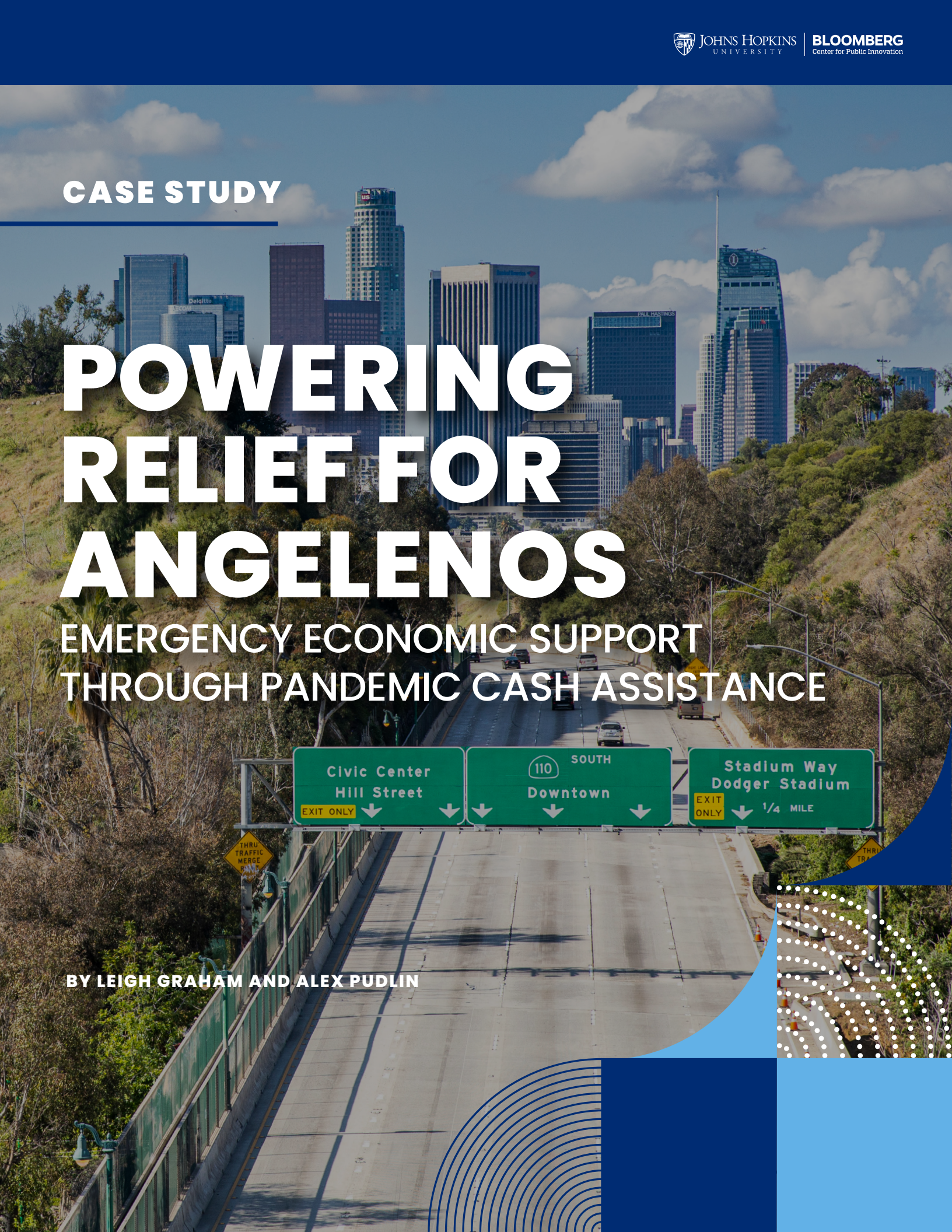


CASE STUDY

POWERING RELIEF FOR ANGELENOS

EMERGENCY ECONOMIC SUPPORT THROUGH PANDEMIC CASH ASSISTANCE

BY LEIGH GRAHAM AND ALEX PUDLIN



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Executive Summary	03
Introduction	10
Multi-sector Responses to Emergency Assistance	14
The Direct Cash Programs	16
Results: Getting Money for Basic Needs to Vulnerable Angelenos Quickly	23
Takeaways for Practice	29
Conclusion	38
References	41

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JUNE 2024

Graham, Leigh and Alex Pudlin. (2024, June). Powering Relief for Angelenos: Emergency Economic Support Through Pandemic Cash Assistance. The Bloomberg Center for Public Innovation at Johns Hopkins University.

EXECUTIVE SUMMARY

Direct cash assistance programs have been growing in popularity since the outbreak of the Covid-19 pandemic in 2020, embraced by the public sector and philanthropy alike, with increasing evidence of their efficiency and efficacy as anti-poverty and emergency relief tools. This case study details the innovation process behind the design, delivery, and impact of the City of Los Angeles' direct cash assistance programs created in response to the COVID-19 pandemic. Los Angeles' largest program, the Angeleno Card, has been replicated in 10 cities and states so far, signaling its position at the forefront of this broader transformation in social policy and practice. Drawing on program data, stakeholder interviews, and a targeted literature review, we describe the material impacts and takeaways for municipalities and their private-sector partners interested in advancing their own direct cash assistance initiatives.

A Multi-sector Response to Emergency

By early March 2020, the City of Los Angeles was weighing pandemic responses for impacted residents as state and local lockdown orders took an almost immediate economic toll. In response to heightened economic insecurity among an already fragile populace, Mayor Eric Garcetti convened a working group of city leaders and partners to figure out how to support impacted Angelenos.

The working group, including the Mayor's Fund for Los Angeles, Accelerator for America, and the city's Housing & Community Investment Department (HCID), determined that getting unrestricted cash relief directly to Angelenos in need was the best response to the pandemic's economic impacts. As program planning and implementation unfolded, the Mayor's Fund led fundraising and implementation, working with Mayor Garcetti to raise \$76 million for COVID-19 relief, including \$36.7 million in private donations for the Angeleno Card program, the first of what would eventually become a portfolio of five direct cash assistance programs over the course of the pandemic.

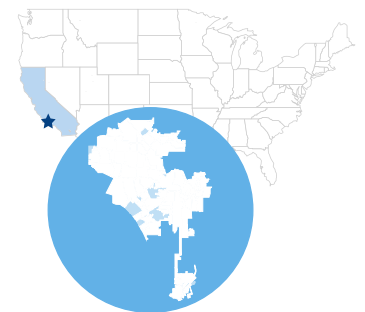


Figure 1.
City of Los Angeles map.

Technology companies Apex IT and Oracle were contracted to develop an online application system. HCID's FamilySource Centers, neighborhood anti-poverty "one-stops" with expertise in service delivery for low-income households, handled funds distribution and later, recipient recruitment. L.A.'s YouthSource and WorkSource Centers also assisted with distribution as programs scaled. The Mayor's Office acted as a central program coordinator, intermediary, and decision-maker across the programs.

In April 2020, the city announced its first direct cash assistance program, the [Angeleno Card](#). The Angeleno Card would provide debit cards worth between \$700 and \$1,500 to low-income residents — regardless of immigration status — with total annual household incomes below the federal poverty level who were experiencing additional economic hardship due to the pandemic. The city received 184,000 eligible applications in the first enrollment period; 15,000 were randomly selected for eligibility verification at one of L.A.'s FamilySource Centers.

Despite initial technological difficulties, card distribution began eight days after applications opened. By the end of May, the city was distributing over \$1.2 million



per day via the Angeleno Card. By the program’s end in August 2020, Angeleno Cards had provided \$37 million in direct cash assistance to more than 104,000 residents who had experienced job loss (40%), furloughs (27%), and reduced hours (33%) due to the pandemic. A majority of funds were spent at retailers selling household necessities (e.g., food, gas) or similar (e.g., paying utility bills).

Getting Money for Basic Needs to Vulnerable Angelenos Quickly

For the city and its partners, the Angeleno Card validated the feasibility and effectiveness of direct cash programs as emergency financial assistance. This informed future initiatives for specific vulnerable populations, summarized in the table below and elaborated in the full report.

All the direct cash programs successfully met the city’s key priority: to quickly put money into residents’ hands to meet basic needs during the pandemic. Program results, summarized below and drawn primarily from the Angeleno Card unless

Program Comparison Chart

Program	Start Date	Amount on Cards	Card Format	Cards Distributed	Amount Spent	% of Funding Spent
Angeleno Card	4/14/2020	\$700/ \$1,100/ \$1,500	Physical	37,841	\$36,589,031	99.6%
Project Safe Haven	4/17/2020	\$100	Physical	1,067	\$757,756	94.7%
GIVEN 1.0	12/18/2020	\$300	Physical and digital	10,283	\$3,002,405	79.6%
SERVE	12/20/2020	\$800	Digital	9,064	\$6,402,159	80.0%
GIVEN 2.0	12/16/2021	\$300	Physical	4,938	\$1,420,773	94.7%
TOTAL				63,193	\$48,172,124	94.8%

GIVEN 2.0 data as of 8/31/2022; All other program data as of 5/1/2022



63K

prepaid cash cards
delivered to residents
in need

93%

Angeleno Card
recipients earning
less than \$25,750
a year

otherwise specified, align with federal, state, and local evidence about meeting pandemic needs, program utilization, and impact.

