

# The San Diego Hnion-Tribune

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## WHAT WOULD YOU DO WITH AN EXTRA \$500 A MONTH? 150 SAN DIEGO FAMILIES GOT A CHANCE TO FIND OUT



Percy Sutton, left, dribbles a basketball as Saundra Sutton cleans and Messiah Sutton gives Za'nius Cameron a piggyback ride in March.

# IAKING ENDS MEE

#### By Roxana Popescu

In early 2022, Saundra Sutton moved out of her mother's apartment, where she was living with her two sons, and into a small two-bedroom bungalow in Encanto.

Her \$1,790 rent there was a lot more than the \$600 she paid her mom for a bedroom. Sutton worked as a paraeducator for the San Diego Unified School District, earning around \$20 an hour.

Sutton, now 32, could afford to pay for this housing upgrade in part thanks to a two-year guaranteed income experiment that gave \$500 a month to 150 families in San Diego County, starting in March 2022. The funds added up to \$12,000 per family, a hefty sum that could be leveraged in many ways

A single mother, Sutton had no support from her sons' County's pilot was one of more than 30 such programs across the nation



Messiah Sutton puts Za'nius Cameron in a chair. The family took part in San Diego County's guaranteed income pilot program. ANA RAMIREZ / U-T PHOTOS

fathers and received CalFresh food assistance and federal disability welfare for one child. Everything about Sutton's life was centered around her sons: giving them the best she could.

On the longest days, she woke up at 6 and headed to work at Creative Performing Media Arts Magnet Middle School. Before school, she worked as a bus monitor for extra income. She also did Amazon Flex, gig work delivering packages in her car.

After school, it was activities, homework, dinner and screen time for the kids. Some nights they tumbled into her bed and fell asleep there. She moved them to their beds and was asleep by 11.

"Some people have to work multiple jobs to make ends meet or take care of their kids, and if they want to give their kids a See INCOME on Page A8

# 4 hostages rescued from Gaza in deadly operation

Israel celebrates their return; neighbors condemn deaths of 210 Palestinians in effort

#### By Wafaa Shurafa, Sam Mednick & Jack Jeffrey

DEIR AL-BALAH, Gaza Strip – Israel on Saturday carried out its largest hostage rescue operation since the latest war with Hamas began, taking four to safety out of central Gaza in a heavy air and ground assault. At least 210 Palestinians, including children, were killed, a Gaza health official said.

Israelis were jubilant as the army said it freed Noa Argamani, 26; Almog Meir Jan, 22; Andrey Kozlov, 27; and Shlomi Ziv, 41, in a daytime operation in the heart of Nuseirat, raiding two locations at once while under fire. All were well, the military said. They were taken by helicopter for medical checks and tearful reunions with loved ones after 246 days held.

Argamani had been one of the most widely recognized hostages after being taken, like the three others, from a music festival. The video of her abduction showed her seated between two men on a motorcycle as she screamed, "Don't kill me!"

Her mother, Liora, has brain cancer and had released a video pleading to see her daughter. Israel's Channel 13 said Argamani was moved to the hospital where her mother is treated. In a message released by the government, Argamani told Prime Minister Benjamin Netanyahu she was See ISRAEL on Page A12

# **Biden asylum** order takes shape along U.S. border

# Sewage crisis takes toll on beach business

## Closures, lost earnings and staff layoffs result when pollution shuts shoreline

#### By Tammy Murga

When Angela Frank opened an old-fashioned candy store in Imperial Beach in 2013, she didn't realize it would become a cherished hang-out spot for many

Avenue, just feet from the beach, was where veterans gathered for coffee in the mornings, students stopped by on their way home from school and families bought desserts after dinner.

"This was a labor of love," the candy shop that originally was intended to be a fun, side project.

Her recent vision was to expand the business by open-

ing an arcade. But she let that dream go.

The candy shop shut down in late May because of a significant decline in revenue, which Frank attributed to the more than 900 consecutive days of beach closures due to high bacteria Seaside Candy on Palm levels in the water near where pollution flushes through the Tijuana River into South Bay.

