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	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall (410) 396-4941		
	SUBJECT	City Council Bill #18-0223 Equity Assessment Program		

TO

DATE:

The Honorable President and
Members of the City Council
Room 400, City Hall

June 12, 2018

City Council Bill #18-0223 has been introduced for the purpose of providing for the implementation of an Equity Assessment Program for Baltimore City, to be developed and overseen by the Department of Planning; requiring City agencies to assess existing and proposed policies and practices for disparate outcomes based on race, gender, or income and to proactively develop policies, practices, and investments to prevent and redress those disparate outcomes; defining certain terms; providing for the adoption of rules and regulations to carry out this Program; requiring certain notices and reports; and generally relating to the goal of eliminating structural and institutional racism and other forms of discrimination based on immutable characteristics.

Cost Analysis

The Department of Finance has reviewed City Council Bill 18-0223 and the Department of Planning's response, recommended amendments, and staff report.

- **As proposed, this initiative could not be developed and implemented in a meaningful way that goes beyond an exercise in compliance without additional resources and a central coordinating body.**

We looked at similar programs in other municipalities to estimate the cost of implementing the proposed program in Baltimore. Seattle's Race and Social Justice Initiative began in 2004 and is currently coordinated by a team of eight employees within Seattle's Office for Civil Rights. In Fiscal 2018, Seattle budgeted \$150,000 specifically to further develop its Racial Equity Toolkit and to support community organizations participating in Seattle's Racial Equity Toolkit process. King County, Washington has an Office of Equity and Social Justice with seven full-time employees and a budget of \$2.4 million. Portland has an Office of Equity and Human Rights, charged with implementing institutional change in city government with regards to race and disability. It has a budget of \$1.9 million, of which \$0.8 million funds a citywide equity program, and \$0.6 million funds a community equity and engagement program. In addition to dedicated funding, each of these programs also has volunteer teams of employees and community members that convene to offer technical assistance, training, feedback, and facilitated discussion concerning equity analysis and programs.

This bill would require that every City Agency (defined to include every City Department, Authority, Office, Board Commission, Council Committee, or Other Unit of the City Government) identify an Equity Officer; include an equity assessment within every Council Bill report; develop

policies, practices, and strategic investments to reverse disparities; act to eliminate structural and institutional racism and discrimination; conduct equity assessments of all current proposed actions and policies; and develop and implement equity action plans.

These are admirable and ambitious expectations that would require citywide training, implementation, coordination, and not least, a cultural shift across City government whereby the equity lens becomes a primary tool by which all City policies are developed. Specific indicators and data concerning equity would need to be identified in order to assess current policy alignment and effectiveness. A standardized equity tool would need to be developed that would allow a very broad range of agencies to evaluate current programs and develop consistent reports and action plans. A review process would need to be developed and implemented. Evaluation and accountability plans would need to be developed. A community engagement process may be identified.

This is important work but based on similar initiatives in other municipalities, the proposed program could require a recurring fiscal commitment of \$1 - \$2.5 million. One-time start-up or pilot costs could require an additional commitment. A lower cost alternative could be appointing a citywide equity coordinator that would systemically train agencies to use an equity lens to develop policies and programs, develop tools to assess equity, and identify/collect data to both assess equity and measure progress. San Antonio for example has an Office of Equity staffed by a Chief Equity Officer with a recurring cost of \$80,750. Existing resources could be reprioritized to implement a program guided by this equity coordinator at the agency level.

The City could also consider joining the Government Alliance on Race and Equity (GARE), a national membership organization for jurisdictions committed to advancing equity, which has existing resources and tools to assess equity. The organization offers three membership types; one membership type offers peer municipality connections, provides access to trainings and facilitation by the organization, equity tools, technical assistance, and support for the development of equity policies. The cost for this membership type for Baltimore would be \$15,000.

Department of Finance Context: Equity Assessment

The Department of Finance supports the goal of eliminating structural and institutional racism and other forms of discrimination in Baltimore City.