Rapid Distribution: All four direct cash programs that made a single distribution per recipient — the Angeleno Card, GIVEN 1.0 and 2.0, and SERVE — disbursed at least 50 percent of funds in the first two months of operations. Project Safe Haven, a weekly distribution model, distributed 50 percent of its funds within four months.

Spending on Basic Needs: Based on point-of-sale (POS) data from the programs, recipients overwhelmingly spent resources on essential items. Analyzing the Angeleno Card's top 30 POS types using the U.S. Bureau of Labor Statistics Consumer Expenditure Categories, we observe that recipients used their Angeleno Cards to feed their families (food: 47.7%), to pay their utility bills and fill their gas tanks (housing and utilities: 18%; gas: 4.9%), access cash (cash contributions: 7.8%), and take care of other personal needs ("other" expenditures: 16.4%). Data for the other direct cash programs tells a similar story.

Demographic Reach: Overall, low-income Angelenos and women in particular were well served by the Angeleno Card. Over 93 percent of the Angeleno Card program's disbursed funds went to applicants earning up to \$25,750 per year, and 63 percent of Angeleno Card funds were disbursed to applicants identifying as women. In contrast, when it comes to race and ethnicity, who applied and received Angeleno Cards does not track with wealth inequities in Los Angeles — across multiple measures, despite program design and iteration for equity. This uneven alignment between program participation and local needs is common in disaster recovery programs, as different vulnerability factors impact access despite eligibility.

Learning From Los Angeles’ Direct Cash Assistance Programs

We offer three takeaways for practitioners concerning equitable service delivery, digital innovation, and program scalability.

Takeaway 1: Service delivery Co-planning programs with community-based organizations (CBOs) with service delivery expertise in low-income communities is essential. Affirming this expertise by increasing CBO’s autonomy in program design and implementation further improves service delivery. Time-limited programs such as direct cash initiatives also serve as an entry point for recipients into organizations offering a wider suite of services and resources, thus exponentially increasing public-sector support for vulnerable households.

Designing for equity takes time, reflection, and iteration. Los Angeles made substantial efforts in terms of generous eligibility guidelines, partnering with CBOs, and adapting programs for particular groups (e.g., food service workers). A growing body of research evaluating emergency relief programs points to the need to design for intersectional vulnerability as indicators such as age, homeownership status, and race interact in dynamic and unpredictable ways. Ongoing data collection and analysis are essential for cities to learn from one another as they expand direct cash efforts; research to date emphasizes federal program outcomes.

Takeaway 2: Digital innovation The five direct cash assistance programs relied on four different vendors. The Mayor’s Fund selected vendors based on their ability to deliver with speed, accuracy, and security. Despite this, vendors tended to change with programs as program needs evolved. Important considerations in working with for-profit digital vendors include understanding banking regulations that structure the use and availability of funds and parameters around card expiration, data reporting, and fee structures, all of which tend to vary by vendor. Planning for the unexpected, such as cascading effects from supply chain hiccups, is also critical. Finally, keen knowledge of digital

divides and barriers in communities is essential, as some populations will have less facility with or access to digital cards versus physical ones.

Takeaway 3: Partnerships for scale

As research shows, private-sector partners like the Mayor’s Fund and the nonprofits that contract with Los Angeles, such as FamilySource Centers, have speed, flexibility, and access to offer in launching new initiatives, making them crucial partners for local governments when circumstances require a quick response or when cities are experimenting with new solutions. As pilots demonstrate success over time and/or multiple iterations, the role of the public sector — local, state, and federal governments — should grow in parallel to ensure programs are sustainable and far-reaching. As cross-sector collaboration creates opportunities for learning and adaptation, the public sector should be designing legislation, partnerships, and budgets to make successful, impactful programs permanent.





Direct Cash Assistance Programs Are Here To Stay

The pandemic transformed our collective orientation to direct cash assistance programs. Los Angeles' direct cash assistance programs add to the growing evidence that these programs work quickly and effectively to reduce hardship. The takeaways from the Angeleno Card program have informed similar initiatives in at least 10 cities and states in the United States working with Accelerator for America. Mayors nationwide now champion direct cash programs, drawing from their experience that local governments' time and expertise are well spent on connecting constituent needs to community and philanthropic institutions that can ensure charitable dollars reach vulnerable households rapidly and smoothly.

Los Angeles offers an important use case for how local governments can collaboratively innovate new solutions in times of crisis and over the longer term to address persistent wealth inequities. Looking ahead, Los Angeles and similarly motivated cities, state houses, and federal agencies should identify funding and policy to make promising solutions permanent. We hope the design considerations about service delivery, digital technologies, and the essential role of partnerships summarized here inspire other cities when creating large-scale programs intended to offer life-saving support and create public value for cities and their residents.



INTRODUCTION

In April 2020, barely one month into the novel coronavirus pandemic emergency, Mayor Garcetti's administration in Los Angeles launched a direct cash assistance program for economically impacted low-income Angelenos. Partnering with the Mayor's Fund for Los Angeles, the nonprofit Accelerator for America, and the city's Housing and Community Investment Department, among others, the Mayor's Office remarkably began disbursing funds to eligible households in less than two weeks. By June 2022, the city had distributed 63,193 cards to an estimated 130,000 people, totaling over \$49 million in unrestricted emergency relief to meet households' basic needs. The vast majority of recipients (97%) received direct financial support in the first nine months of the pandemic.

How did the City of Los Angeles manage to distribute so much emergency assistance so quickly to so many vulnerable residents? This case study details the innovation process behind the design, delivery, and impact of the city's

direct cash assistance programs created in response to the pandemic. Through this retrospective analysis of these programs, we illustrate the iterative process of designing and deploying dynamic initiatives that successfully deliver much-needed services to residents in high-pressure periods of crisis. We describe the programs' material impacts for recipients, benefits for the city, lessons learned in the process, and conclude with takeaways for interested municipalities and their private-sector partners.

The City of Los Angeles is at the forefront of a larger movement embracing direct cash assistance programs to empower communities to address their greatest and most urgent needs.

Direct cash assistance programs, such as federal stimulus checks and rent relief, were one of the primary tools used by leaders at the local, state, and federal levels to address the rapid shocks and disruptions to residents' lives during the early stages of the COVID-19 pandemic (Cerullo 2022; U.S. GAO 2022). Evidence is growing that direct cash assistance is an impactful and cost-efficient method of improving the lives and welfare of individuals and communities (Bastagli et al. 2016; Hasdell 2020; Marinescu 2018; UNHCR Evaluation Service, 2020). The City of Los Angeles' direct cash assistance programs are at the forefront of a larger movement in philanthropy, government, and civic engagement that focuses on responses and programs that empower communities where the greatest and most urgent needs exist (Bogle and Rodriguez 2021; DiBenedetto 2023).

The City of Los Angeles is one of a few global cities with an independent nonprofit partner, the Mayor's Fund for Los Angeles, which convenes public and private stakeholders for programming addressing "most pressing needs" of city residents. Although in some ways this is a unique resource for the city, U.S. municipalities often have community foundations or local family foundations that play an important philanthropic role at the local level.¹ Locally focused philanthropies such as the Mayor's Fund often possess a unique, nonpartisan ability to unite government, nonprofit, and business partners to advance city priorities (Bloomberg Associates 2020; Feoli 2020; Reed and Goldman 2023;

¹ For example, there are over 900 community foundations in the United States, with presence in every state, according to the Council on Foundations. As of 2011, there were more than 40,000 family foundations in the United States. A 2015 report by the Urban Institute and National Council on Family Philanthropy found that about two-thirds of family foundations prioritize place-based giving, although that proportion declines to 40% among younger family foundations (Boris et al. 2015).

Smith 2012). Such partners and partnerships open pathways for creative and timely responses to needs and opportunities in cities (Roque 2020). Philanthropies in particular can provide unique value to local governments in their ability to quickly raise and flexibly deploy financial resources (for an example, see Schatteman and Bingle 2015).

The COVID-19 pandemic is one of the most remarkable and recent examples of how private-sector partners can help advance city priorities, but the same is true in other periods of crisis, whether after natural disasters or during financial catastrophes such as the Great Recession.² Given the vital role of private philanthropy in U.S. social policy and emergency relief, there are generalizable lessons from the Los Angeles experience for other public-private partnerships, especially as it concerns engaging local philanthropy and nonprofit or community-based organizations as co-creators in solutions to pressing local problems.

Data and Methods

Los Angeles, like other cities working to improve resident experiences, has significantly expanded its [use of data](#) to guide decision-making and inform policy in recent decades (Pentland 2013; Tönurist et al. 2017; Yuan 2022). This report uses data collected by the City of Los Angeles and the Mayor’s Fund for Los Angeles from the direct cash assistance program activities between April 2020 and June 2022. The Bloomberg Center for Public Innovation at Johns Hopkins University analyzed data shared by the Mayor’s Fund program team to understand the impacts, effectiveness, successes, and challenges related to direct cash assistance programming in Los Angeles and takeaways for other cities and local governments interested in similar innovation. We also conducted stakeholder interviews in the summer of 2022 with the programs’ implementation teams, the Mayor’s Fund for Los Angeles, and card recipients to gain a firsthand account of the creation and implementation of the direct cash programs. Finally, we undertook a targeted review of the literature on emergency cash assistance programs to contextualize our findings within broader urban governance trends.

