



MEMORANDUM

TO: Mayor and Council Members

FROM: Tamela Saldana, Interim Equity Officer 

DATE: February 7, 2024

SUBJECT: Findings from Guaranteed Income Pilot Program (Resolution No. 20210603-073)

The purpose of the memo is to provide final participant outcome results from the City of Austin Guaranteed Income Pilot Program ([Resolution No. 20210603-073](#)). At its regular meeting on May 5, 2022, City Council authorized the City Manager to negotiate and execute a contract with UpTogether (Contractor) to develop and administer the Guaranteed Income Pilot Program (Program). As part of this authorization, City Council directed the Contractor to partner with the Urban Institute researchers to provide an analysis and evaluation upon completion of the pilot. Attached are the Urban Institute findings.

Brief Summary of the Program In September 2022, UpTogether and ten community-based partners enrolled 135 households to receive \$1,000 monthly for one year. Participation in the program was not without regard to each individual's circumstances. To be eligible for the Program, applicants were required to satisfy the following qualifications:

- live within the City of Austin,
- have a household income at or below 60 percent of the area median family income, and
- be at least 18 years old.

Additionally, participants met at least one of the following criteria:

- moving from homelessness toward permanent housing;
- have a filed eviction;
- behind on rent for two or more months over the past year;
- their household received a verbal or written notice of intent to evict OR a threat to vacate by their landlord or property manager.

Payments to individual participants were not unconditional. Each participant was required to participate in surveys and interviews on how they used the payment and the impact the payments had on their economic mobility, their quality of life, and their community involvement. Information from these surveys and interviews benefits the City by identifying potential focus areas for economic development and addressing the needs of marginalized populations. Most pilot participants resided in Austin's Eastern Crescent and identified as Latinx/e or Black; 55 percent of participants lived in rental properties, while 2 percent of participants were homeowners; 29 percent of participants lived in

another type of housing, such as a shelter, group home, transitional housing, or out of cars or other spaces not intended for housing.

Next Steps

A Fiscal Year 24 budget amendment allocated \$1,300,000 to extend the pilot and create the Family Stabilization Grant Program. Staff is currently working on a new contract that will procure a vendor to administer the grant program with some modification to the contract and program to include administration oversight, audits of the program as well as the collection of economic indicator data that will assist the City with programming and services overall. Staff anticipates the program to begin spring 2024.

For any additional questions, please contact Interim Equity Officer, Tamela Saldana, at
Tamela.Saldana@austintexas.gov

cc: Jesús Garza, Interim City Manager

Attachments: *Austin Guaranteed Income Pilot: Participant Outcomes at 12 Months*
Austin Guaranteed Income Pilot: How Cash Payments Affect Social Networks

Austin Guaranteed Income Pilot: Participant Outcomes at 12 Months

Mary Bogle, Owen Noble, and Lauren Fung

Respondents reported spending most of their pilot cash on housing and that their housing security improved substantially.

Employment remained relatively stable throughout the pilot. Of the nine percent of participants who reported reducing working hours, half stated they used the time to skill-up for future work and half took on caretaking responsibilities.

Food security improved steadily, but mental health reverted to levels at pilot-launch, and in one measure (constant worry) got worse.

The Austin Guaranteed Income Pilot tests how direct cash might help individuals and families with low incomes weather their unstable housing circumstances in some of the highest-poverty and most rapidly gentrifying neighborhoods in Austin, Texas. In September 2022, UpTogether and 10 community-based partners enrolled 135 households to receive \$1,000 per month for one year. The cash transfers ended in August 2023.

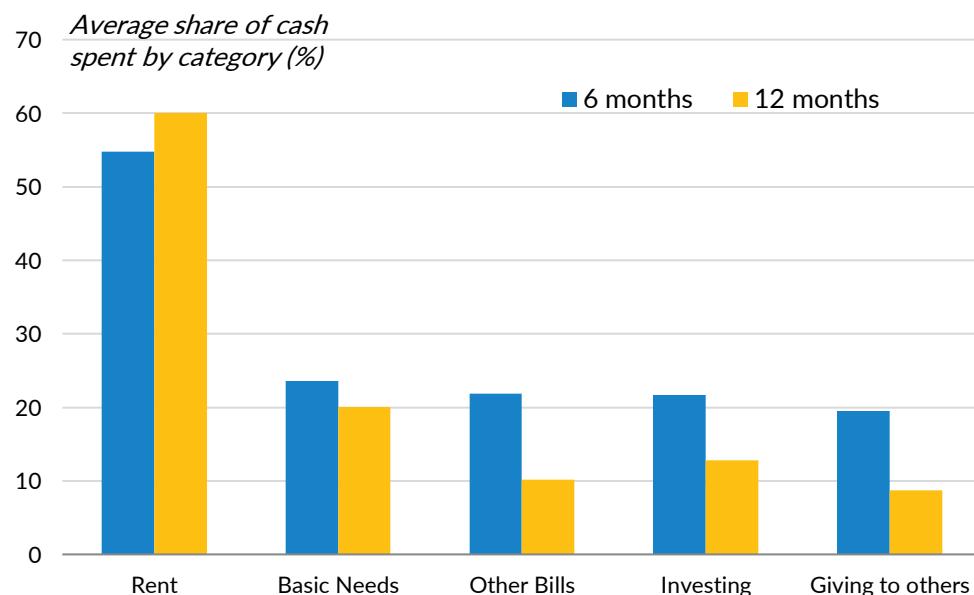
This fact sheet draws from survey data at baseline, six months, and program end (12 months). We also pull from interview data and Census Pulse data to provide a snapshot of outcomes.¹

CASH USE

Participants reported spending, on average, over 50 percent of their pilot cash to cover financially burdensome housing costs. The average share spent on housing also increased from six to twelve months and was more than twice as high as spending in any other top category.