- In November 2017, the City of Baltimore and the City of Seattle engaged in a partnership project, whereby Baltimore shared its experience implementing outcome-based budgeting, and Seattle shared its experience implementing the Seattle Race and Social Justice Initiative (RSJI), which is a citywide effort to end institutionalized racism and race-based disparities in Seattle City Government. RSJI developed the City's Racial Equity Toolkit, used to review budget requests through a racial equity lens. Seattle's Toolkit lays out a process and set of questions to guide the development, implementation, and evaluation of policies, initiatives, programs, and budget issues to address the impacts on racial equity. Each department in the City of Seattle is required to use the Toolkit to analyze projects each year to guide policy, program, and budget decisions.
- Following the Seattle exchange, the Budget Office team held a staff retreat to examine the ongoing impact of racial inequities in Baltimore. The team analyzed and discussed six recent or

current policies in Baltimore through a racial equity lens. Borrowing from Seattle's Toolkit, the team specifically looked at the following: desired outcomes of specific policies/initiatives; stakeholders and data; the benefits and burdens of specific policies/initiatives; opportunities to advance opportunity and minimize harm; and evaluation, awareness, and accountability. Specific questions were posed and, guided by Seattle's Racial Equity Toolkit framework. Those questions are included as an attachment to this memo.

- The Budget Office's Good Government Book Club facilitates inter-agency discussion on books to raise awareness around specific topics and guide good governance. The group recently read and discussed the book *The Color of Law*, which explores how government policies have given rise to and reinforced neighborhood segregation.

In recent years, the Budget Office has led a budget process that includes scoring operating budget proposals against criteria including alignment with desired outcomes, achievement of performance targets, and the quality of action plans, and coordination with partners. Going forward, BMR will consider adding equity as a criteria in its budget process. Adding equity as a criteria would give insight into where operating dollars are committed in relation to the populations and geographic areas reached by City programs, with the aim of understanding the needs of communities and how resources can be distributed based on those needs.

Department of Finance Recommendation

The Department of Finance supports the goals of the proposed Equity Assessment Program. Given the City's funding limitations however, the Department cannot support the bill as currently proposed. Instead, we suggest exploring various equity program models and associated costs and reprioritize current resources to do this work.

Attachment

cc: Henry Raymond
Kyron Banks

BBMR Staff Retreat: Racial Equity Analysis

(Developed using Seattle's Racial Equity Toolkit framework)

Outcomes:

- 1) What are the most pressing racial equity issues in Baltimore?
- 2) What are the specific desired outcomes to achieve advances in racial equity concerning those issues in Baltimore?
- 3) What indicators could be identified to measure and track progress towards closing racial equity gaps in Baltimore in the areas identified?
- 4) Which of these opportunity areas identified will specific proposals, policies, or initiatives primarily impact? What are the root causes or factors creating racial inequities in this area in Baltimore?

Stakeholders & Data:

- 5) What knowledge or data is available concerning the potential impact of specific proposals, policies, or initiatives on historically marginalized communities or neighborhoods in Baltimore? What further information would be needed to analyze this?
- 6) Are there impacts on specific geographic areas of the city? If so, what is known about the racial demographics of those living in the areas most impacted by a specific proposal, policy, or initiative? What policies, past and present, affect those geographic areas?
- 7) Who are the most important community stakeholders concerning a specific proposal, policy, or initiative? How could they be engaged in informing this issue in a meaningful and empowering way? How could community partners and stakeholders be engaged and empowered to achieve long-term, positive change?

Benefit and/or Burden:

- 8) How does a specific proposal, policy, or initiative potentially increase or decrease racial equity in Baltimore? What are potential unintended consequences? What benefits may result?

Advance Opportunity or Minimize Harm:

- 9) If a specific proposal, policy, or initiative has any anticipated negative effects on racial equity in Baltimore, what mitigating factors could be considered? How could unintended consequences impacting racial equity be addressed? What strategies could address those immediate impacts? If impacts are not aligned with desired community outcomes in Baltimore, how could this proposal, policy, or initiative be reworked or realigned?

Evaluate, Raise Racial Awareness, Accountability:

- 10) How can a specific proposal, policy, or initiative be evaluated and be held accountable as it concerns addressing racial inequities? How could awareness be raised around this issue and potential impacts on racial equity? How could stakeholders be engaged and empowered in an ongoing way to ensure accountability?