Limitations

There are several limitations to our analysis. First, we do not have qualitative data on the programs collected in real time, which might enable a deeper understanding

² According to a report from the Council on Foundations (2014), community and family foundations and other geographically-focused philanthropies are becoming more engaged and active in disaster relief.

and assessment of program performance and impact. Our qualitative data, collected through interviews, is retrospective. Interviewees were not uniformly involved across all five programs, and thus their insights may be limited to a particular program or period. We also use interviews generally to inform our analysis, rather than quoting any stakeholders directly. This may dampen the narrative slightly, with less illustrative detail than quotes would provide.

Second, we are working with inconsistently collected data across the direct cash assistance programs. The data that we report in our results section is *for applications to the Angeleno Card program and money paid to applicants*. The Angeleno Card offers useful *self-reported demographic data* and, with GIVEN 2.0, is one of only two programs to collect *recipient data by zip code*. Furthermore, Angeleno Card applicants and recipients reported income, race/ethnicity, and gender at the *individual level* (i.e., the person's demographics). Thus, any Card data we share in this analysis focuses on individual applicants versus their households.

We rely primarily on Angeleno Card data in this report given the financial size of the program compared to subsequent direct cash assistance programs, as well as the relatively richer data we have from the program.

We do have spending data collected for *all* programs, but transaction data reported for GIVEN 2.0 is limited compared to the others (top 10 and top 25 spending categories only, versus all raw spending transaction data from card swipes with the other programs).

We wish we were in a position to comparatively analyze program outcomes against overall economic need in Los Angeles, based on U.S. Census data or similarly reliable datasets. Unfortunately, attempting to make comparisons across different instruments with different categories and descriptors would only muddle our findings from these programs. We aim to counter data limitations by drawing on our experience with the programs, the city, or the field of disaster and crisis response, and by triangulating quantitative and interview data and evidence from relevant research to the extent possible.

This report is organized as follows: we briefly contextualize the pandemic period in which Los Angeles designed and launched direct cash assistance

programs, followed by a detailed description of each program. In these descriptions, we focus primarily on process and outcomes. We next elaborate on those outcomes, breaking down the programs' distribution, spending, and reach, with empirical comparisons to other programs when possible. In this section on results, we rely primarily on Angeleno Card program data, which is the most in-depth across all the programs. We highlight convergence with and divergence from the other cash assistance programs when possible. We then present three categorical takeaways for practice concerning service delivery, digital innovation, and scaling programs. Finally, we reflect on how direct cash assistance programs play to diverse partners' strengths and conclude with brief remarks on how to sustain and scale programs like this in times of crisis *and* stability.

MULTI-SECTOR RESPONSES TO EMERGENCY ASSISTANCE

The COVID-19 pandemic put tremendous stress on state, county, and city governments worldwide. By the time the White House declared a state of emergency on March 13, 2020, freeing up federal emergency funds and paving the way for a \$2 trillion stimulus package, outbreaks were occurring across the country. The lack of a clear and coordinated response from the federal government in February and March of 2020 added pressure on state and local governments considering their own pandemic responses.³ City halls and state houses were navigating quickly changing and sometimes unclear guidance from the U.S. Centers for Disease Control and Prevention (hereafter, "the CDC"), the nation's public health agency leading the federal pandemic response, while responding to residents' immediate needs and concerns. As is often the case, local government officials and staff were on the front lines of government response.

The [State of California](#) and the [City of Los Angeles](#) declared states of emergency and instituted shelter-in-place orders on March 4, 2020. Mayor Eric Garcetti simultaneously issued the ["Safer at Home" Emergency Order](#), requiring

³ The World Health Organization raised the alarm about the novel coronavirus in January 2020 as communities around the world began to experience outbreaks. However, the response from the White House was comparatively slower and limited in its ability to meet the immediate needs of people in local American communities. When the federal CARES Act was signed into law on March 27, many residents were already suffering from the effects of local lockdowns and the shifting economic and public health landscape. While CARES Act-funded stimulus checks began to arrive for eligible residents in April 2020, other key programs like federal rental assistance would not become available until December 2020.

residents and any non-essential workers⁴ to stay in their homes unless absolutely necessary. Core services and industries from food to public transportation began to close or reduce operations, impacting many resident populations who needed them most.

The lockdown took an immediate economic toll on the residents of Los Angeles, particularly low-income families who lacked significant savings. It also had a disproportionate impact on communities of color, undocumented residents, and those in the service industries. Loss of employment and health and safety restrictions put additional strain on those already experiencing housing insecurity and homelessness.⁵ In response to heightened economic insecurity among an already fragile populace, Mayor Garcetti convened a working group of city leadership and key partners to figure out how the city could support impacted Angelenos.

The Mayor's Office engaged the [Mayor's Fund for Los Angeles](#) and [Accelerator for America](#), the city's Housing & Community Investment Department, including their FamilySource Centers that provide assistance to low-income residents. The Mayor's Office acted as a central program coordinator for the working group and in the programs that eventually launched, providing oversight, guiding decision-making in areas such as the best approaches for managing applications and verification, and serving as an intermediary among the various partners.

In reviewing prior charitable efforts during periods of crisis, the working group concluded that restricted or in-kind resources often created inefficiencies in support, leaving people with a surplus of one necessity (e.g., food) and gaps in another (e.g., gas to get to work). They also tended to feel incomplete or drawn out, doling out necessities piecemeal versus empowering people with cash to meet their own needs. They determined that getting unrestricted cash relief directly to Angelenos in need was the best response to the pandemic's economic impacts. Such direct cash assistance programs would enable recipients to address critical needs, such as medical care, food, and housing expenses.



Since its start in 2014 as an independent 501(c)3, the Mayor's Fund has a track record of bringing together philanthropy, nonprofits, business, and government to quickly stand up programs that benefit Angelenos.



Accelerator for America is a nonprofit tackling economic insecurity through networks with mayors and their public and private-sector partners to advance solutions in cities nationwide.

⁴ Essential businesses and workers are defined in Section 13 of the Los Angeles County Safer at Home Order.

⁵ We draw on data here from the Census Household Pulse Survey (2020), L.A. County's Economic Development Report (2021), Los Angeles Homelessness Services Authority (2020), and L.A. County's Department of Public Health. Many in these populations were at higher risk of severe illness and death. County health data show that mortality among Latino residents was 2.3 times higher than among White residents, and more than one and a half times as high for Black residents. Mortality was similarly disproportionate based on poverty levels: areas with >30 percent of the population living in poverty had mortality rates 2.8 times higher than areas with <10 percent of people in poverty.

THE DIRECT CASH PROGRAMS

The Angeleno Card

In April 2020, the city announced a new direct cash assistance program, the [Angeleno Card](#). The Angeleno Card would provide between \$700 and \$1,500 to low-income households via debit cards distributed through the city’s nonprofit network of [FamilySource Centers](#). The Angeleno Card would serve low-income residents — regardless of immigration status — with total annual household incomes below the federal poverty level and experiencing additional economic hardship due to the pandemic, whether through job loss or income reduction of at least 50 percent.⁶

Funding: The Mayor’s Fund led fundraising and implementation for the program and the subsequent four additional direct cash assistance programs the city implemented to support economically vulnerable Angelenos throughout the pandemic. As an independent nonprofit, the Mayor’s Fund could move more quickly than the city government to launch the Angeleno Card program, doing so in a matter of weeks. Specifically, the Mayor’s Fund could deploy private donations more rapidly than if moving through the city’s normal budgeting and procurement processes. This also avoided adding additional pressure to the city’s revenue streams, which were experiencing dramatic pressure from the pandemic shutdown and various fee moratoriums the city adopted during that time. Further, Los Angeles, like most cities, had no obvious line item for a program of this scale.

The Mayor’s Fund worked with Mayor Garcetti to raise \$76 million for COVID-19 relief, including \$36.7 million in private donations for the Angeleno Card program.⁷ Early on in the pandemic, Mayor Garcetti instituted daily press conferences to keep the public informed about the quickly changing health landscape. These were viewed widely on television and Facebook Live and became an important channel for contributions to the Mayor’s Fund, as Mayor Garcetti included in his appearances how much had been raised and distributed in the most recent period.⁸ This both encouraged donations by demonstrating that the city was using