FIGURE 1

Breakdown of UpTogether payment spending
Respondents reported spending at six months and a year into pilot



HOUSING STABILITY

The housing security of pilot participants improved substantially. Pilot participants were notably more housing insecure at enrollment than Texas residents with low-incomes who responded to the Census Pulse survey within similar timeframes as the baseline and one-year UpTogether surveys. By the end of the 12-month period, pilot participants had become substantially more housing secure. Low-income Texas residents at large became modestly less housing secure over the same period. It must be noted that the Pulse sample of Texas residents with low incomes are not a comparable external control group for UpTogether participants as there are considerable differences between the two groups that we are unable to control for (i.e., people across Texas are not necessarily good matches to people in Austin by either specific characteristics or experience of surrounding circumstances). However, benchmarking the UpTogether responses against larger housing security trends statewide offers useful context for assessing whether Austinites in the pilot may have experienced meaningful changes in their housing security. This is particularly useful when paired with qualitative and other survey data that confirm that participants typically applied the bulk of their pilot cash to meeting high housing costs.

TABLE 1

UpTogether participants' housing stability experience side-by-side with the experience of low-income people statewide

Housing stability measures (%)	UpTogether participants			Texas residents with low incomes		
	Baseline	One year	% change	Sept. 2022	Sept. 2023	% change
Currently caught up on rent/mortgage	48%	62%	+14%	81%	76%	-5%
Likelihood of having to leave home in next two months due to eviction/foreclosure	60%	48%	-12%	38%	41%	+3%

Source: Census Household Pulse survey (weeks 49 and 62) and Urban-administrated baseline survey and survey 3.

Notes: We defined "confident in making next rent/mortgage payment" as being "moderately confident" or "very confident" about making the next rent/mortgage payment. We defined "likelihood of having to leave home in next two months due to eviction/foreclosure" as being "somewhat likely" or "very likely" that a household would be evicted or foreclosed upon in the next two months. The sample size of respondents for the national Census Pulse comparison group of Texas residents with low incomes was 115 for the baseline benchmark, 153 for the 12-month benchmark, and 51 UpTogether participants (a 38% response rate) that responded to both baseline and follow-up surveys. There was no significant non-response bias by key sociodemographic characteristics including race, gender, age, and income.

EMPLOYMENT

Overall employment remained relatively stable throughout the pilot. The share of respondents reporting educational activities, part-time employment, or care work rose modestly from enrollment to 12 months. A small dip in full-time employment returned to very near enrollment levels at 12 months. Nine percent of respondents reported cutting time spent working due to the funds, with half of those saying they spent the extra time on improving their job quality by skill building, and the other half saying they took on additional care commitments, such as spending more time with their children. Seven percent reported being able to increase their time spent working on account of the cash with most of those saying they used the cash to break down barriers to better jobs such as inadequate commuting options. Please see our companion fact sheet "Austin Guaranteed Income Pilot: How Cash Payments Affect Social Networks" for data on how some pilot participants used the time pilot cash "bought" them to secure better jobs and more stable family situations.

"It helped me get back on my feet. If I didn't have that, I wouldn't be able to pay my rent."

—Black senior who is parenting her grandson

TABLE 2
Pilot Participant Employment Status at a Year

Employment status	Baseline	At six months	At 12 months
Employed full time	24%	20%	22%
Employed part time	24%	24%	28%
Self-employed full time	0%	0%	0%
Self-employed part time	12%	8%	18%
Full-time care work	14%	14%	14%
Part-time care work	0%	4%	8%
Unpaid work	6%	10%	10%
Unemployed	4%	6%	4%
Student	4%	6%	4%
Retired	4%	2%	2%
Other	8%	4%	4%
Preferred not to answer	0%	2%	0%

Source: Urban Institute analysis of 51 responses (a 38% response rate) in baseline and follow-up surveys completed through September 2023.

Notes: This question allowed for multiple employment selections among the 51 respondents who had reported employment in all baseline and follow-up surveys. Some “other” fill-in answers include temp work, gig work, and disability attributable to long COVID-19.

““Since I don’t have a vehicle, I take Ubers and the bus [to job sites]. [Before I started receiving the pilot cash,] sometimes I didn’t have enough money for Ubers and I’d have to take only the bus to make it to more than one job [site in a day]. It’s hard trying to manage that. Public transportation doesn’t get there in time because the bus varies with traffic and with the weather, there may be a delay, stuff like that. And I try to manage my time well, so I’m always early. But even when I may get [to the bus stop] early, it’s [often] still a 15 minute walk to make it, I gotta walk like 8 blocks, you know. [If I have] \$12 for an Uber, I [can] be there on time or early.”