"Sales were doing so good for many years, even right after COVID," she said. "We got to hire more people. But last summer, when (the county) really started doing the closures said Frank, who traded her at the beach, I would say our full-time job in real estate for business dropped over 60 percent.

A San Diego County report published earlier this year evaluating the economic impacts of See **ECONOMY** on Page A5



Angela Frank packs up Seaside Candy last month after closing the store in Imperial Beach. She blames a loss of business on pollution that closed the beach. ANA RAMIREZ / U-T

"Sales were doing so good for many years, even right after COVID. We got to hire more people. But last summer, when (the county) really started doing the closures at the beach, I would say our business dropped over 60 percent." – ANGELA FRANK

### Limits began Wednesday; crossings appear unchanged in San Diego-Tijuana area

#### By Alexandra Mendoza

On Friday morning, three days after President Joe Biden signed an executive order limiting access to asylum, a group of migrants from Vietnam climbed the U.S.-Mexico border fence near San Ysidro using a makeshift ladder.

At a humanitarian aid station set up nearby, they asked for water and noodles for the little ones with them and waited to turn themselves in to Border Patrol.

Throughout the day dozens more migrants arrived in the area, known as Whiskey 8. Among them was a child who suffered a fall from the wall and had to be taken by ambulance, said Adriana Jasso, program coordinator for the American Friends Service Committee of San Diego.

It's a scene that has played out for months on this stretch of the San Diego County border. So far, the restrictions meant to curb illegal immigration have brought "no noticeable change" migrants continue to cross, she said.

"For our routine, so far nothing has changed," Jasso said.

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Messiah Sutton counts out loud while making a bottle for his little brother as mom Saundra Sutton finishes cooking dinner in March. Although working more than one job, Sutton had been struggling to support her children. A pilot program guaranteeing the family \$500 a month for two years has made a difference, she said. ANA RAMIREZ / U-T PHOTOS

## INCOME From Page 1

better life they've got to do a lot of stuff. We don't have it easy," Sutton said in December 2022.

The \$1.8 million pilot, called San Diego for Every Child Guaranteed Income Program, made it easier for Sutton to make ends meet.

It was designed to test a concept called guaranteed income, where people receive monthly payments. Unlike other aid – rent or tuition assistance, utility and food vouchers, or material donations – recipients had full control over how to use this income.

The concept is gaining interest. Sutton is one of more than 8,000 people across the U.S. who joined such pilots since 2020, according to Stanford University's Guaranteed Income Pilots Dashboard. On average, people received about \$550 a month for  $1\frac{1}{2}$ years.



In August 2022, Sutton, 31, who grew up in southeastern San Diego, was living with her two sons in a two-bedroom apartment. With about \$2,100 a month in take-home pay, she qualified for the guaranteed income program.

tells them, "Mommy probably will have to go look for a second job or something, so we could afford to do this type of activity."

She wants things, too. "I don't treat myself until tax season. I feel like my kids need more than me, right now."

Her wish: leave the kids with grandma and go to Six Flags Magic Mountain with her cousin and niece.

Meatloaf in the oven, Sutton sat and thought about what she can and can't afford. The magic number to cover everything and have some left over is \$6,000 or \$6,500 a month, she decided.

To get there, she must change careers or start a business, she said.

#### NO STRINGS

Most low-income government benefits require documentation, which some call checking for suitability and misuse, and others say keeps people from the help they need.

Guaranteed income takes a different approach, screening applicants – perhaps by ZIP code, age or income – and then giving unconditional cash with no further paperwork or check-ins. "During the 24 months, we did not make people recertify, as is common for social programs. We also didn't ask them to provide unnecessary amounts of paperwork to prove they are low-income," Pollard, with Jewish Family Service, wrote in an email. The 3,500 applicants had at least one child under 13 living with them. They had to live in one of four ZIP codes: 92114 (Encanto), 92139 (Paradise Hills), 91950 (National City) and 92173 (San Ysidro). They had to be low-income, earning at most \$53,000 for a family of four, for example. Pollard contrasted guaranteed income with Temporary Assistance for Needy Families, or CalWorks in California, a welfare program that gives cash aid to needy families "People can get cash assistance, but there's all these strings and all these barriers to getting it, and it's not a streamlined, trust-based process like guaranteed income," she said. With the pilot, "we're going to give you this money as guaranteed income that you can spend however you want. We're not going to tell you how to work, or where to work, or how many hours a week you must work. That kind of patriarchal approach is very old. And, you know, we're spending a lot of money on it." Flexibility of cash is a key advantage of this kind of program over something that addresses specific needs, like food stamps, said Karen Boyd, the director of research at the San Diego Regional Policy and Innovation Center.

