

4. Local Government Measures to Institutionalize Equity Accountability

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Introduction

As racial and social equity have become a major focus of local governments, several new and prominent strategies have emerged that aim to institutionalize equity in municipal policies and programs. In its *City Scorecard*, the American Council for an Energy-Efficient Economy (ACEEE) found that an increasing number of cities incorporated equity accountability measures into clean energy programs from 2017 to 2021 (Ribeiro et al. 2019, 2020; Samarripas et al. 2021). Some procedures may be particularly effective if incorporated into policies and programs targeting rental housing. This section outlines accountability measures that local governments can adopt to better assess equity in policy and program planning and implementation.¹

Overview of Current Equity Accountability Measures

The current landscape of equity accountability measures includes several different approaches. Likewise, some procedures involve an approach to equity in which local government is the primary decision maker, while others are more community-driven and involve collaboration between the community and local government. Table 1 summarizes some of these measures.

Table 1. Overview of equity measures

Equity measure	Description	Example cities
Structural equity assessments	Assessments that require local governments to determine how a proposed policy or program will support and create racial and social equity	Albuquerque , Minneapolis , Seattle , Washington, DC
Participatory budgeting	A process in which residents or an elected committee vote on how to spend portions of a local budget	Oakland , Seattle , Tacoma
Equity performance indicators	Reports that local governments use to collect data on equity and track progress against goals	Pittsburgh , San Diego

¹ For more information on equity in energy, visit www.aceee.org/topic/energy-equity.

Equity measure	Description	Example cities
Residents play a formal decision-making role	Formal bodies that give residents the opportunity to affect city planning	Milwaukee , Providence

Prior to pursuing the equity strategies in table 1, it can be helpful for local governments—especially those just embarking on equity work—to explore the [different types of equity](#) (i.e., procedural, structural, distributional, and intergenerational) and their definitions, as well as why [leading with race](#) is necessary and why equity is important in [buildings-related policy](#). After understanding these general equity concepts, local governments can collaborate with local stakeholders and community-based organizations (CBOs) to apply the concepts in their municipality’s context.

Local governments should also support all equity accountability measures and any preliminary work informing them with an inclusive community engagement process. These include, but are not limited to, engaging early and often, orienting work toward learning and co-creation, and learning about community priorities and interests (J. Hays, principal, Upright Consulting Services, pers. comm., April 22, 2021). For more information on community engagement, see ACEEE’s [A New Lease on Energy: Guidance for Improving Rental Housing Efficiency at the Local Level](#).

STRUCTURAL EQUITY ASSESSMENTS

[Structural equity assessments](#) are analysis tools that local governments use to understand how a specific policy or program will affect historically marginalized groups and ensure that it will not exacerbate historical and current inequities. Structural equity assessments are often a means by which residents hold local governments accountable regarding equity-driven planning. Local governments should promote their use of these tools and their results so that residents are aware of them.

Local governments typically use these tools as a preventative measure to forecast a policy’s potential impact at the start of the policy or program design process. They can also use the tools during program implementation, particularly when evaluating or changing the program or policy.

Structural equity assessments often analyze several factors to understand the effect of the policy or program. These assessments can be used either to evaluate the policy or program as a whole or be applied to specific provisions within the proposal. The assessments typically ask city staff to answer questions such as the following:

- What is the goal of the proposed policy or program?
- Who are the relevant stakeholders and what are ways to engage them?
- Which communities will the proposed policy or program benefit?
- Which communities will the proposed policy or program burden?

- How will the proposed policy or program improve or exacerbate racial and social inequity?
- What else is needed to ensure policy or program success?

Some structural equity assessments go beyond these questions. For example, the Washington, DC, [Racial Equity Impact Assessments](#) (REIA) analyze policy impacts by considering the data on current racial inequities, understanding relevant historical circumstances, analyzing potential consequences, amplifying voices from historically marginalized groups, analyzing who was (and was not) present during policy or program design, and understanding pros and cons of how the bill will operate (District of Columbia CORE 2022). In one instance, the city applied the REIA to [Bill 24-0096](#), which amended processes related to eviction filings. The tool assessed several provisions of the bill and found that the law would improve some housing outcomes for communities of color but failed to correct the underlying power structure responsible for inequities.