—Security guard who daily works at multiple job sites to make ends meet

MENTAL HEALTH

Participant mental health reached its highest level of improvement by the six-month mark with the most notable gain being substantial relief from depression for 12% of participants. Two measures – feeling anxious and feeling depressed – maintained at or near six-month levels. Concerningly, participants reporting they were “not able to stop worrying,” which had improved slightly at 6 months, increased by 6% above baseline by the very end of the pilot. Interview data may explain this finding in that a substantial number of participants told the research team that they were deeply concerned about being able to make ends meet once the pilot ended. Even those who were leveraging the cash to build skills or make new job contacts expressed doubt that they could fill a \$12,000 gap in annual gross income with increased labor market income in such a short period of time. One recent study on the child tax credit found that direct cash allotments are associated with a decrease in the number of reported bad mental health days, especially for low-income households, women, and younger respondents. The effect materializes after the third monthly payment and disappears when the benefits are withdrawn (Pignatti & Parolin 2023). Most guaranteed-income evaluations find improvements in recipients’ mental health

outcomes (Wilson and McDaid 2021), but more research is needed on methods to minimize the stress of transition out of programs, as well as on the appropriate dose and duration of cash transfer depending on recipient circumstances and goals vis a vis job attainment, housing stability, and long-term child well-being. Post-pilot survey data from this study, which we intend to gather in early 2024, will help to clarify the sources of the additional worry.

TABLE 3

UpTogether participants' mental health metrics, side-by-side with all Texas residents

Mental health measures (%)	UpTogether participants			Texas residents with low incomes		
	Enrollment	One year	% change	Sept. 2022	Sept. 2023	% change
Felt anxious	50%	48%	-2%	58%	45%	-13%
Not able to stop worrying	44%	50%	+6%	48%	36%	-12%
Felt down, depressed	54%	48%	-6%	46%	33%	-13%

Source: Census Household Pulse survey (weeks 49 and 62) and Urban-administrated baseline survey and survey 3.

Notes: We defined "felt anxious" as experiencing symptoms of anxiety "more than half [of the last 7] days" or "nearly every day [of the last 7 days]"; "not able to stop worrying" as not able to stop worrying for "more than half [of the last 7] days" or "nearly every day [of the last 7 days]"; "felt little interest, pleasure" is defined as feeling little interest or pleasure for "more than half [of the last 7] days" or "nearly every day [of the last 7 days]"; "felt down, depressed" is defined as feeling down or depressed for "more than half [of the last 7] days" or "nearly every day [of the last 7 days]." The sample size of respondents for the national Census Pulse comparison group of Texas residents with low incomes was 115 for the baseline benchmark, 153 for the 12-month benchmark, and 51 UpTogether participants (a 38% response rate) that responded to both baseline and follow-up surveys. There was no significant non-response bias by key sociodemographic characteristics including race, gender, age, and income.

FOOD SECURITY

Most participants faced food insecurity before receiving their first cash disbursement. Reductions in food insecurity were significant across all metrics from baseline to 12 months, and participants were notably more likely to be able to afford balanced meals.

TABLE 4

Pilot Participants' Food Security at 12 Months

Food security metrics	Baseline	At six months	At 12 months
Food did not last and there was not money to buy more	82%	67%	70%
Could not afford to eat balanced meals	76%	63%	59%
Cut meal sizes or skipped meals because participant was unable to afford more food	47%	43%	39%

Source: Urban Institute analysis of 51 completed food security question responses in both participant baseline and follow-up surveys completed through the end of the pilot (a 38% response rate).

Notes: We categorized participants as being unable to buy sufficient food or eat balanced meals if they selected that this experience was "sometimes" or "often" true in the past 30 days. We do not provide benchmarks from Pulse since food security metrics were not collected by the Census Bureau during the survey fielding periods.

ACKNOWLEDGMENTS

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Austin Guaranteed Income Pilot: How Cash Payments Affect Social Networks

Lauren Fung, Mary Bogle, Owen Noble, Rodrigo Garcia

Pilot participants we surveyed reported [feeling more connected to the people in their community](#) over the pilot period.

The cash enabled some participants we spoke to directly to invest in job training and to deepen their networks of job contacts, [building the skills and relationships they needed to move them into more secure jobs and higher wages](#).

The cash enabled participants we spoke to directly to spend more time engaging with community organizations – [both to receive the help they need and to help others](#).

The Austin Guaranteed Income Pilot tests how direct cash might help individuals and families with low incomes weather their unstable housing circumstances in some of the highest-poverty and most rapidly gentrifying neighborhoods in Austin, Texas. In September 2022, UpTogether and 10 community-based partners enrolled 135 households, which received \$1,000 per month from September 2022 – August 2023.

This fact sheet uses data from baseline, six-month, and one-year surveys of participants, as well as information from participant interviews, to present a snapshot of how Austinites with low-income have used the cash to connect to people who can offer them the resources, jobs, and emotional support they may need to advance their social and economic prospects now that the cash payments have ended.

THE IMPORTANCE OF SOCIAL NETWORKS

A social network is a set of relationships. Social networks exist at the individual level between friends, families, and coworkers, as well as at the institutional level between people and their employers, schools, helping entities, and governing bodies. Although there is no single social network theory, all of them assume interactions among people and entities which facilitate the exchange of information, resources, and influence among network members. Research shows that connections to other people are particularly important to social and economic well-being. Strong and positive social ties are correlated with positive mental health outcomes. Perhaps surprisingly, weak social ties – people we are acquainted with, but don't know well – are more important for connecting us to employment opportunities, promotions, and better wages than strong ties are.