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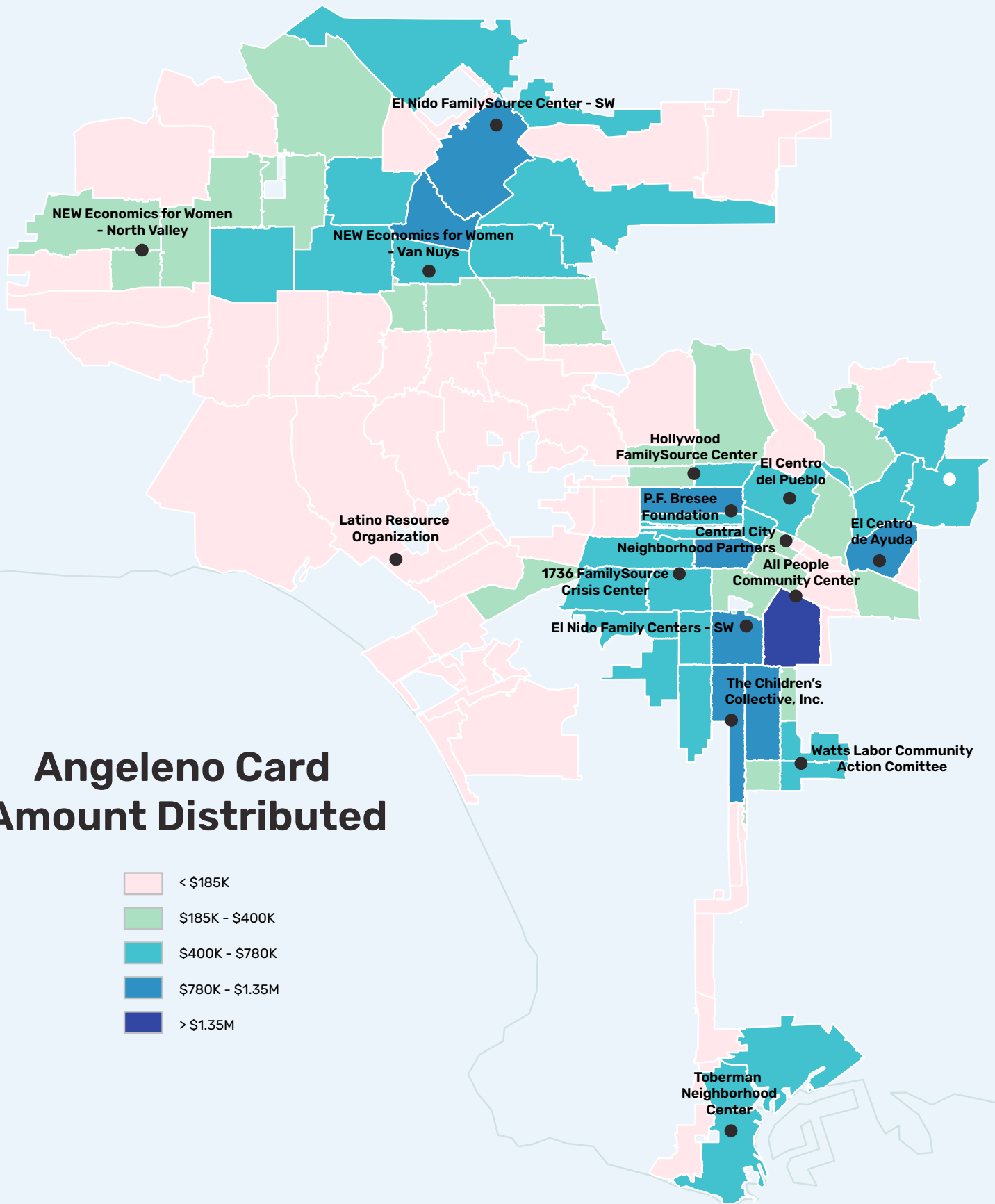
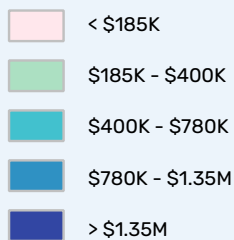
FamilySource Centers in Los Angeles operate as neighborhood “one-stops” for eligible low-income residents seeking “social, educational, work, and family support services.”

⁶ According to 2020 census data, 658,750 Los Angelenos lived below the federal poverty line, making them potentially eligible for the program.

⁷ This \$76 million figure refers to the total COVID-19 relief money raised via the Mayor’s Fund, of which over \$49 million went to the direct cash assistance programs referenced in the introduction. In addition to the other direct cash assistance programs, COVID-19 funding also supported other programs such as Senior Meals.

⁸ See, for example Los Angeles Mayoral Briefing COVID-19 5/15/20: <https://www.youtube.com/watch?v=a9Dt0CG0EJQ>, beginning at 17:47.

Angeleno Card Amount Distributed



37,841

cards distributed

\$37M

in direct cash
assistance for
Angelenos

the funds quickly and effectively and boosted the morale of those distributing the funds. While several large donations exceeding \$1 million funded initial efforts, over 60 percent of contributions that came in were less than \$500 each.

Distribution: The city contracted with technology leaders including Apex IT and Oracle to develop and launch a brand new online application system after early efforts to utilize the city's existing phone bank triggered a government-wide crash due to resident demand.⁹

The city partnered with FamilySource Centers first, then with YouthSource and WorkSource Centers in later stages as the program scaled, to distribute the no-fee debit cards to recipients in person. FamilySource Centers are neighborhood "one-stops" for eligible low-income residents to access city anti-poverty programs, operated by local nonprofits in contract with the city. FamilySource Centers in particular are an active and existing source of support for Los Angeles families in need, connecting residents with a variety of city and state services and helping people navigate the Earned Income Tax Credit and public assistance systems. The FamilySource Centers and their staff were chosen as distribution partners because of their significant operational capacity, know-how, cultural competence, and trust from the communities the city and the Mayor's Fund sought to serve through the program.

Despite initial technological challenges, the city ultimately received a remarkable 454,000 applications during the first enrollment period, of which approximately 184,000 were preliminarily eligible. From this pool, the city randomly selected 15,000 eligible residents to schedule verification appointments at a nearby FamilySource Center, where they presented proof of eligibility.

Once eligibility was verified, residents received no-fee debit cards at the FamilySource Centers in the following amounts:

\$700 for households with 1-2 people
\$1,100 for households with 3-4 people
\$1,500 for households with 5-12 people

⁹ Tech companies were paid for their services at a deep discount.

¹⁰ See footnote 14.

Distributions began eight days after applications opened. Within two days, over \$1.2 million was delivered to over 3,500 residents. As the verification and distribution process solidified and evolved in the following weeks, card distribution accelerated even more. Within six weeks, over \$17.2 million had been given out to over 49,000 Angelenos. By the end of May, the city was, remarkably, distributing over \$1.2 million per day via the Angeleno Card. In June, an additional 16,000 cards were allocated for distribution. To verify eligibility and distribute the next batch of cards, the city utilized both the FamilySource Centers and WorkSource and YouthSource Centers administered by the city's Economic and Workforce Development Department.

Impact: By August 2020, when the program ended with the city's shift toward an Emergency Rental Assistance program, Angeleno Cards had provided \$37 million in direct cash assistance to more than 104,000 residents who had experienced job loss (40%), furloughs (27%), and reduced hours (33%) due to the pandemic. Just a handful of consumer expenditure categories accounted for 83.9 percent of funds, including 40 percent on food and 15 percent on household expenses.¹⁰

The Angeleno Card turned out to be a successful test case for direct cash assistance as a method of support for Angelenos. For the city and its partners, the program validated the feasibility and effectiveness of direct cash programs as emergency financial assistance, especially along three dimensions:

- **Pace of funds distribution**
- **Partnership with FamilySource Centers to reach Angelenos in need**
- **Household spending of funds on basic and emergency needs**



FamilySource Centers

A 2020–2021 evaluation of FamilySource Center programs offers helpful demographic information about clients and service areas, suggesting who may have enjoyed strong access to direct cash assistance programs:

- Latinos make up more than half of the service area for **11 of the 16 FamilySource Centers**;
- **25 percent or more** of children live in poverty in 11 out of 16 FamilySource Centers service areas, and female-headed households are the highest proportion of families in poverty served by FamilySource Center;
- **34 percent** of all FamilySource Center clients live in extreme poverty (i.e., their income is less than 50 percent of the federal poverty level), the highest proportion of all income tranches and more than double the next-highest group.



The card's impact appealed to donors and partners and motivated future initiatives aimed at specific economically vulnerable populations and specific needs, described below.

Project Safe Haven

Conceptualized alongside the Angeleno Card, Project Safe Haven was a customized direct cash program for a specific population vulnerable to economic and food insecurity: domestic violence survivors. As in many communities during the pandemic, Los Angeles experienced a spike in requests for domestic violence services.¹¹ Lockdown restrictions coupled with the constraints of available shelter beds left many survivors of domestic violence with few to no options for a safe shelter. In response, the Mayor's Fund for Los Angeles, the city, and agencies supporting survivors of domestic violence launched Project Safe Haven on April 29, 2020. Project Safe Haven provided a comprehensive set of resources for participants including shelter, counseling, legal services, and \$100 weekly debit cards to be used for groceries. Over 16 weeks, the program distributed 1,067 cards totaling over \$770,000 in value, serving more than 1,100 adults and children. The Mayor's Fund [reports that](#) Project Safe Haven "served as the largest emergency domestic violence shelter in the country and increased the County's shelter bed capacity by 150%."

GIVEN 1.0

As the holidays approached, the city, the Mayor's Fund, and their partners launched another direct cash assistance program to alleviate food insecurity amid holiday financial strain. From increased spending for gift-giving and gatherings to new

¹¹ In April 2020, domestic violence incidents reported to the Los Angeles Police Department increased by 16 percent from the previous April. By May, data from the Los Angeles Department of Public Health shows that the number of calls to their Domestic Violence Council Hotline had increased by approximately 300 percent compared to May 2019.

pandemic-related needs, at-risk families faced compounding and intersecting financial pressures. With \$550,000 from the Mayor's Fund and support from individual donors, the Grocery Intervention for Vital Emergency Needs, a.k.a. GIVEN, distributed \$300 cash cards to residents for groceries and other essential items during the holiday season.

