As Covid Surged, A Lifeline Emerged

How Mayor Garcetti Repurposed a Little-Known Nonprofit to Get Covid Funds to L.A.’s Neediest?

When the novel coronavirus began rapidly spreading in Los Angeles in March, Chayo Chalk managed to stay healthy. Chalk, a UCLA freshman studying public affairs and labor relations, continued living in her dorm with two roommates and eating in the dining hall as part of the school’s meal plan. In addition to her classes, she worked nearly full time as an assistant to a biomatics professor at the David Geffen School of Medicine. The money she earned covered her cell phone bill, her textbooks, and other necessities. But as SARS-CoV-2 extended its reach and public officials began to worry that local hospitals could be overwhelmed with the sick and dying, everything changed. UCLA shut down its campus, and Chalk’s life—like that of millions of Angelenos—was flipped upside down. She packed her belongings and moved back in with her mother in Sun Valley. Her classes continued online, but with her job gone, she had no income. She and her mother tried to stretch their dollars. “There was a point where we were trying to eat little things,” she says.

Seven months after the coronavirus was declared a global pandemic, the impact of the disease and the region’s response can be told in three overarching stories. The first two are well known. The third, a tale of community resilience and eight-figure philanthropy that shatters a stereotype of Los Angeles, has been glossed over.

The first story concerns public health and how a virus detected late last year in Wuhan, China, impacted Angelenos. The 231 confirmed COVID-19 cases in L.A. County on March 19 became 1,216 a week later and ballooned to 4,045 a week after that. On April 1, the county had recorded 65 deaths; by October 14, it had seen 285,018 cases and 6,812 deaths.

The second story is about economic devastation. On March 15, in an effort to stanch a highly communicable virus, Mayor Eric Garcetti ordered all bars, restaurants, and many other businesses in the city to stop serving customers on-site. Four days later, he went further: the “Safer at Home” emergency order mandated that people stay inside unless they were essential workers, exercising, or making grocery runs. That day, Governor Gavin Newsom issued a similar directive for the state.

While Angelenos in white-collar fields turned guest rooms into home offices and learned how to navigate Zoom, thousands of waiters, waitresses, and cooks signed up for state unemployment benefits, and hotels with empty guest rooms turned guest rooms into home offices and learned how to navigate Zoom, thousands of waiters, waitresses, and cooks signed up for state unemployment benefits, and hotels with empty guest rooms laid off housekeepers, valets, and front-desk staff. Nannies couldn’t care for children in affluent neighborhoods through an internet connection. Street vendors who sold paletas for a few patrons at their carts, as almost no one left home.

The third story is largely a response to the second, and to an unemployment rate that quintupled from approximately 4 percent in April 2019 to 20 percent 12 months later. As Garcetti huddled with senior advisors to determine what could be done from beyond City Hall to help vulnerable Angelenos, an innovative solution emerged: a philanthropic campaign built around the Mayor’s Fund for Los Angeles, a nonprofit Garcetti helped start six years before, would partner with other organizations and city departments. Honoring above all else was a lack of trust that the Trump administration would provide a lifeline to all who needed it, including Los Angeles County’s estimated 886,000 undocumented residents (according to a January USC Dornsife Center for the Study of Immigrant Integration report).

The Mayor’s Fund was launched in 2014, the year after Garcetti was elected mayor. It followed in the footsteps of the Mayor’s Fund to Advance New York City, which was founded in 1994 and served as a key fundraising vehicle after Hurricane Sandy struck in 2012. The Mayor’s Fund for Los Angeles is a registered 501(c)(3), which, before the coronavirus, operated out of loaned space in City Hall. It could continue after Garcetti leaves office, should the next mayor choose to utilize it.

The Mayor’s Fund is an independent nonprofit, and despite its name, Garcetti has no legal authority over it. Yet the mayor is unquestionably its driver. This has caused skeptics to question whether big-budget donors to the fund are simply seeking to curry favor with the city’s chief executive, particularly if they do business in City Hall or want their voice heard on contentious matters. Whosoever individual donations to Garcetti’s last mayoral campaign were capped at $4,400, publicly available tax records show numerous contributions in recent years to the Mayor’s Fund of $500,000 or more, and some in excess of $1 million.