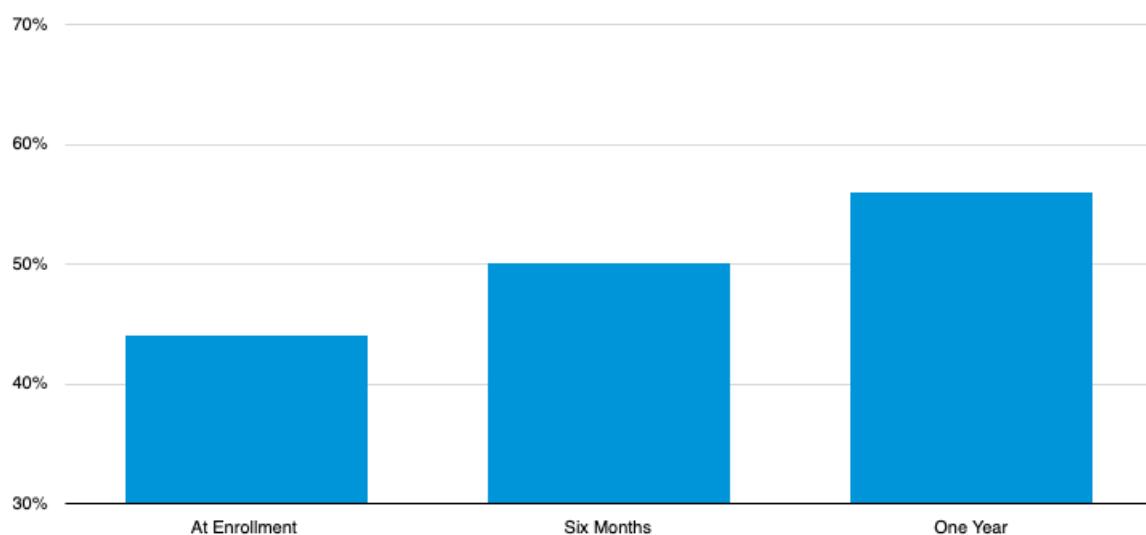
THE EFFECT OF THE AUSTIN CASH PAYMENTS ON SOCIAL NETWORKS

Data from other guaranteed income pilots suggest that even minor infusions of cash may encourage participants to expand or access their social networks in ways that lead to better outcomes for mental health, job attainment, and housing stability. However, this hypothesis has not been widely explored. To better understand if and how direct cash might affect the social networks of recipients, the research team analyzed relevant survey data from participants in the Austin Guaranteed Income Pilot. In addition, we coded data we gathered from four participants as sociograms, which provide detailed visual representations of individuals' relationships with others.

FIGURE 1

Participants' felt more connected to the people and places in their neighborhoods

Share of survey respondents who reported feeling somewhat or very connected (%)



Source: Results from social connectedness metrics from the baseline survey, survey 2, and survey 3

Notes: This includes 50 responses from participants who reported feeling somewhat to very connected to the people or places in their neighborhoods. Only completed responses across all three surveys were included.

Data from our baseline, six-month, and 12-month surveys show that the number of participants' close social relationships stayed the same throughout the pilot, with respondents reporting the median number of friends or relatives they saw or called for support in the past three months maintaining at around three people and two people, respectively. However, respondents also reported feeling more connected to their neighbors over the pilot period. This resulted in a 12% increase in respondents who felt "somewhat" to "very" connected to the people and places in their neighborhoods from 44% at baseline to 56% at 12 months. Survey data do not explain why people – who are not otherwise expanding their relationships to close, supportive people – feel substantially more connected to people and places in their communities. The analysis below of how the cash affected the social networks of four pilot participants offers potential explanations.

The research team developed sociograms for four participants who are broadly representative of the enrollment pool: a Black mother with young children, a married Burmese refugee who is the father of 2 young children, a white middle-aged woman who is unhoused, and a precariously housed Black mother with teen children. We asked these participants to describe relationships they found helpful and to rate the degree of help across a 3-point scale ranging from "a little" to "some" to "a lot." Finally, we asked each interviewee to reflect on if or how the cash improved, added, or diminished the helpfulness of their connections. Interviewees did not identify any instances where the cash had a negative effect on a relationship with others, though one participant did say that they did not tell family or acquaintances about their monthly cash for fear of being pressured to share it in ways that would diminish its usefulness to their immediate family. Each interviewee's story is below. The sociograms (figures 2–5) we used to analyze and illustrate each story feature icons which represent the people each person is connected to, such as friends, family, co-workers, social workers, etc. Where meaningful, the icons show the organization or institutions a connection might represent. ***The icons in blue represent***