The city partnered again with FamilySource Centers for GIVEN, this time asking them to actively identify recipients from existing clientele in addition to performing eligibility verification and card distribution. Residents were selected from a pool of FamilySource Center clients at or near the poverty line who had enrolled in services between July and October 2020. More than 10,000 cards were distributed through the GIVEN program in December 2020 and January 2021, totaling \$3.1 million in direct cash assistance. Card swipes indicated that recipients spent 55 percent of the cash at grocery stores (35%), eating establishments (12%), and discount department stores where food is also typically sold (8%).

SERVE

Restaurants and food service workers were repeatedly hit hard during the pandemic (L.A. County Economic Development Corporation 2021). A surge in infections following the Thanksgiving holiday in 2020 led to renewed health and safety restrictions on restaurants, exacerbating existing financial strain for workers. The Mayor's Office and

SERVE provided \$800 digital cards to food service employees aged 18 and over who lived in the city and earned less than the federal poverty level.

partners once again tailored their direct cash programs for a particularly vulnerable population, launching Secure Emergency Relief for Vulnerable Employees (SERVE) in December. SERVE provided \$800 digital cards to food service employees aged 18 and over who lived in the city and earned less than the federal poverty level. Similar to the Angeleno Card, applicants had to demonstrate financial hardship, measured as job loss or income reduction of at least 50 percent, as employees of restaurants, food stands, trucks, and carts; and bars, wineries, or breweries that served food. SERVE applications were available online in English and Spanish via the city's 311 system. The Mayor's Fund and partners went through an extensive vetting process to verify that applicants met the criteria, including making phone calls to confirm employment status. Recipients were chosen from a randomized list of all eligible applicants and received a Prepaid Mastercard Virtual Account for \$800.



GIVEN 2.0

GIVEN 1.0 successfully delivered over \$3 million in flexible cash assistance to over 10,000 Los Angeles households during the holiday season in 2020. Yet, demand for assistance persisted through 2021 as the coronavirus mutated and families and households continued to struggle economically (de la Haye et al. 2022). With surplus donations available for allocation, the Mayor’s Fund for Los Angeles saw a clear opportunity to do more for Los Angeles residents as another holiday season approached.

GIVEN 2.0 launched on December 16, 2021, designed based on insights gleaned from the direct cash programs in 2020. The relaunch of GIVEN also allowed the program to be part of the broader citywide [Angeleno Connect](#) initiative, which consolidated all eligible city assistance on one prepaid debit card and created single sign-on capability for residents to access over 140 city services. GIVEN 2.0 offered \$300 in direct cash assistance intended to help with groceries and other essential items during the winter holiday season and relied on FamilySource Centers for distribution in order to maximize community reach.

To qualify for GIVEN 2.0, applicants had to demonstrate residency and economic hardship, the latter based on two criteria:

1. Have a household income at or below 80 percent of the area median income, or roughly \$57,000 a year.
2. Demonstrate that they “suffered illness, loss of employment or some other negative factor due to the COVID-19 pandemic.”

Cards were delivered to the FamilySource Centers in batches. Initially, each FamilySource Center received 250 cards. After the program began, cards were then reallocated among FamilySource Centers based on early disbursement patterns. Centers that distributed cards quickly received additional cards. GIVEN 2.0 empowered FamilySource Centers to determine their distribution process.

Card distribution often happened in three distinct ways, based on each FamilySource Center’s customer base and discretion:

1. Staff reached out to current FamilySource Center customers, including households that had received previous assistance.
2. New customers that came into the FamilySource Center for reasons unrelated to GIVEN 2.0 were offered cards.
3. FamilySource Centers conducted outreach for new customers.

GIVEN 2.0 planned to distribute 5,000 cards by the end of 2021, but the unpredictability of an evolving coronavirus affected its rollout. The program’s announcement coincided with an unprecedented rise in cases due to the Omicron variant,¹² likely increasing the need for direct cash assistance while also hampering distribution. High cases among both FamilySource Center staff and potential card recipients disrupted card distribution from both sides. The FamilySource Centers were also now playing a central role in administering the city’s universal basic income pilot, BIG:LEAP, which launched in the first quarter of 2022. Card vendor delays and routine holiday closures also impacted distribution; by the end of 2021, only 32 percent of cards had been disbursed.

Nonetheless, this multifaceted, flexible, and autonomous approach ultimately paid off, as nearly all FamilySource Centers distributed 100 percent of their allotted cards. Even FamilySource Centers that had a slow start with distribution caught up over the subsequent months. By March, nearly 80 percent of the funding had been spent. By June 2022, only one FamilySource Center had distributed fewer than 99 percent of their cards. As of August 2022, 4,938 of 5,000 cards had been distributed, and \$1.42 million of \$1.49 million had been spent.

RESULTS: GETTING MONEY FOR BASIC NEEDS TO VULNERABLE ANGELENOS QUICKLY

Across variations in size, distribution, and populations served, all the direct cash programs successfully met the city’s main program priority: to quickly put money into the hands of residents to spend on their basic and emergency needs during

¹² According to the L.A. County Department of Public Health, the seven-day average cases increased from 1,863 a day on Dec 17 to over 38,017 a day by January 11, a rise of over 1,940 percent (personal communication, n.d.).

the pandemic. The city's direct cash assistance programs during the pandemic reflect best practices from research on disaster relief and recovery, including the need for flexible sources and uses of funds after crisis events; the distinctive roles and timing for public versus private monies to support individuals, households, and communities in crisis; and the strategic value of public-private partnerships to blend efficiency and efficacy in getting funds to people who need them (Chandra et al. 2016; Graham 2007). In this section, we highlight key results that can inform future direct cash assistance programs. In general, we rely on Angeleno Card data unless otherwise noted.

The city's direct cash assistance programs during the pandemic reflect best practices from research on disaster relief and recovery, including the need for flexible sources and uses of funds after crisis events.

Distribution

A rapid and accelerated distribution pace characterized all four direct cash programs that made a single distribution per recipient — the Angeleno Card, GIVEN 1.0 and 2.0, and SERVE. Despite building an entirely new application system and fundraising for donations in real time via the Mayor's daily COVID-19 briefings, the Angeleno Card distributed 47 percent of funds in April and May and passed the 50 percent mark on June 11, 2020, approximately eight weeks after the program launched.

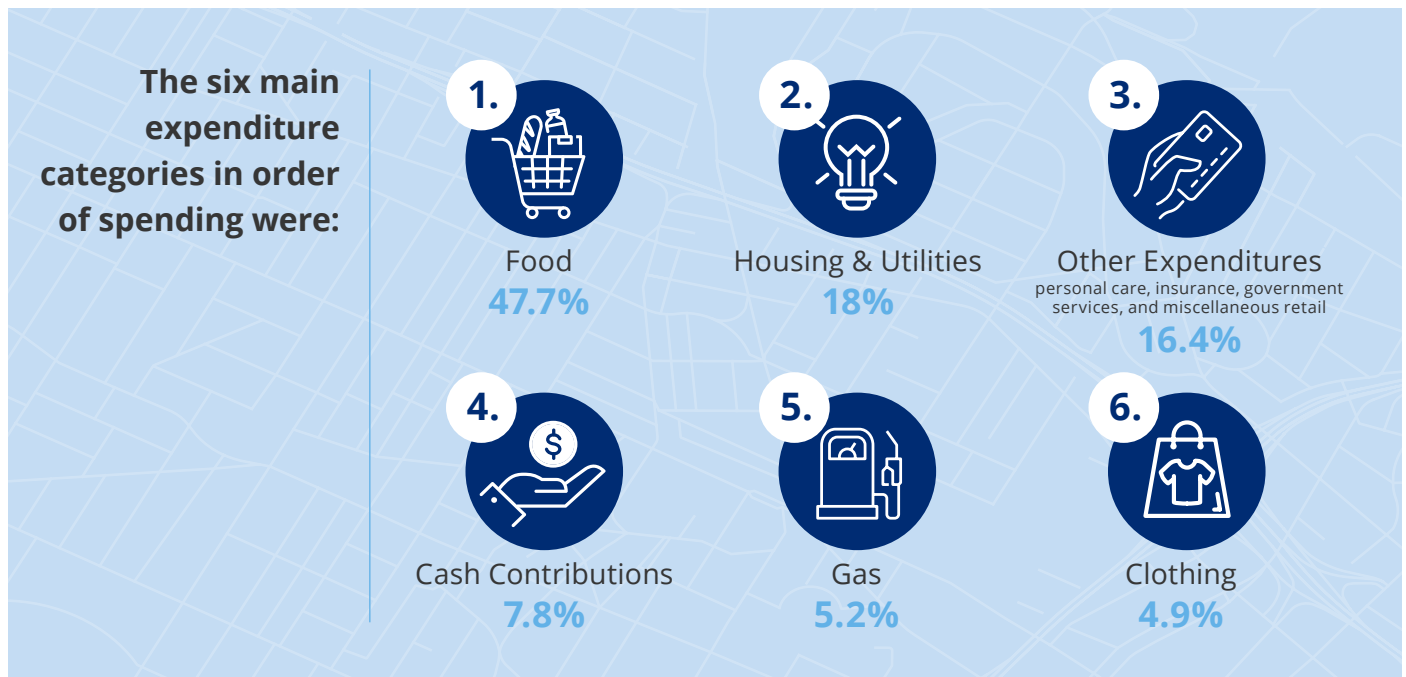
Benefiting from the Angeleno Card's application and distribution infrastructure, as well as capitalizing on the FamilySource Center's knowledge and network of clients, GIVEN 1.0 and SERVE distributed 50 percent of funds within one month and two weeks, respectively. A year later, despite supply chain delays due to the Omicron surge, GIVEN 2.0 distributed 50 percent of funds within six weeks. Project Safe Haven's weekly distribution of \$100 for groceries structured a slower pace of distribution but provided a steady lifeline to countless families during some of the most acute months of the pandemic. Over four months, Project Safe Haven distributed 50 percent of its funds, and 75 percent within seven months.

