



## Legislation Text

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**File #:** 67741, **Version:** 1

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### **Fiscal Note**

No additional City appropriation is required with approval of the proposed resolution and memorandum of understanding. A resolution accepting the \$600,000 of prospective grant funding and amending the adopted operating budget will be introduced at a later date.

### **Title**

Authorizing the Execution of a Memorandum of Understanding between the City of Madison and Mayors for a Guaranteed Income

### **Body**

WHEREAS, RES-20-00537 “Calling for Emergency Money to the People to provide critical relief to American families during the COVID-19 crisis and until our economy recovers; and calling on Congress to support and pass ongoing, direct cash payments” was enacted by the Madison Common Council on August 7, 2020; and,

WHEREAS, on December 8, 2020 Mayors for a Guaranteed Income (“MGI”) received a \$15 million grant from Jack Dorsey, CEO of Twitter and Square, to provide financial assistance to MGI member cities seeking to implement guaranteed income pilots; and,

WHEREAS, Madison is currently eligible to receive up to \$600,000 in funding from MGI (the “MGI Funding”) to support program administration and payments to community members participating in a guaranteed income program (the “Madison MGI Program”); and

WHEREAS, the Common Council approved the creation of a Task Force pursuant to RES-21-00157, Legistar File 63952, to assist in carrying out the Madison MGI Program; and

WHEREAS, MGI has required that a memorandum of understanding (“MOU”) be agreed to between MGI and the City in order to begin the transfer of the MGI Funding to support the Madison MGI Program; and

WHEREAS, the Madison MGI Program, and this MOU, require collaboration between multiple partners in order to provide payments to recipients, research, and technical support.

NOW THEREFORE BE IT RESOLVED, that the Common Council of the City of Madison hereby authorizes the Mayor and Clerk to execute an MOU with MGI on substantially, though not exclusively, the following terms and conditions:

1. The Parties’ Obligations
  - A. MGI:

- i. Provide one-on-one technical assistance to the City including demonstration design, fundraising, and communications support;
- ii. Conduct a multi-city evaluation, develop a learning agenda, and ensure that all demonstrations add to the evidence base and build towards federal policy;
- iii. Create opportunities to elevate the voice of the City as a champion for a federal guaranteed income;
- iv. Provide opportunities to elevate the stories of guaranteed income recipients in Madison; and
- v. Grant \$600,000 in starter funds to assist with launching a guaranteed income program. These funds shall be divided into payments not to exceed \$300,000 per disbursement.

B. City

- i. Develop a work plan for demonstration design and implementation (the "Work Plan"), and share with MGI for feedback. The Parties agree that any terms or conditions included in the work plan will be incorporated into this MOU, and will be bound by the terms and conditions of this MOU. Any efforts involving lobbying expenditures as defined in 26 U.S.C. 501 (h) must be included in the work plan and approved by MGI prior to the expenditure being made.
- ii. Disbursements to recipients must begin within 45 days after the grant is received. Additionally, all dollars must be secured before disbursements begin; and
- iii. The Madison MGI Program must protect benefits and be supplemental to, rather than replace, the existing social safety net. Waivers must be secured, where possible, and recipients must receive benefits counseling; and
- iv. The Madison MGI Program must serve at least 110 residents, so as to yield statistically significant and detectable research results; and
- v. Cities must make a full-faith effort to leverage additional dollars.
- vi. Conduct bi-weekly check-ins with the MGI team to ensure that work is coordinated. Topics for check-in include, but are not limited to: demonstration progress, ongoing media and storytelling efforts, and fundraising;
- vii. Participate in MGI research consortium, and be evaluated by the Center for Guaranteed Income Research at the University of Pennsylvania.

2. Effective Date and Termination

- A. This Memorandum of Understanding shall constitute an agreement between both parties and shall remain in effect from the date of the last signature through the end of the Madison MGI Program.
- B. MGI may in its sole discretion terminate this MOU at any time if (i) any party uses the Funds for any purpose other than as stated in the Work Plan, or (ii) any party does not complete its work as described in the Work Plan on the timeframe set out in this MOU, or (iii) any party makes any material misrepresentation in any report or other document delivered or statement made to MGI; or (iv) the Agreement terminates by reason of MGI

action or otherwise. If MGI takes such action, MGI will send a written notice to that effect, with the termination effective ten (10) days after sending.

- C. If either party materially breaches any of its obligations under this Agreement, the non-breaching party may provide the breaching party with written notice of the material breach. If the breaching party fails to cure said breach within fifteen (15) days after receipt of such notice, the non-breaching party may terminate this Agreement effective immediately upon delivery to the breaching party of a written notice to that effect. The non-breaching party may in its reasonable discretion determine whether the breach has been cured. The Parties agree that nothing in this subsection shall limit MGI's ability to terminate this MOU at its own discretion, subject to the terms in 2(B).

BE IT FURTHER RESOLVED, that the Common Council hereby authorizes the Mayor and Clerk to execute the MOU, and other documents necessary to carry out the purposes of this resolution and the Madison MGI Program, in a form to be approved by the City Attorney.