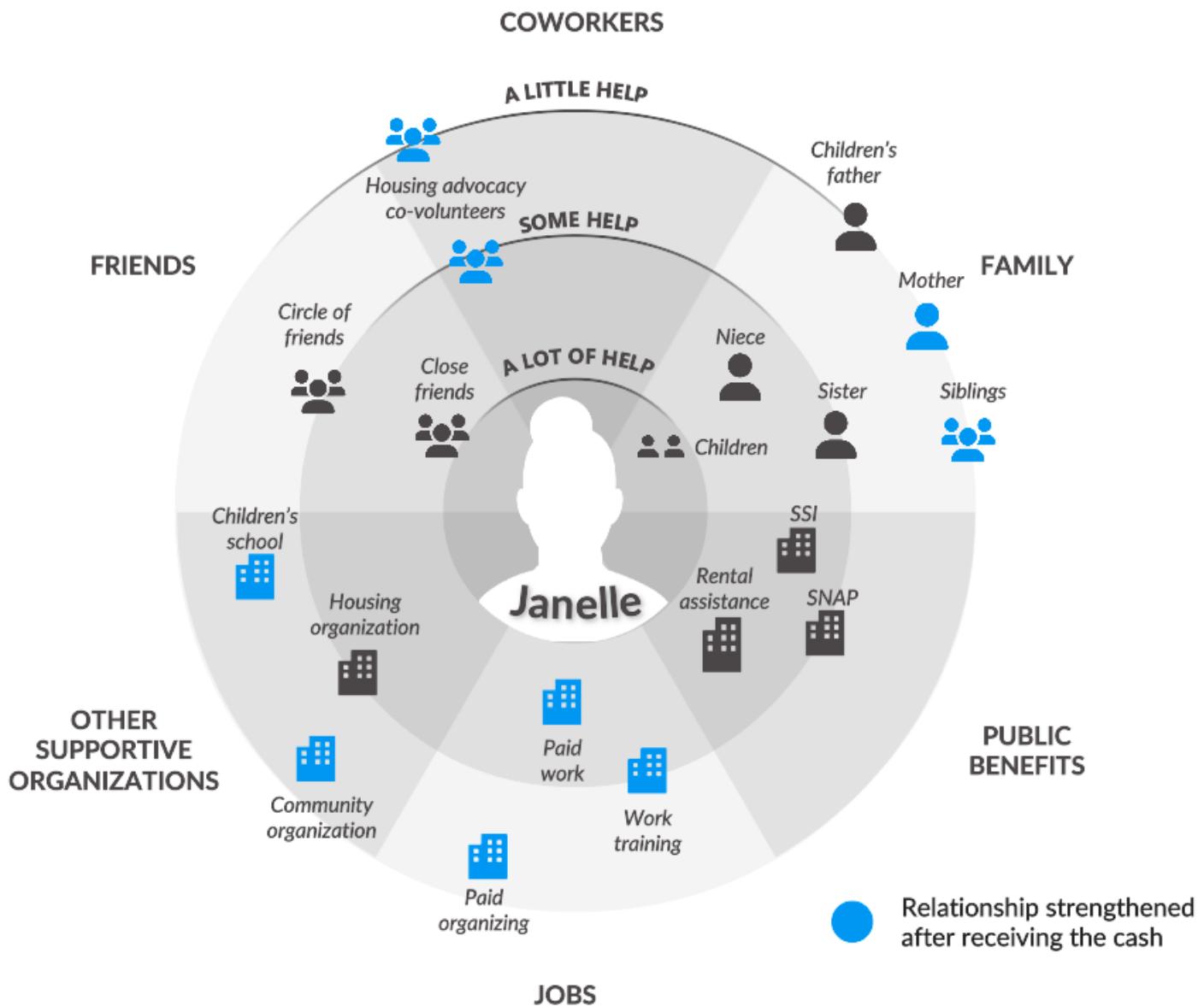
relationships that participants say emerged or grew stronger on account of their having the extra cash; the icons in gray represent relationships that were not affected by the cash payments.

JANELLE'S STORY

The cash payments have helped Janelle add and strengthen relationships important to job seeking, children's education, community building, and family functioning. Janelle is a mother of two living in southeast Austin. She has two children, a preschooler and a second grader with special needs who she adopted from a sibling who cannot provide the care the

FIGURE 2.

How the Cash Payments Affected Janelle's Connections



Note: Other supportive organizations include social service organizations, congregations, schools and teachers, other professional helpers. Public benefits include government sponsored help.

child requires. Janelle also takes care of her disabled mother and lends financial support to her siblings when she can. Janelle previously worked full-time in an administrative position but decided to pursue temp work on account of her children's often significant educational needs and a personal health challenge, which impairs her mobility and has made it increasingly difficult to get to work without a car. Janelle and her children receive a few public benefits, such as Supplemental Security Income (SSI) and the Supplemental Nutrition Assistance Program (SNAP), which she says are quite helpful and appreciated. However, she also notes that it has been difficult to get ahead since the combination of her work income and benefits barely covers rent, utilities, food, and necessities for her children.

Shortly after receiving her first cash payment, Janelle began using it to pay for skill-building classes she hoped would increase her earning power after the pilot ends. The cash also allowed her to reduce her temp job hours so that she had time for the training, as well as time to volunteer with a local community organization that works on preserving affordable housing in east Austin. Occasionally, the organization paid Janelle to go door-to-door to organize her neighbors and provide them with information on resources like affordable housing, transportation, and internet services. Reflecting on her unpaid activities, Janelle says, "I really appreciate being a part of the program and the doors it has opened to me," noting that her new and strengthened relationships with the staff and co-volunteers of the community organization, in particular, have expanded the circle of people who provide useful information and emotional support to her.

The reduction in her temp hours also gave Janelle more time to volunteer in her children's classrooms and talk with their teachers, involvement which she sees as essential to their school success. And the cash has bolstered Janelle's already strong relationship with her mother and improved previously strained relationships with four of her siblings. For example, Janelle has used pilot cash to hire a rideshare service to take her and her mother to doctors' appointments on time and without the discomfort people with mobility challenges often encounter on public transportation.

Shortly before the pilot ended, Janelle's new skills and connections helped her to secure a full-time position as a leasing agent for an apartment complex near her home. This new job has increased her earnings by about \$2,000 per month over what she took in before the pilot began, resulting in a net gain of about \$1,000 per month in income. Though her additional income has resulted in a decrease in her SNAP benefits, Janelle feels fortunate to be able cover the higher grocery bill with her increased job earnings. She's also grateful for the time the pilot cash gave her to find a school more appropriate to her second grader's needs, and she remains engaged with her children's teachers.