For comparison, 63 percent of federal stimulus funds for U.S. households during COVID-19 were distributed within six weeks of the CARES Act being signed into law, according to survey data (Garner et al. 2020). However, these payments were sent directly from the IRS to families who met a single economic

threshold: household income. The speed with which the City of Los Angeles, the Mayor’s Fund, and their partners were able to distribute emergency funding to residents who had to (i) learn about the program, (ii) apply, (iii) meet multiple eligibility parameters, and (iv) be screened in person is remarkable.

Spending

Based on point-of-sale (POS) data from the programs, recipients overwhelmingly spent resources on essential items, especially food and household and related expenses. Data from the largest cash assistance program, the Angeleno Card, is illustrative. The data shows 330 distinct types of sales establishments; however, the top 30 POS types account for 83.9 percent of all transactions. To get a better picture of how Angeleno Card recipients spent their funds, we grouped and analyzed these top 30 transaction categories according to the U.S. Bureau of Labor Statistics (BLS) [categories](#) of Consumer Expenditures.¹³ Using the BLS consumer expenditure categories, we see that recipients used their Angeleno Cards to feed their families, pay their utility bills and fill their gas tanks, access cash, and take care of other personal needs.



¹³ The BLS collects survey data on Consumer Expenditures nationally to understand how Americans spend their money. Consumer Expenditure Surveys “are the only federal government data collection effort to obtain information on the complete range of consumers’ expenditures, income, and demographic characteristics, in the same survey, directly from consumers.” The seven main expenditure categories are Food, Housing, Apparel and Services, Transportation, Healthcare, Entertainment, and Other (e.g., personal care, cash, insurance, etc.). This data is publicly available and updated regularly and is a national resource on consumer spending. Based on each expenditure category’s definition, we were able to classify the majority of the Top 30 POS types from the Angeleno Card program.

Data for the other direct cash programs tells a similar story. Food expenditures were highest across all programs, reflecting alignment between recipients' basic needs such as food security or paying bills and the program's aim to reduce economic insecurity. Program design influenced expenditure spending somewhat; for instance, Project Safe Haven provided funds specifically for groceries as part of a broader set of supports for domestic violence survivors. With spending initially restricted to grocery stores, recipients spent 53 percent of funds at these merchants, the highest among all the programs. (Over time, as program participants pointed out that food is available from other types of merchants, additional retail categories were added.)

There may be external factors influencing spending as well. For example, SERVE showed a much lower percentage spent at grocery stores versus other programs (18.7% vs. a median of 31.8% for the other programs). We conjecture based on our experience working on these programs and in Los Angeles that because recipients of SERVE were food industry workers, it is possible that food access was less of a concern for them compared to other basic needs and other program recipients. Even still, Grocery Stores (18.7%) and Eating Places (13.3%) were the top two POS categories for SERVE recipients.

Recipients also spent down funds quickly; for example, 88 percent of funds distributed via the Angeleno Card were spent within 3.5 months. GIVEN 2.0 recipients spent 90 percent of funds within two months. We take from this data that people with tangible needs will not wait long to address those needs and will use emergency assistance to cover expenses. Findings from how households used federal stimulus funds show similar patterns of prioritizing expenses, with two-thirds of survey recipients indicating spending some portion on food. Furthermore, recipients out of work due to economic loss or poor health were more likely to use stimulus funds for expenses than their retired counterparts, among other trends (Garner et al. 2020).

Demographic Reach

As previously detailed, program eligibility began with meeting federal poverty guidelines¹⁴ for the 2020 programs and 80 percent of area median income for GIVEN 2.0. About 50 percent of the Angeleno Card program's disbursed funds went to applicants earning up to \$12,490 a year and over 93 percent to applicants earning

¹⁴ \$12,490 for a one-person household for FY2019.

\$25,750 or less.¹⁵ Women made up 59.4 percent of applicants to the Angeleno Card program, and over 63 percent of Angeleno Card funds were disbursed to applicants identifying as women. Applicant and disbursement data on gender here aligns with national data showing that women experienced higher rates of job loss than men due to the pandemic, with Black women, Latinas, service workers, younger women, and working mothers being particularly hard hit. Data from 2021 in Los Angeles County tells a similar story of gender disparities;¹⁶ statewide data finds that a majority of Black, Latina, and multiracial women lost employment income during the pandemic (Schumacher 2021; According to the L.A. County Department of Public Health).

Overall, low-income Angelenos and women in particular were well served by the Angeleno Card. However, meeting the economic needs of specific racial and ethnic groups through these programs was less even.

Ethnic and racial stratification characterizes most U.S. metros, including Los Angeles.¹⁷ In the following table, we document Angeleno Card applicants and fund disbursement by race and ethnicity compared to these census-designated groups' proportion of the city's population, what proportion of each racial and ethnic group lives below the poverty line, and how Angelenos living in poverty are racially and ethnically stratified.



¹⁵ While Angeleno Card eligibility was at the household level, the application itself asked for respondents to state their “2019 Income Level,” which some applicants may have provided at the individual rather than household level. We use this cutoff of \$25,750 from the program data shared with us because it is close to 200% of the federal poverty level (\$24,980).

¹⁶ Data from survey(s) administered by the Understanding America Study, which is maintained by the Center for Economic and Social Research (CESR) at the University of Southern California.

¹⁷ For population: 2020 ACS, 5-Year Sample; for poverty: 2019 ACS, 1-Year Sample.

Angeleno Card Distribution Comparison and Poverty Metrics by Race/Ethnicity*

	% of population	% of group living below Federal Poverty Line	% of all population below Federal Poverty Line	% of applicants	% of disbursed funds
Latino/Hispanic	48.1	20.2	58.8	41.4	43.7
Non-Hispanic White	28.7	9.8	16.8	26.3	27.0
Black	8.4	24.6	12.6	16.9	15.8
Asian	11.6	13.6	9.4	7.3	6.5

* For population: [2020 ACS, 5-Year Sample](#); for poverty: [2019 ACS, 1-Year Sample](#). Please note that population data and Angeleno Card data are for non-Hispanic Black and non-Hispanic Asian. However, the poverty data is for Black and Asian regardless of Latino/Hispanic ethnicity.

As we show, who applied for and received Angeleno Cards does not align evenly or clearly with wealth inequities in Los Angeles, whether looking at what proportion of a particular group lives below the poverty line, or how race and ethnicity stratify the city's population of people who meet the federal poverty level. Meeting this benchmark was not the sole economic measure to qualify for the Angeleno Card program: applicants also had to demonstrate financial hardship due to the pandemic through job or income loss. We estimate that public-sector definitions of essential workers plus demographic variations in labor market participation influenced eligibility. Though we can conclude very little from the information arrayed above, this uneven alignment between program participation and local need is common in disaster recovery programs, as different vulnerability factors impact access despite eligibility.¹⁸

We observe in the data that residents who identify as White disproportionately benefited from the Angeleno Card program compared to their economic needs at a population level. In addition to whether the aforementioned labor market

¹⁸ For instance, Emrich et al. (2020) demonstrated “specific recovery challenges for different social groups, housing tenure situations, and age groups” that affect participation in and outcomes for federal disaster recovery programs administered at the local level, which aligns with findings from similar studies at the national and global levels.

variations played a role here, another possibility for this is the digital divide.¹⁹ The Angeleno Card application was exclusively online given the nature of the pandemic, potentially excluding people without reliable internet access from either learning about the program or completing the application. We detail in the next section a disappointing result when GIVEN 1.0 tried to use digital cards compared to physical cards, which supports our hypothesis of a digital divide in program applications. This barrier would inequitably affect communities of color and lower-income households: experimental data from the 2020 American Community Survey shows that 20 percent of Hispanic/Latino households and 17 percent of Black households in California had no high-speed internet access, compared to 13 percent of White households (Martinez, 2022).

TAKEAWAYS FOR PRACTICE

In this section, we highlight takeaways from Los Angeles' experience piloting and scaling direct cash assistance programs during the pandemic. Feedback from interviewees was overwhelmingly positive about all the direct cash assistance programs and offers important takeaways for practice, drawing on successes and challenges along the way. We organize our lessons learned into three broad themes germane to public innovation: service delivery, digital innovation, and scaling programs.

Service Delivery: Successfully Reaching Angelenos in Need

By multiple measures, Los Angeles successfully put emergency cash relief in the hands of residents in need: low-income households and certain demographic groups known to be economically impacted by the pandemic, including women and Latino/as. Card data also demonstrated that recipients spent cash assistance on emergency and basic needs. There are multiple factors contributing to effective service delivery, especially how the city selected and empowered key partners with the right expertise to reach eligible Angelenos.