It's also been criticized as wasteful, with Texas' attorney general calling one pilot "illegal and illegitimate government overreach" and a misuse of taxpayer money.

Khea Pollard, the director for Economic Mobility and Opportunity with Jewish Family Service, said research shows people use guaranteed income for essentials like food and utility bills. The goal was to see whether \$500 a month is enough to help low-income people "close the basic needs gap within the San Diego market."

The 150 participants had a median household income of \$20,576, while San Diego's median in 2022 was around \$100,000. Sixty percent were single, 60 percent were Hispanic and three-quarters were women, who more often than men take on unpaid caregiving roles.

Researchers were curious: "Will their stress decrease? Will this open up new possibilities for them, whether that's work or just getting more education or being able to stay at home and take care of their kids or that disabled parent?"

The pilot's outcome: \$500 helped, but was "still inadequate for low-income families to meet basic needs. Utility and other bills, rent or mortgage payments, and food is still topping the list of items participants are unable to pay for," Pollard said.

Participants spent two-thirds of pilot funds on groceries, food, retail, services and transportation (including gas). Six percent went to housing and utilities, and roughly the same -6.5percent – went to leisure, entertainment, health care and education combined. Researchers tracked spending on prepaid debit cards that delivered monthly payments.

Participants reported a 68 percent improvement in "overall life satis-

faction" and a 25 percent increase in "general physical health," compared to the start. Data about employment status and income are yet to be released.

San Diego's pilot is being evaluated as part of a national study at the University of Pennsylvania. Primarily funded by the state of California as a one-time budget item and designed and operated by the nonprofit Jewish Family Service of San Diego, the program also got support from the mayors of San Diego and National City.

Carlos Avenancio-León, an assistant professor of finance at the UC San Diego Rady School of Management, cautioned against using today's spending trends, as shown in the pilot, to predict future or even current needs.

"The economic conditions for what people need the money for change over time," he said.

While housing is a major expense for low-income San Diegans, just a sliver of pilot money went there. This could mean that people didn't use the pilot's debit card for rent - not that rent wasn't a challenge.

Avenancio-León said government aid in the form of cash given to specific populations can effectively and efficiently target specific issues, such as poverty among seniors or children. When targeted, cash aid is easier and costs less to operate than other welfare programs.

Food stamps require "a lot of funding and effort that comes from the government, in making all the screenings. That is inefficient. That's money that is getting wasted," he said.

A "targeted" guaranteed income program "here in San Diego helps reduce that cost and helps achieve the goals that we have. Things like supporting poor families, especially children."

Pollard also said there's a policy takeaway. People used the money to solve problems that other programs' benefits could not. This makes it a viable approach to help people who can't afford life in San Diego, whether alone or in combination with other services, Pollard said.

"What we know for sure, is that everyone could benefit from an income guarantee. It would be prudent for us to support those for whom an adequate monthly supplement, given at the right time, could change the trajectory of their lives," she wrote in an email.

#### DECEMBER 2022: **BREATHING ROOM**

"I'm not done cooking yet, baby."

Sutton's son, Messiah, 6, had walked into the kitchen, wondering when the garlic, herbs, seasoned salt and beef would become meatloaf.

As she mixed ingredients, Sutton described how the program worked. "They don't care what you spend the money on. They don't ask for receipts of what grandma," Sutton said of her we're spending it on," she said. "They just want to see if it helps."

Sutton checks on son Percy, 10, in August 2022. She earned about \$20 an hour

as a paraeducator for the San Diego Unified School District in 2022.

She learned about the San Diego for Every Child pilot from her sister. "Hey, there's this new program," she told Sutton. And, in that sisterly deserved a cut.