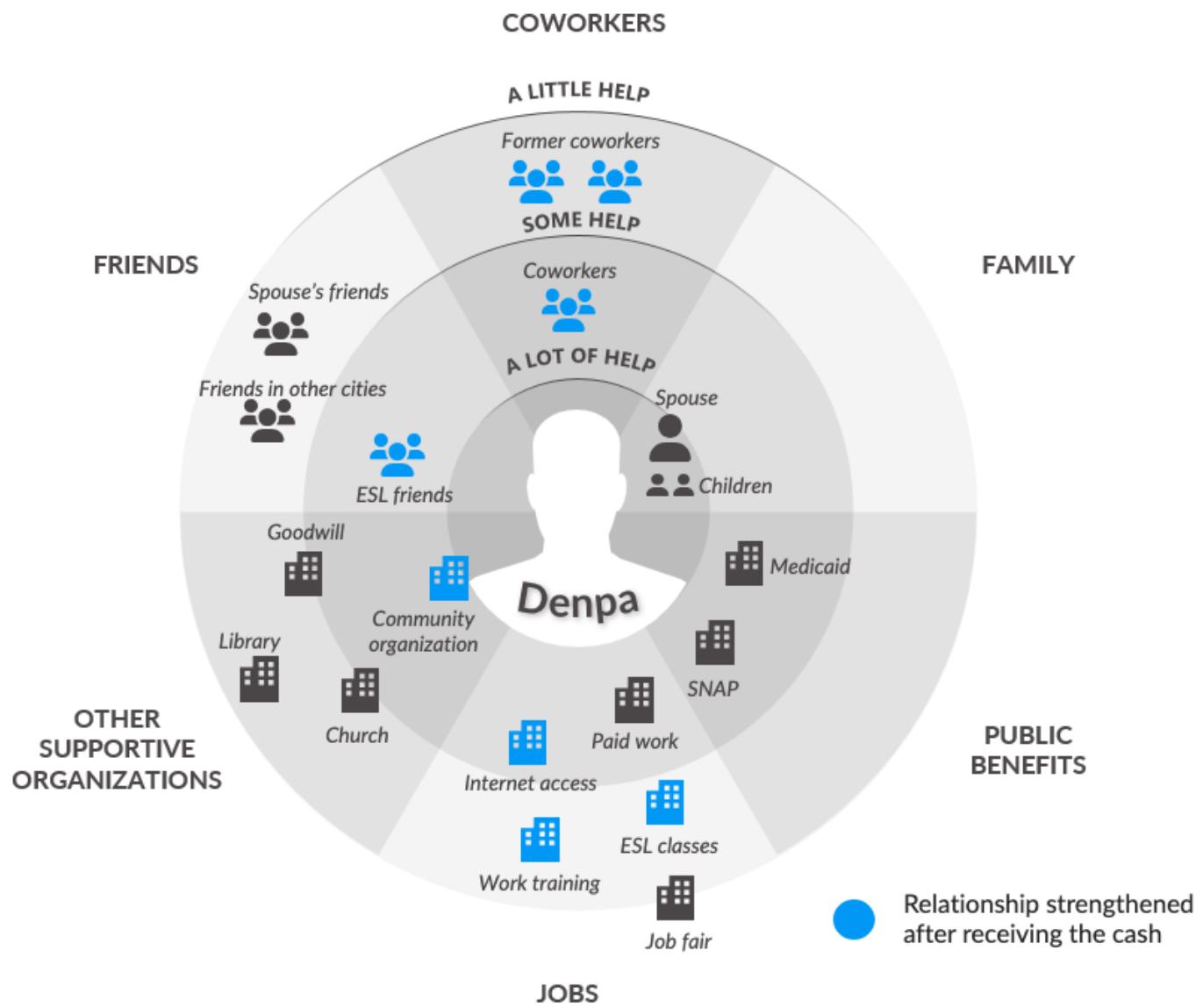
DENPA'S STORY

The cash payments have helped Denpa strengthen relationships important to economic mobility and community building. Denpa is a father of two living in northern Austin. He immigrated to the United States in 2016 as a refugee from political violence in his home country. Forced to leave behind extended family during immigration, Denpa and his wife have worked to build a strong sense of community in Austin, where they are deeply involved in a local church and support networks for Asian American immigrants.

Prior to receiving the pilot cash, money was tight in Denpa's household because his part-time job with a supportive employer did not pay enough to cover his family's high rent and food expenses. Because Denpa wanted to advance in his current job, rather than leave it, he used the cash to invest in courses at Austin Community College and was subsequently promoted and given more hours. He also hooked up Wi-Fi in his home so that he and his wife could take English classes together online. Denpa also uses his Wi-Fi access to serve as an online translator for other immigrants.

FIGURE 2.

How the Cash Payments Affected Denpa's Connections



Says Denpa today, “I’m confident. I learned technical computer skills and English and my career is better. I have more hours now.” Denpa’s increased income has resulted in the loss of public benefits like Medicaid, but he and his wife are working on securing health insurance benefits through Austin’s Medical Access Program at higher rates. He recognizes that the dual transition out of the pilot and benefits loss has increased his financial strain, but he plans on continuing his education to secure higher-paying positions. He emphasizes that the flexibility of the cash assistance was key for freeing up the time and resources he needed to invest in his long-term career goals. “I just want to say thank you to the pilot,” he explained, “it was very good for people who are very busy and low-income so they can get promoted up.”