Partnering with community-based organizations: The city's partnerships with FamilySource Centers showcase the opportunity for cities to rely on existing organizational and community-based networks when trying to reach residents. This partnership in Los Angeles began at the earliest planning stages, with the

¹⁹ We remind readers of our data limitations — who identifies as White on the U.S. Census is not necessarily comparable to the economically eligible population identifying as White on the card application.

then-Housing and Community Investment Department part of the original Mayor's working group in early 2020.²⁰ FamilySource Centers are a core part of the city's network to provide human and community development resources to low-income households throughout the city. The FamilySource Centers successfully and rapidly screened eligible recipients and ensured they received Angeleno Cards in four demanding months. Based on FamilySource Centers' demonstrated efficacy, the Mayor's Office and Mayor's Fund ultimately sought their leadership in identifying recipients for assistance, starting with GIVEN 1.0.

FamilySource Centers are a core part of the city's network to provide human and community development resources to low-income households throughout the city. The FamilySource Centers successfully and rapidly screened eligible recipients and ensured they received Angeleno Cards in four demanding months.

Staff from the FamilySource Centers who later administered the GIVEN 2.0 program identified two key measures of success: empowering frontline staff and increasing applicant access to their programs. Personnel praised how the program's structure legitimized their expertise in working with low-income families in underserved communities by authorizing them to identify and recruit recipients. In addition, they also highlighted the value of GIVEN 2.0 as a portal to the FamilySource Center system and its broader suite of services for recipients and their families. Staff, for example, could connect residents to additional services such as emergency rental assistance and college prep. In this respect, a card that might offer a one-time infusion of \$300 paid longer-term dividends as recipients accessed additional public resources for their households.

Three practices here increased the potential impact of the direct cash programs in important ways. First, recruitment raised the likelihood of success in delivering services to those most in need. Second, using the programs to get Angelenos in the door of the FamilySource Centers created the possibility of what public health practitioners call a "warm handoff" from one program to another in order to address the social determinants of health — such as economic insecurity (Sanderson et al. 2021). Finally, giving the FamilySource Centers flexibility in their recruitment and distribution practices ameliorated some of the tension in

²⁰ In August 2021 the Housing and Community Investment Department was split into two departments. Services and programs meant to help residents and communities "prosper" were moved to a new Community Investment for Families department.

urgency versus program design, allowing staff to design practices to reflect local community priorities in terms of how, when, and to whom to distribute benefits.

The city made substantial efforts to design for equity in the direct cash assistance programs, including working with local community-based organizations embedded in lower-income communities, not including immigration status as a criterion for eligibility, tailoring programs for notably impacted populations such as food service workers, and especially, distributing cash directly, given its flexibility and fungibility for households in need. Nonetheless, we previously observed racial disparities in Angeleno Card program participation, which offers an opportunity to reflect on how cities can incorporate an equity lens in relief programs like this, including adaptations as programs evolve.

Moving quickly in the emergency pandemic period, the City of Los Angeles used insights gleaned in real time to adapt subsequent iterations of direct cash assistance for greater equity. For instance, FamilySource Centers verified eligibility for the Angeleno Card, but actual recipients were randomly selected without weights assigned to vulnerability indicators such as race or gender. Yet, for GIVEN 1.0 and 2.0, which sought to reach families in need during the holidays, the city delegated authority for distribution to the FamilySource Centers based on their expertise in reaching lower-income households and communities. Empowering experts on the ground is a practical step towards a more equitable impact when time and resources for program planning may be limited or evolving quickly. As Los Angeles demonstrates, building in space for adaptive learning and design flexibility increases the likelihood that programs can be modified in real time to reach vulnerable populations.





Designing for equitable participation and distribution in relief programs requires attention to how vulnerability is intersectional. A growing body of research on equity in disaster recovery demonstrates that social vulnerability measures such as race, homeownership, and age interact in dynamic and often unpredictable ways. Scholars suggest improving data collection from applicants in recovery programs, with specific attention to indicators of vulnerability for later analysis to improve program design and targeting (Emrich et al. 2020). For cities moving quickly and trying to reach populations who may already feel disconnected from or suspicious of government programs, there will be a need to balance this data collection without creating a sense of invasive inquiry that can alienate potential applicants (e.g., Graham 2007, Miner and Rojas 2024).

As we mentioned above, the Angeleno Card collected extensive demographic data — data that has been essential now in understanding the program’s impacts. We encourage future programs to adopt data collection and analysis efforts that capture key vulnerability indicators and their interactions, especially to inform local government initiatives. The majority of the disaster recovery research cited within this report references federal funding programs, albeit administered locally. For cities raising local resources for locally designed programs, incorporating a plan to collect and analyze data is critical, not only for their own use, but to expand local government peer learning and expertise on direct cash assistance programs and similar innovative initiatives.

Digital and Technological Innovation: Opportunities for Refinement

In our description of the Angeleno Card early on, we mentioned that demand crashed the city's phone system. Interviewees recalled all the city's phone lines except 911 going down. This unexpected hurdle led the city to partner with technology companies to build a reliable application system. In this section, we describe other technology and digital challenges that the programs faced in contracting with card vendors, experimenting with digital cards, and overall use of cards requiring digital activation.

Contracting With Card Vendors: The Mayor's Fund's five direct cash assistance programs relied on four different card vendors. (Only SERVE and GIVEN 1.0 were managed by the same vendor, Blackhawk.) To quickly stand up these programs, the Mayor's Fund selected vendors based on their ability to deliver with speed, accuracy, and security. Vendors that had existing products — i.e., “plug and play” cards — and/or had existing relationships with the city or the Mayor's Fund met this criteria.

For example, Prepaid Technologies had the advantage of both a ready product and a prior relationship with the city. The city's Goodwill Ambassador program used to increase participation in the 2020 Census gave \$5 gift cards from Prepaid to approximately 3,500 Census Goodwill Ambassadors, demonstrating their reliability as a vendor and partner. Mastercard City Possible, an early consultant on the Angeleno Card project, also recommended Prepaid based on their prior experience with direct cash programs. Prepaid was selected as the card vendor partner for the Angeleno Card Program.

The city looked to work with Prepaid for Project Safe Haven as well. However, Project Safe Haven requested restrictions on spending codes and for cards to be delivered nearly immediately after program launch; Prepaid could not meet these specifications. In consulting a new list of vendors provided by an advisor from the Angeleno Card program, Project Safe Haven selected Usio, who could restrict card access and deliver cards within 48 hours. Usio also committed to working with the Project Safe Haven team to adjust eligible businesses based on real-time feedback from customers.

Prepaid and Usio delivered on their program components. Subsequent cash programs continued to solicit vendors based on program needs, such as the availability of new or additional features, like the digital cards that SERVE and GIVEN 1.0 used. For GIVEN 2.0 in 2021, the Mayor's Fund again leveraged an

existing vendor relationship with MoCaFi via a new city program, Angeleno Connect, that provides Los Angeles residents with a single sign-on platform for over 140 city services. Angeleno Connect includes a prepaid debit card to pay for eligible expenses, such as sidewalk vendor permit fees, a non-pandemic direct cash assistance pilot BIG:LEAP, and the Emergency Rental Assistance Program.

Although the city partnered with an existing vendor for GIVEN 2.0, the program's rollout illustrates the need for cities to prepare for the unexpected, especially during crisis periods, when one misstep can trigger a cascade of delays. MoCaFi experienced significant delays in getting cards to the FamilySource Centers, which cost the FamilySource Centers opportunities to partner with City Council members for holiday outreach to potential recipients as planned. FamilySource Center capacity was further compromised by a rise in staff illness due to the Omicron variant. These unexpected disruptions to GIVEN 2.0 meant it distributed only about 17 percent of funds before the New Year, eroding its intent to provide relief over the holidays.

Understanding Fees and Funds Availability: Working with for-profit vendors for a charitable program came with trade-offs. For instance, every vendor passed fees on to the City of Los Angeles, whether per transaction or for all services. Banking regulations also made it difficult for the city to recoup unspent funds from used cards for redistribution to other programs. Ten cents remaining on a single card here and there added up to thousands of unspent dollars across the five programs.



In the lead-up to GIVEN 2.0, the Mayor's Fund solicited pro bono support from the law firm Manatt, Phelps & Phillips to better understand how financial regulations in the sector influence the use and availability of funds. Their input highlighted important considerations about the vendors and their respective programs, including inactivity fees, information on whether all the funds were pooled or not, and verification of how vendors ensured that funds were not used for overhead costs.

Considerations for vendor selection in direct cash program planning:



1.

Unspent funds

What happens to any unspent funds? How long will a jurisdiction have to wait to recoup those funds and reallocate them to people in need? Will they receive 100 percent in return?



4.

Reporting

What reporting is available? Is the reporting customizable or ready to download at any time, or is the vendor required to supply it?



2.

Card expiration

Do the cards expire? Can they be reactivated? Is there a cost associated with this?



5.

Fund storage

How and where is the card funding stored? What are the rules and restrictions of the financial institute storing the funds that could impact the program?



3.

Fees

What fees should consumers and funders expect? For example, after expiration, are there expiration fees that are passed on to the customers? Are there transaction fees for each purchase that are passed on to the funder? Are there any other user fees that customers may encounter?



6.

Vendor selection

Is there a viable alternative to using a for-profit partner to deliver direct cash assistance, such as a nonprofit or community-based bank? How do their fee structures compare?