With around \$2,100 a month in take-home pay when she applied, Sutton qualified. The pilot didn't block her because she shrank over the summer, the received disability for one child, plus food stamps.

gotten a raise. With that, plus the \$500, her monthly income was around \$4,000. To earn more, she sometimes worked extra jobs. On those 12-hour work-

days, her mother watched the boys. (One child's father is deceased and the other is not present, Sutton said.)

"She definitely is an active mother.

Nine months in, the pilot helps with expenses between paychecks, including gasoline and the electric bill.

"We only get paid once a month, so that helps me out a lot," Sutton said. "It feels like way, she teased that Sutton if you run out ... you might have to get another second job." (Technically, it would be a fourth.)

It also pays for short-term needs. When her paycheck grant helped cover the rent. Later: school uniform shirts By December, she had for her younger son, \$13 each. Percy, 10, plays sports and has needed athletic gear.

The kids also want things. "They want to go to Disneyland, they want to go to Universal Studios." She

"That cash transfer or

a guaranteed income type program gives families the ability to choose what they most need at that moment,' Boyd said.

Boyd noted that participants' spending on groceries - it was the largest category at 37 percent suggests there's an unmet need around food, even with Supplemental Nutrition Assistance Program, which gives people food stamps.

"Is that showing us that people who qualify are not applying for SNAP? ... Does that mean they're not getting enough money to cover their food needs? Or maybe there's food that they want that isn't covered by SNAP? There could be some indication of more need in the food category, potentially," Boyd said.

#### SPRING 2023: PLANNING AHEAD, AND A BACKSLIDE

Once Sutton started getting the \$500, she worried about what she'd do when the \$500 stopped.

She set money aside for some months and bought Disneyland tickets for spring break. She built a cushion of around \$600 for when the grant ended.

Her bigger goal was longterm stability. So she used pilot money to fund a new business: Destiny's Boutique of Beauty, which sells shea butter lotions and bath bombs. Her kids came up with the name. She bought supplies from Amazon and made products in her kitchen.

In parallel, in January 2023, she enrolled in a fiveweek phlebotomy program.

Health care is "a career where I can take care of two boys, take care of my household, and not have to work two jobs," she said.

Sutton has a bachelor's degree in health care management from a for-profit college. "The university I went to didn't give us good training." It was "not hands-on," she said. She graduated from the online program in 2021 with \$55,000 in student loans, of which \$44,000 has been forgiven, she said.

Her dream is to open a birthing center for Black pregnant women, who suffer from a significantly higher rate of maternal mortality than women of other races.

For her sons, she expects them to go to college and hopes they will be engineers, plastic surgeons or neurosurgeons. "Whatever pays them well," she said.

One benefit of the pilot: a chance to think, plan and be proactive.







Sutton, pregnant with her third child, makes lotion as part of a new business in addition to her school

given her family size, she was eligible to lease one of its apartments at a reduced rent.

The neighborhood was a to do all that I need.' better fit for her sons, Sutton said. They have a pool, a game room and space to play safely.

Compared to 2022, her income is up: she now earns \$24.94 an hour.

Saundra Sutton, right, speaks with other parents while her son participates in basketball practice at Encanto Recreation Center in February. ANA RAMIREZ / U-T PHOTOS

Sutton works as a paraeducator at the Creative Performing Media Arts Magnet Middle School in December 2022, the first year of the guaranteed income pilot program.

Sutton and the father of her business. "I was like, OK. third baby are expecting another child, a boy.

With a growing family and experience managing a larger budget, her target monthly income has also increased. Back in 2022, she said \$6,000 to \$6,500 was enough to cover needs and have something left over. Asked again, after 18 more months of managing her family's budget, her answer has changed. Now she said it's "at least \$12,000 for me

The last debit payment from the pilot came in February.

She made up for the \$500 by saving on rent: the new apartment is \$1,247 a month, down from \$1,790, she said. As the deadline crept roxana.popescu@

One more big change: closer, she kept building her sduniontribune.com

We're almost there. Because I know in 2024, they're not going to be giving us some money anymore. So I started getting more into my lotion business."