Like structural equity assessments, budget equity tools seek to analyze and understand impacts on historically marginalized groups, but their scope is limited to the local government's budgeting processes. Typically, each local government department is expected to complete a budget equity tool analysis and examine how its department-specific budget will help or hurt historically marginalized groups. Budget equity tools also provide the community with increased transparency into how the local government expects its budget to impact certain groups.

PARTICIPATORY BUDGETING

Participatory budgeting is a community-driven, democratic process in which community members can decide where to allocate portions of a public budget (PBP 2018). The Participatory Budgeting Project (2021) [outlines](#) the process in five steps:

- *Designing the process.* A committee that is representative of the community (and is either appointed by the body organizing the process or elected by the community) designs rules and the engagement plan.
- *Brainstorming ideas.* Provide residents an opportunity to share and discuss project ideas via meetings, online tools, and other forms of collaboration.
- *Developing project proposals.* Budget delegates (who are often volunteers) develop ideas into feasible proposals.
- *Voting on proposals.* Residents or the committee votes on projects.
- *Funding the selected projects.* The partnering government or institution funds the selected ideas.

Given these steps, participatory budgeting is more likely to result in projects that directly address the community's needs (PBP 2021; Georgetown Climate Center 2022).

Participatory budgeting has also been leveraged in cities around the United States to fund climate change mitigation and clean energy projects. Further, the process has been used to fund projects related to renter services. For example, participatory budgeting in Oakland,

California, resulted in funding being allocated toward [housing counsel and legal advice](#) for renters.

EQUITY PERFORMANCE INDICATORS

Equity performance indicators (EPIs)—also known as equity indices—are reports that local governments develop to track equity-related metrics across various efforts. Such topics are related not only to climate change and energy, but also to topics such as education and workforce development. EPIs also set time-limited goals (i.e., short- and long-term goals) for these metrics, thereby providing the community with a means to hold the local government accountable for performance relative to the goal.

Unlike structural equity assessments, EPIs track performance quantitatively—such as the percentage of changes in tree canopy coverage in neighborhoods where marginalized communities live—to determine whether local governments are on track to achieve their equity-related goals. EPIs are also updated regularly, whereas structural equity assessments typically occur at the start of policy or program development. San Diego has created a [climate equity index](#) that tracks the city’s progress toward climate equity goals. The index tracks data at the census tract level and assigns a climate equity index score that represents the level of opportunity access in these tracts. It also discloses how these tracts are performing in various other metrics.

PROVIDING RESIDENTS WITH A FORMAL DECISION-MAKING ROLE

A local government developing a plan regarding climate change, energy, or affordable rental housing can give residents—particularly those from communities of interest—a formal decision-making role in the planning process. This allows these residents to directly influence the creation of these plans. For example, Providence’s Racial and Environmental Justice Committee, which mostly consists of representatives from CBOs serving marginalized groups, co-created the [Climate Justice Plan](#) with the Providence Office of Sustainability. Local governments can also hire CBOs to provide oversight on climate change and clean energy initiatives (Ayala, Drehobl, and Dewey 2021).

Case Study: San Antonio Budget Equity Tool

QUICK FACTS

STAFFING: 0.75 TO 1 FULL-TIME EQUIVALENT EMPLOYEES | ANNUAL BUDGET: \$50,000 |
FUNDING: GENERAL FUND

PROGRAM BACKGROUND AND DESCRIPTION

In 2019, San Antonio’s Office of Equity designed its first budget equity tool. The [budget equity tool](#) requires each municipal department to answer questions about how its specific

budget advances racial and social equity. The first tool was designed by drawing on examples from other municipalities, particularly those in the Pacific Northwest. Since 2019, the tool has been revised annually based on feedback from city leadership, department staff, and community members. For the most recent fiscal year, FY2022, the tool asks four key questions (see figure 1).