Navigating Digital Barriers: With the launch of GIVEN 1.0, the city introduced for the first time a digital card option that was sent automatically to any recipient with an email on file at the FamilySource Centers. This attempt to reduce the administrative burden for FamilySource Centers unfortunately introduced a new barrier for residents, as many participants reported having never received GIVEN 1.0 digital cards due to unreliable email access or invalid email addresses. Although nearly 90 percent of allocated physical cards were distributed and activated, only 60 percent of digital cards were activated — a lesson learned that influenced future programs.

City officials anticipated virtual cards could help accelerate distribution and increase ease and access for Angelenos experiencing unprecedented isolation due to the pandemic. Yet, virtual cards were not as easy to implement as city officials had hoped. While the intent was one of convenience, the populations served by the GIVEN 1.0 program were often either disconnected from digital services or connected but far from proficient. As a result, many virtual cards were never activated. Although there was a process implemented to turn the virtual cards into physical cards, it was lengthy and delayed the delivery of the cash.

Staff members also described challenges with using physical cards for GIVEN 2.0 recipients. This included losing PINs, reluctance to contact vendor customer service for additional assistance, confusing documentation for recipients about activating their cards, and incomplete or incorrect information from FamilySource Center staff on how to use the cards to withdraw cash. There were also occasional glitches with cards failing to activate, although vendors responded quickly when notified. These examples of challenging user experiences are often surfaced and resolved while prototyping and testing new program models, as the city did in learning from prior programs to inform future iterations.

Testing and Scaling Programs: The Role of Partnerships

The Mayor's Fund for Los Angeles raised almost \$50 million for COVID-19 direct cash assistance programs, with the majority of recipients benefiting in the first nine months of the pandemic. Over time, as the most acute phase of the health crisis waned and federally funded pandemic programs launched, individual and corporate donations for COVID relief decreased and the Mayor's Fund scaled

back its fundraising efforts to match the needs of the moment. Each subsequent assistance program relied on a smaller pool of funds and donations.²¹

The city's direct cash assistance programs were designed as valuable stopgaps and lifelines meant to reach as many people as possible with relatively modest payments during an emergency. This sequence — rapid and flexible philanthropic relief programs filling the gap as public programs move through lengthy and multiple required steps (i.e., emergency declaration, appropriations, program design with public comment, disbursement, and implementation) — is optimal for crisis periods. It is also an excellent use case of designing, testing, and scaling innovative public programs, particularly in an unprecedented crisis like the COVID-19 pandemic that challenged every aspect of our lives and our communities.

The city's direct cash assistance programs were designed as valuable stopgaps and lifelines meant to reach as many people as possible with relatively modest payments during an emergency.

As we've detailed, and research shows, private-sector partners like the Mayor's Fund and the nonprofits that contract with L.A., such as FamilySource Centers, have speed, flexibility, and access to offer in launching new initiatives, making them a crucial partner for local governments when circumstances require a quick response or when cities are experimenting with new solutions. As pilots demonstrate success over time and via multiple iterations, the role of the public sector — local, state, and federal governments — should grow in parallel, to ensure programs are sustainable and far-reaching. As cross-sector collaboration creates opportunities for learning and adaptation, the public sector should be designing legislation, partnerships, and budgets to make successful, impactful programs permanent.

The city's direct cash assistance programs during the pandemic offer proof of concept to their value and utility as an anti-poverty tool in a portfolio of solutions for low-income communities. The takeaways from these programs have informed future initiatives in Los Angeles and elsewhere, including [10 states and localities](#) that were selected to work with Accelerator for America to [replicate the Angeleno Card](#) model.²² We also identified at least 11 cities, counties, and states that used

²¹ For instance, the second iteration of GIVEN had \$1.5 million in funding compared to nearly \$4 million for the initial iteration and nearly \$37 million for the initial Angeleno Card program. By comparison, the federally-funded Emergency Rental Assistance program alone gave \$103 million to Los Angeles.

²² Program participants include Atlanta, GA; the State of Connecticut; the State of Rhode Island; Chattanooga, TN; Dayton, OH; Birmingham, AL; Oklahoma City, OK; Salt Lake City, UT; Louisville, KY; and Austin, TX.

American Rescue Plan Act funds for direct cash assistance programs supporting residents experiencing “negative economic impact” from the pandemic.²³ Yet, most of these pilots and programs lack permanent or committed funding to persist. If the City of Los Angeles and other municipalities intend to continue with long-term assistance programs, they must provide institutional support for them through budgeting and legislation, without losing sight of the collective responsibility to address social inequality in our communities. These direct cash assistance programs in Los Angeles during the pandemic demonstrated the value of cross-sector cooperation and the important role private and public funding can play when providing crucial support and assistance for local communities. They highlight how city governments can creatively and quickly respond to local crises, particularly when acting in partnership.

CONCLUSION: DIRECT CASH ASSISTANCE PROGRAMS PLAY TO PARTNERS’ STRENGTHS IN A SCALABLE WAY

Many Los Angeles communities were in perilous economic circumstances before the pandemic. Their position remains precarious today while long-standing systemic issues like economic inequality and climate change continue to widen the gaps between a firm footing and insecurity. The direct cash assistance programs deployed during the pandemic highlight opportunities to improve the everyday lives of residents and reduce the impact of future crises. Los Angeles’ direct cash assistance programs during the pandemic showcase all parties’ strengths: philanthropic flexibility, local government stewardship, the American charitable impulse, and recipients’ responsibilities to their families and livelihoods.

Before the pandemic, philanthropies shied away from giving cash directly to those in need, fearing that recipients might spend their money on so-called vices rather than improving their financial position and overall quality of life (Daniels, 2020). Los Angeles’ direct cash assistance programs for pandemic relief counter these perceptions through the strategic use of charitable funds and local government expertise to reach the residents most in need. L.A.’s success adds to the growing evidence that direct cash programs work — quickly and effectively (Griffith 2022).

²³ In the federal government’s July 2023 dataset of State and Local Fiscal Recovery Funds, we identified 11 states and localities offering “direct cash” programs to communities in need. Examples include a guaranteed income pilot in Harris County, TX; cash assistance for residents living in “39 health equity zip codes” in San Diego County, CA; cash payments to the “hardest hit” in Seattle, WA, including “BIPOC” workers; Boulder, CO’s Left Behind Workers Fund; and direct cash for seniors and veterans in Union County, NJ. The state of Georgia planned to provide direct cash payments to recipients of federal programs, including SNAP, TANF, and Medicaid.



In the public sector, legacy cash assistance programs for low-income households have long been stigmatized or critiqued as causing dependence, thus politically limiting the range of public-sector interventions to reduce economic insecurity (Norton 2022). But as cities experiment with direct cash assistance models such as guaranteed income initiatives, mayors have become critical advocates for direct cash programs. They know from experience that local governments' time and expertise are well spent on connecting constituent needs to community and philanthropic institutions that can ensure charitable dollars reach vulnerable households rapidly and smoothly.

Direct cash programs are designed to empower residents to decide how to meet their own needs, without stipulating how the money is spent. Recipients, in turn, have demonstrated that they will use the money to meet their needs — to feed their families, put gas in their cars, pay their bills, and create holiday memories for their children. When deployed in emergencies, these programs can be branded as a helping hand in times of crisis or need. This may be particularly compelling or valuable in crisis settings, given the existing generosity of American charitable giving and as communities come together in response (Andreoni and Payne 2013; Berrebi et al. 2021; Simon 1997).

On the whole, the direct cash assistance programs successfully provided immediate and critical support to vulnerable communities in the City of Los Angeles as intended. As we highlighted earlier in this report, low-income households, women, and People of Color were the primary recipients across all five programs, and they

spent funds on essential items, as intended. The ability of the city and its partners to quickly stand up direct cash assistance programs is instructive as future crises arise, whether health crises or the worsening effects of climate change. Public-private coalitions can help cities around the country meet these challenges and provide the relief the residents need.

The potential impact of anti-poverty programs and coalitions like those profiled here extends beyond responding to crises. At their best, cities are not entities operating in isolation, but convenors and stewards of partnerships, networks, and governing coalitions to improve city life and resident well-being. U.S. cities are grappling with significant wealth inequality that manifests in homelessness, housing and food insecurity, inadequate healthcare, and serious climate risk. Federal, state, and city governments have a moral and legal responsibility to step in to sustain and expand assistance programs, both in times of emergency and as a regular course of action.

More broadly, Los Angeles offers an important use case for how local governments can collaboratively innovate new solutions in times of crisis. Looking ahead, Los Angeles and similarly motivated cities, state houses, and federal agencies should be identifying funding and policy to make promising solutions permanent. We hope this case of direct cash assistance in L.A. during the pandemic informs collaborative and innovative efforts to meet resident needs for today's and tomorrow's challenges. We hope the design considerations about service delivery, digital technologies, and the essential role of partnerships summarized here inspire other cities when creating large-scale programs intended to offer life-saving support and create public value for cities and their residents. ■

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ACKNOWLEDGEMENTS

The authors would like to thank the following organizations and individuals for their invaluable contributions to this report: the Mayor's Fund for Los Angeles; former Mayor's Fund for Los Angeles CEO and Founding President, Deidre Lind; former Los Angeles Mayor Eric Garcetti's office; Los Angeles FamilySource Center staff; the City of Los Angeles' Community Investment for Families Department; program vendors; additional program partners; and the brave people of Los Angeles who have persevered throughout the COVID-19 pandemic.

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