She formed an LLC in December and designed labels with a friend's help.

In late May, Sutton, now 32, said the pilot helped her get her business started and "get it all done."

"I feel like I'm in a better place than when I started," Sutton said. The pilot money "gave me a boost up in life, to do more stuff. Because, even me having an extra \$500 or \$600 left over in my pocket – it helped me out a lot."

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Outcomes from another pilot, which also gave \$500 a month, included "lower mental distress" and "greater agency to explore new opportunities related to employment and caregiving," according to a 2023 study published in the Journal of Urban Health.

This makes sense, said Boyd, with the Policy & Innovation Center.

"You can imagine you're less stressed about money, you have some time to think and some space to think about taking a small sort of calculated risk like that, that you might not be able to otherwise," Boyd said.

The Sutton family's food stamps stopped in early 2023. Her school district income made them ineligible for CalFresh, she said.

For a few months, she put groceries on a credit card. She reapplied in June, after her baby was born and the household size increased. But the hitch showed how close she was to not affording basic needs, even with that \$500 boost.

In late April, with 11 weeks left of her pregnancy, she was looking forward to the baby shower and grateful that the baby's father planned to take an active role - as both a co-parent and a provider.

#### IS CASH THE ANSWER?

Once a niche idea examined by academics, tested in Finland and adopted by Alaska, guaranteed income and its cousin, universal basic income – a broader approach that gives money to all or most people, picked up steam during the COVID-19 pandemic, when industries and paychecks came to a halt.

Now it is seen as a way families in need.

'Today nearly half of all \$400 in cash on hand to deal with an emergency or district job in March 2023.

Economic Security Project, a progressive nonprofit.

Looking ahead, Boyd said, it could help people who lose jobs to automation – for example, truck drivers in the U.S. are at risk. Guaranteed income is "certainly an answer. In fact, it's hard to imagine another one. At least, I think that's what people are hoping. They're trying to come up with some solution for that, and this is one thing that's come up."

Studies show that direct cash payments reduce poverty and boost employment by making it easier to change jobs and build small businesses. Other studies found that universal basic income, which distributes money more broadly than guaranteed income, would be expensive and inefficient; discourage work; and divert funds from education and health care.

Avenancio-León said inflation may or may not be a concern, depending on economic conditions and how a guaranteed income program is structured.

A limited scope "reduces any potential effects on inflation, as low-income groups have less money to spend, and if their income increases, they would no longer qualify for the program."

Peggy Bailey, the executive vice president for policy and program development with the Center on Budget and Policy Priorities brought up two ways guaranteed income pilots could be scaled up. One is in the form of tax credits, and another is by adapting existing programs to give families cash and increase to shore up the finances of latitude for how funds are used.

households don't even have piece to stop and think about is why people need the cash, right? People aren't getting unexpected bill," states the paid enough through work or employee with a low income

through government assistance to be able to afford to meet their basic needs. And it's not through any fault of their own," she said. "That's when we think about, what is the role of government? The role of government in this country is to fill in that gap."

Not supporting low-income families is ultimately more costly, she added.

One critic of guaranteed income is Texas. Its attorney general sued a county to stop a federally funded pilot from giving \$500 to 1,900 households over 18 months. Taxpayer money "must be .. not merely redistributed with no accountability or reasonable expectation of a general benefit," the attorney general said.

In a rebuttal, the county attorney said, "Giving people the tools they need to lift themselves out of poverty is both morally sound and good public policy," according to The Texas Tribune.

One pilot in Stockton gave 125 families \$500 a month for two years. Participants "were actually more likely to find full-time employment. Participants found they had resources and time for things like job training that could advance them to more secure positions," the Economic Security Project wrote.

Another pilot, in Jack-son, Miss., "led to a dramatic increase in the percentage of mothers who are able to put food on the table, pay their bills, and have money left over for emergencies," the same nonprofit wrote.

#### MAY 2024: CHANGES

In December, Sutton and her three boys - now 11, 7 and 7 months old – moved from "I think the fundamental Encanto to a two-bedroom apartment in Scripps Ranch leased to a developer by San Diego Unified. As a district



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