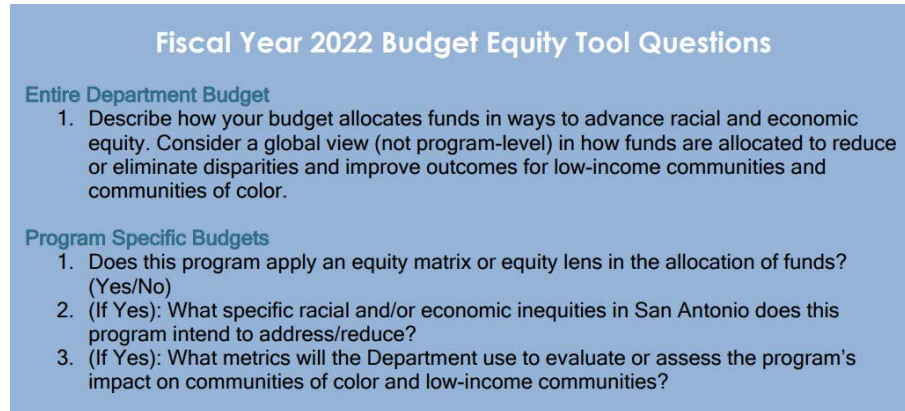


Figure 1. The San Antonio budget equity tool's set of questions for FY2022. Source: San Antonio 2022.

The budget equity tool is best suited for identifying gaps in program funding. This is particularly important for departments that work directly with local communities, since identifying funding gaps can reveal which communities are not being reached by the department's work. For example, in one case, the tool revealed that San Antonio's Neighborhood & Housing Services Department programs were not reaching those at 0–30% of area median income to the extent that the department had hoped.

STAKEHOLDERS AND ENGAGEMENT

The budget equity tool is strictly an internal process, so community engagement surrounding the tool has been limited; city department staff are the primary stakeholders. However, San Antonio noted that some community engagement is critical for government accountability, as the public does not currently know how departments are responding to the tool's findings.

SUCSESSES

The Office of Equity has successfully encouraged departments to think of the tool as part of the budgeting process, rather than something to be used after a draft budget has been developed. Further, some city departments have created internal equity committees to complete the tool.

CHALLENGES AND LESSONS LEARNED

The Office of Equity's first challenge was to develop a shared understanding and perspective among city staff on language and concepts pertaining to equity. The office noted that it found a discrepancy between what equity is and how city staff in other departments defined

it. For example, the Office of Equity found that some staff members believed that the terms “equity” and “equality” were synonymous; the office therefore needed to educate and train staff on the differences to better institutionalize a shared understanding of these concepts.

Further, San Antonio’s budget equity tool relies on community data. However, some department staff use process data when completing the tool, which creates problems because process data are less reliable when trying to close disparities in the community.² This difference in data types is important when trying to shift mindsets in city departments from process- to outcomes-oriented thinking.

Case Study: Using Participatory Budgeting for Affordable Housing in Monroe County, New York

QUICK FACTS

STAFFING: 1.75 FULL-TIME EQUIVALENT EMPLOYEES | TOTAL BUDGET: \$200,000 | FUNDING: EMPIRE STATE POVERTY REDUCTION INITIATIVE

PROGRAM BACKGROUND AND DESCRIPTION

The [Rochester-Monroe Anti-Poverty Initiative](#) (RMAPI) is a community collaborative organization operating in Monroe County, New York. In 2019, RMAPI administered a participatory budgeting process with the intentions to fund projects that filled community needs and to demonstrate to local governments that democratizing budgeting can lead to equitable outcomes and local community buy-in. Furthermore, participatory budgeting was a way for RMAPI to pursue its own guiding principles of addressing structural racism, addressing trauma, and building community.

To help develop, guide, and lead the participatory budgeting process, RMAPI created the Community Leadership Team, which consisted of 20 community members. The team was responsible for selecting the projects. Volunteer Budget Delegates also participated in this process. RMAPI did not provide stipends to the volunteers at that time, but the organization stated that providing stipends has since become regular practice, and were it to run another participatory budgeting process, volunteers would receive stipends.

The process for selecting projects consisted of multiple stages. The first stage was idea collection at formal and informal idea collection events. Formal idea collection consisted of

² Community data refers to information on the residents of the municipality (e.g., air quality in a specific neighborhood). Meanwhile, process data refers to information on municipal processes as it relates to program implementation (e.g., number of staff committed to a program).

group brainstorming sessions during structured community meetings. Informal idea collection consisted of collecting ideas via a form that community members completed. In total, RMAPI collected 293 ideas at 28 events (5 formal and 23 informal).

Following the idea collection stage, the volunteer Budget Delegates reviewed the ideas and ranked them based on the whether they met the following criteria:

- Is there a high need for the project?
- How feasible is the project?
- How equitable is the project?
- How does the project align with RMAPI's guiding principles?