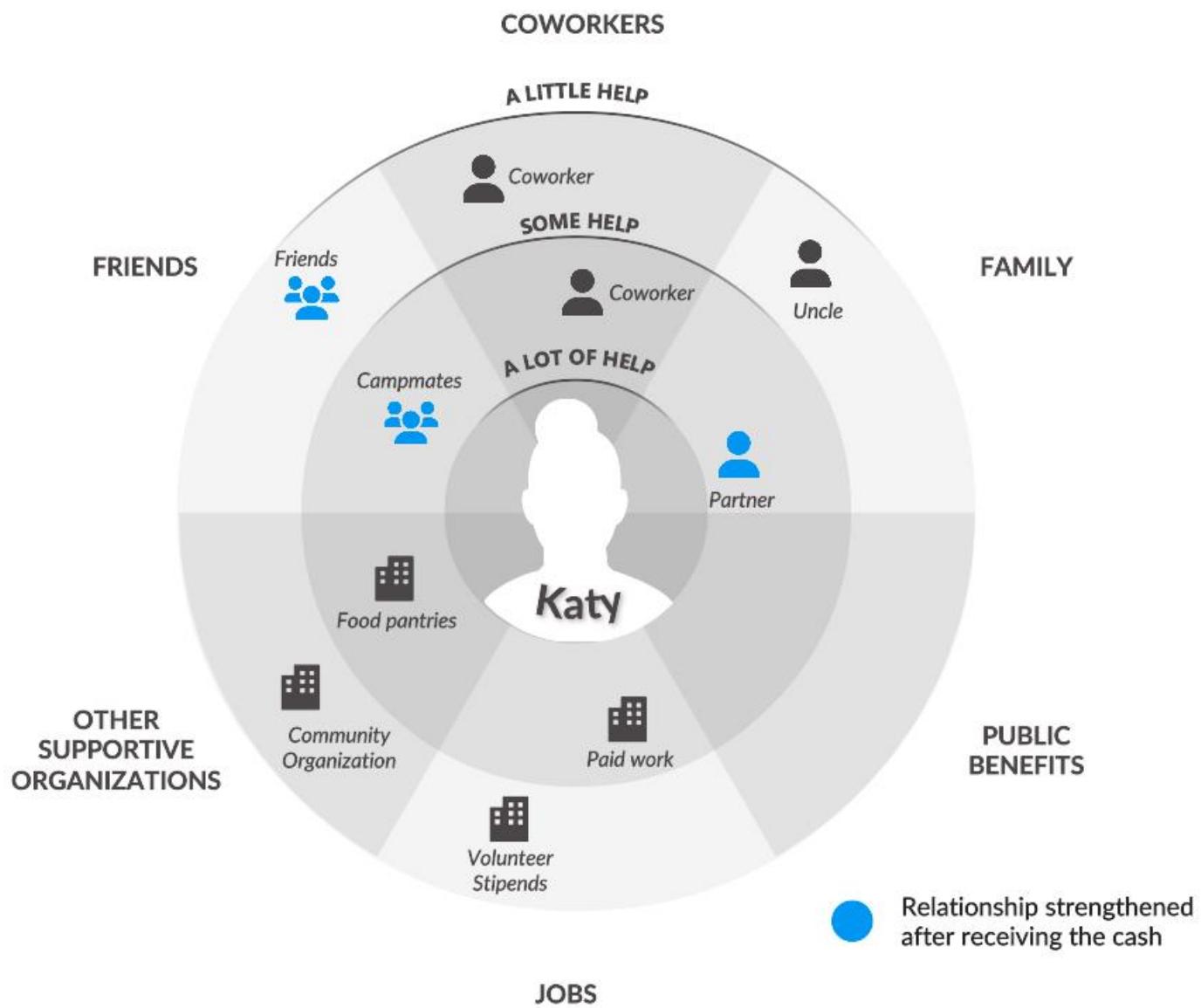
KATY'S STORY

The cash payments have helped Katy to meet basic needs and maintain a social network that is protective and emotionally supportive. Katy received emergency housing after winter storm Uri hit Austin hard in February 2021. After a series of job

setbacks and the emergency housing benefit ended, Katy became unhoused. She now lives with a male partner and a few close friends in a small campsite. She receives modest stipends for her work doing outreach and representing the concerns of unhoused people in community forums. Katy has been on a waitlist for permanent supportive housing with wrap around services for six years. She qualifies for this option due to longstanding mental health issues arising from a chaotic childhood and abuse from past intimate partners. Katy has been unable to qualify for SSI and she does not receive SNAP or other public benefits partly because the work requirements Texas places on benefit recipients are difficult for people who have challenges like unstable housing and sporadic work opportunities.

FIGURE 3

How the Cash Payments Affected Katy's Connections



Katy has primarily used pilot cash to pay for food, water, and other survival items, but the amount has not been enough to allow her to secure housing while she waits for her permanent supportive housing to come through. Katy is very generous