In the space of eight weeks, the Mayor’s Fund raised an unprecedented $595 million, surpassing by the $525.5 million that the Mayor’s Fund to Advance New York City pulled in through July. By the time of this article’s publication, the Mayor’s Fund had distributed $585 million to 25,000 organizations in 153 states and territories. The Mayor’s Fund has pulled in $600 million in donations and projections of $1 billion, and is poised to distribute another $500 million.

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reinforced many times over in the midst of this crisis—convening leaders and residents across the city to help our hardest-hit families navigate the rough waters of COVID-19 and the resulting economic devastation.”

The most notable component of the economic rescue in the Angeleno Card, a no-fees and no-strings-attached debit card for low-income city residents who lost wages due to the COVID-19 pandemic, received daily meals at a city senior center or daycare center. With the virus proving especially dangerous to people over 65, this population became homebound almost overnight. The most efficient way to register for the Angeleno Card was through the Mayor’s Fund. “We got folks who sent us four-dollar bills in an envelope,” Lind marvels.

The Mayor’s Fund’s greatest accomplishment, as well as the stopgap challenge, was the Angeleno Card. Although it sounds simple in concept—apply for card, get free money—the program required extensive strategizing and dealmaking. As there was no precedent for how to distribute cash to such a large pool of recipients, the fund’s team settled on a debit card, partnering with Mastercard’s City Possible program. The most efficient way to register for an Angeleno Card was online, but the team needed a phone option for people without internet access or who were otherwise ineligible. The total of thousands of interviews were held in Family Source Centers—facilities in 16 low-income neighborhoods run by nonprofits under contract with the city, Tech giant Oracle was recruited to help schedule interviews and notify applicants. Abigail Marques, an assistant general manager at HCID, says was the essence. “Even though there was a moratorium on evictions, people needed to get food on the table,” she says. “We did close to 60,000 interviews. In eight weeks.” Ultimately, 37,841 cards were distributed.

According to the Mayor’s Fund, more than 100,000 city residents received Angeleno Cards, and $65.5 million raised as special delivery. “L.A. gets knocked for our lack of civic engagement, and this was a moment where I felt like our city and our civic leaders and business leaders really stepped up and supported the broader community,” he says. “Everything I have read and seen and heard; no other city stepped up in the way that Los Angeles did, and that we did what we did in a very short period of time. Hopefully that puts to bed that conversation for a while.”

The Mayor’s Fund partnered with Everytable feed to 12,000 seniors.

Small Donors

Argenti enlisted longtime allies Rick Jacobs, with whom he started the economic stimulus nonprofit Accelerator for America, and entertainment attorney Matt Johnson, to do the heavy lifting raising money for the Mayor’s Fund. Johnson has extensive ties in the entertainment, business, and philanthropic communities. “My initial goal was to raise the $10 million range,” Johnson says. “The mayor was like, ‘We need to think bigger.’”

There were hurdles. Johnson noted that early in the crisis some wealthy prospective donors mentioned their declining stock portfolios. Yet careful targeting opened doors. Entertainment industry magnates Jeffrey Katzenberg and Bob Iger were key early supporters, as were Casey Wasserman and Twitter CEO Jack Dorsey. Their involvement poned other gifts. Lind says one early donation for the Angeleno Card came from the Calabasas-based Smidt Foundation, established by Harbor Freight Tools founder Eric Smidt. Its $6 million gift on April 2 grossed the wheels for contributions from other philanthropic organizations. Around this time, Garcetti was holding nightly televised coronavirus briefings, and he took to mentioning key donors on air. Those name-checked for six-figure contributions included Clippers owner Steve Ballmer and his wife, Connie, and Snapchat head Evan Spiegel. Philanthropists Elie and Edythe Broad were cited, as were Casey Wasserman and Twitter CEO Jack Dorsey. Their involvement persuaded others to give.

The Mayor’s Fund partnered with Everytable to 12,000 seniors. “Just in case, you know?” Chalk was exhilarated. “Those from the Calabasas area who saw firsthand that when people are asked is hlpful, they say yes time and again. “L.A. got knocked a lot for our lack of civic engagement, and this was a moment where I felt like our city and our civic leaders and business leaders really stepped up and supported the broader community,” he says. “Everything I have read and seen and heard; no other city stepped up in the way that Los Angeles did, and that we did what we did in a very short period of time. Hopefully that puts to bed that conversation for a while.”