The Budget Delegates then developed 22 project proposals and both physical and online posters describing the projects. The Budget Delegates also shared the projects with the community.

After developing the proposals, RMAPI opened voting to the public. Voting was available both online and in person over a three-week period. For online voting, RMAPI used Stanford University's [participatory budgeting platform](#).³ RMAPI also opened 45 in-person voting sites and ensured that voting sites were in locations easily accessible to marginalized community members.

RMAPI used ranked choice voting, and community members voted for their top five projects. In total, 2,702 community members voted, with 1,561 members voting online and 1,141 voting in person over the three-week period.

STAKEHOLDERS AND ENGAGEMENT

Community engagement was a key component of RMAPI's approach to participatory budgeting. The organization conducted direct community engagement in communities of interest to drive participation in the process. In addition to ensuring that voting locations were easily accessible to marginalized community members, RMAPI specifically promoted in-person voting among communities of interest.

SUCSESSES

The participatory budgeting process resulted in funding for five projects:

- A food recovery project that would redirect landfill-bound food to food pantries in the community
- A childcare service operating during B and C shifts

³ A sample of RMAPI's online ballot can be found at <https://pbstanford.org/rochester2019/ranking>.

- Workforce development via greening projects
- A tiny house affordable housing project pursued by Rochester Engaging in Action for the Chronically Homeless (REACH) Advocacy to house people experiencing homelessness
- An emergency housing assistance fund

RMAPI stated that the participatory budgeting process was also notable for providing funding to organizations that would not have received the funded amount from other sources.

As a result of the participatory budgeting process, RMAPI donated \$50,000 to a tiny house affordable housing project developed by [REACH Advocacy](#) that is intended to help people experiencing homelessness secure affordable housing. RMAPI's donation kicked off fundraising for the project, and REACH has since successfully acquired funding from donations and grants to build out the project's budget. REACH aims to build a 14-unit tiny house affordable housing project. The 14 units consist of 12 units for renters, one for a resident services manager, and one for a community space. Further, REACH is building the homes on a one-acre plot of land that a local community land trust, [City Roots](#), purchased for the project.

The tiny homes will be duplexes, and each unit will be approximately 380 square feet. REACH estimates each unit's construction costs to be \$105,000. Clean energy also features in the homes: REACH is designing them to be near zero net energy use. To achieve this, the organization plans to install solar panels on all homes that face east-west, which includes all but one of the units. Further, the homes will feature an all-electric design, energy-efficient wall panels, LED lighting, tankless water heaters, and mini-split air conditioners. Although the efficiency of the tankless water heaters and mini-split air conditioners help achieve the near zero net goal, space and sizing consideration took priority. Lastly, each unit is estimated to cost renters \$900 per month, but the units will be subsidized such that no renter pays more than 30% of their income toward rent. Eight units will be subsidized via the [Housing Choice Project Based Vouchers](#), while the other four will be subsidized via other housing programs.

To build the homes, REACH is partnering with Livingston Associates to coordinate workforce development opportunities with multiple contractors. The same contractors want to work with the tiny home residents who are interested in pursuing employment in the construction trades.

Navigating zoning regulations can be a challenge for tiny home projects because many zoning codes do not account for this housing model. In REACH's case, the organization lobbied for changes in the zoning code, then aligned the construction plans to the proposed zoning reforms to allow for the creation of tiny homes.

REACH noted that affordable housing projects building tiny homes should not carry construction debt, as debt requires the organization overseeing the project to increase the rent prices such that the units are no longer affordable.

CHALLENGES AND LESSONS LEARNED

RMAPI experienced challenges related to funding and time that resulted in the organization having to build out the process as they administered it (i.e., it did not have the capacity to fully plan out the process before launching the process). RMAPI has 1.75 full-time employee equivalents devoted to the process, but stated that more staff capacity would have allowed for a smoother, more involved process.

Another challenge was that while informal idea collection generated numerous ideas, the process did not lend itself well to designing specific proposals based on those ideas because informal ideas were often short, general ideas without much detail. Lastly, as a CBO, RMAPI had difficulties getting buy-in from local governments and had to explain that the projects that community members voted for were addressing actual community needs.

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