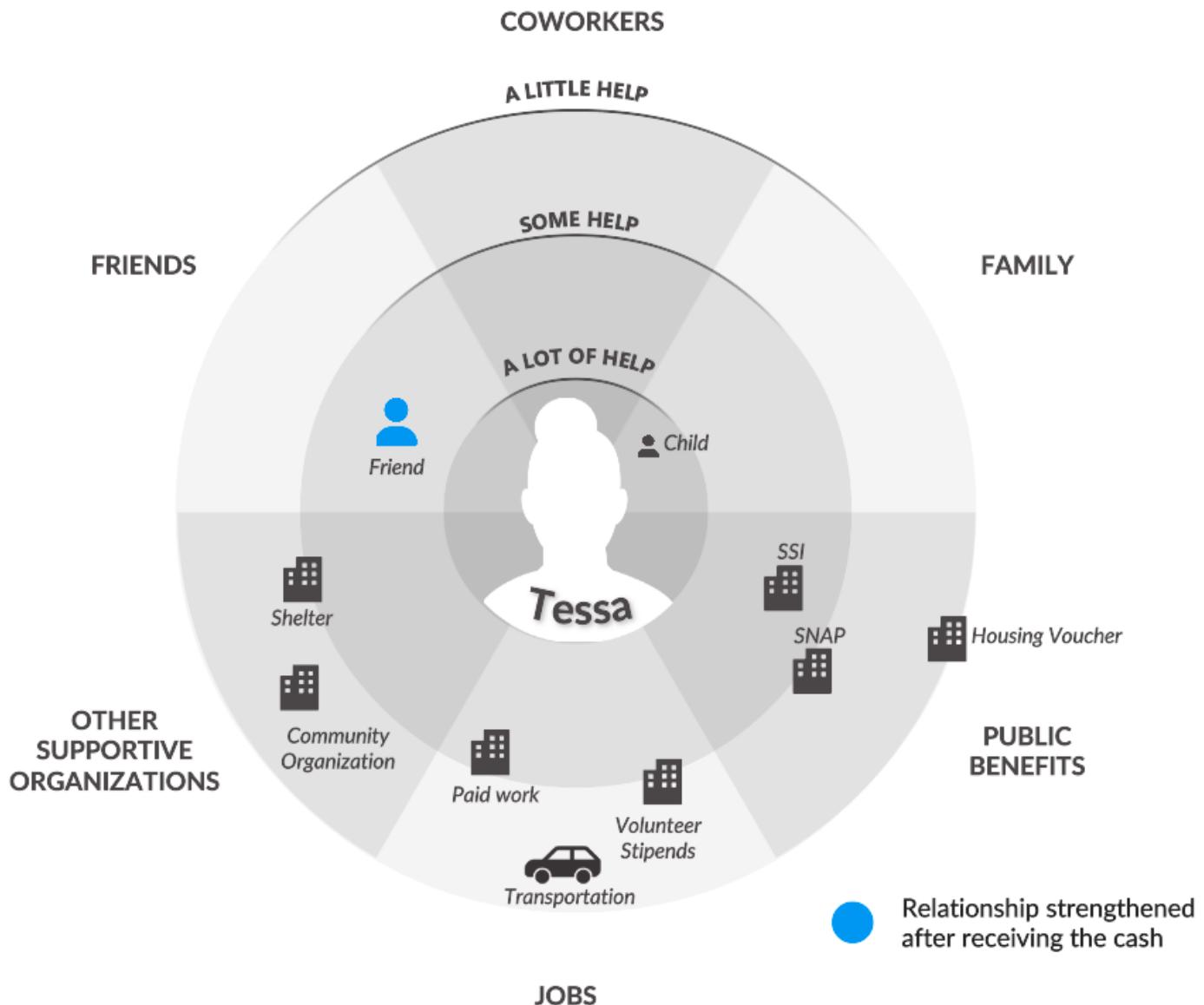
with her monthly cash allotment. When another outreach worker lost her housing, Katy used funds from the pilot to help her find another option. She has used some of pilot cash to buy snacks, toiletries, and other items for her campsite mates. Katy talks about how such sharing is necessary and very common among the unhoused because friend groups rely heavily on one another for physical protection, emotional support, and other basics they need to manage the harsh and unsafe conditions often found in encampments for the unhoused.

TESSA'S STORY

The cash payments have helped Tessa to maintain housing and, potentially, to improve her transportation options for getting to higher paying work. Tessa moved out of her home in 2021 after filing a restraining order against her abusive partner who had made it impossible for her and her children to keep living there.

FIGURE 4.

How the Cash Payment Affected Tessa's Connections



Tessa relied on Texas rent relief to secure new housing for a short time. When that program ended, Tessa relied on Supplemental Security Income for her younger child with special needs, SNAP, and house cleaning to support her family. She could not keep up with rent and was forced to leave her home in the summer of 2022, just before she enrolled in the guaranteed income pilot. Tessa's youngest child moved in with extended family, but there wasn't room for Tessa and her older daughter, so they moved into a family shelter. When her daughter turned 18 in early 2023 they had to leave the shelter. Tessa received an emergency rental voucher but had great difficulty finding a suitable apartment which also met regulatory "fair market rent" standards for applying her voucher.

Tessa used her pilot cash to secure housing options after she and her daughter had to leave the family shelter. When they aren't staying in low-cost hotels, Tessa and her child "couch surf" in the home of an acquaintance who was also enrolled in the cash pilot. She used pilot cash to pay a modest rent to the acquaintance so that she did not have to worry about where to sleep while she focused on aligning her housing, work, and transportation situations. Tessa continues to pick up work as a house cleaner, and has a standing job offer for a well-paying job as a hostess for a café in a community on the outskirts of east Austin. Austin bus routes won't get her to the café so Tessa saved a portion of her pilot cash each month toward buying a very cheap used car. Once she secures the car and the higher source of income, she plans to reunite with both her children in a home that is within a reasonable commuting distance from the cafe.

CONCLUSION

Social ties play an essential role in participants' social and economic well-being. Our data suggest that recipients of pilot cash use it to create, maintain, and grow networks which help them to achieve goals for job advancement, children's education, emotional support, and community building. Survey data indicate that many pilot participants connected to their neighbors more, and interview data suggest that the flexibility of cash may be essential to forming and building the kind of social ties and resources (e.g., transportation) they need to surmount crises and secure living-wage jobs.

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