thousand Dollars and Zero Cents (\$100,000.00) in grant funds, for State Fiscal Year 2020 (September 1, 2020 through December 31, 2020) for the City to use as a Third-Party Beneficiary of these grant funds; and

**WHEREAS**, MGI and CFNJ have entered into an agreement in which CFNJ will operate as the City’s fiscal sponsor for a 3% fee of the grant funds; and

**WHEREAS**, the City will hire a Program Manager for the Pilot Program, who will work with the Jain Family Institute 568 Broadway, Suite 601, New York, New York 10012 to do research on the applicability and viability of such program within the City and determine the best way to move forward to implement this program; and

**WHEREAS**, CFNJ will reimburse the City for all expenses that are related to implementing this Pilot Program, including the Program Manager’s salary out of the grant funds provided to them by MGI; and

**WHEREAS**, no municipal funds are required to implement this Program; and

**WHEREAS**, the City, RSF, and MGI, have agreed to enter into a Memorandum of Understanding to set forth their respective rights and obligations as it relates to the development and construction of the Guaranteed Income Program within the City of Newark.

**NOW THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:**

1. The Mayor and/or his designee(s), is hereby authorized to enter into and execute a Memorandum of Understanding (MOU) on behalf of the City of Newark with Reinvent Stockton Foundation and Mayors for Guaranteed Income, 110 North San Joaquin Street, Stockton, California 95202 for the Program Year 2020 (September 1, 2020 through December 31, 2021).
2. The MOU will allow the City to hire a Program Manager to research and strategize a plan on how to implement a Guaranteed Income Pilot Program within the City of Newark.
3. MGI is providing the Community Foundation of New Jersey, 35 Knox Hill Road, Morristown, New Jersey 07960, a grant in the amount of One Hundred Thousand Dollar and Zero Cents

(\$100,000.00) for the benefit of the City to implement the Program.

4. CFNJ will operate as the City's Fiscal Sponsor for a 3% fee of the grant award, which is to be paid out of the grand funds awarded by MGI.
5. CFNJ will reimburse the City from the grant award any money it has paid in the implementation of the Program and will pay the Program Manager's salary.
6. The Municipal Council ratifies this MOU from September 1, 2020 to the date of adoption of this authorizing resolution, and the MOU shall remain in force and effect until December 31, 2021.
7. No municipal funds, or commitment of municipal resources, nor staff, are required to execute the MOU.
8. A copy of the fully executed MOU and all attachments shall be filed in the Office of the City Clerk and made available for public inspection.

### **STATEMENT**

This resolution ratifies and authorizes the Mayor and/or his designee(s), to enter into and to execute a Memorandum of Understanding with Reinvent Stockton Foundation and Mayors for a Guaranteed Income both entities are located at 110 North San Joaquin Street, Stockton, California 95202, for the purpose of researching and strategizing a plan on how to implement a Guaranteed Income Pilot Program within the City of Newark. This resolution is ratified from September 1, 2020 to the date of adoption and shall remain in full force and effect until December 31, 2021. No municipal funds nor commitment of municipal resources or staff are required to execute this Memorandum of Understanding.