

RACIAL EQUITY AND SOCIAL JUSTICE TOOL

COMPREHENSIVE VERSION



Racial Equity
& Social Justice Initiative



Racial Equity and Social Justice Initiative Racial Equity Analysis Tool Comprehensive Version



INSTRUCTIONS

Use this tool as early as possible in the development of City policies, plans, programs and budgets.

For issues on a short timeline or with a narrow impact, you may use the RESJI Racial Equity Analysis Tool – Fast Track Version.

This analysis should be completed by people with different racial and socioeconomic perspectives. When possible, involve those directly impacted by the issue. Include and document multiple voices in this process.

The order of questions may be re-arranged to suit your situation.

Mission of the Racial Equity and Social Justice Initiative (RESJI): To establish racial equity and social justice as core principles in all decisions, policies and functions of the City of Madison.

Equity is just and fair inclusion into a society in which all, including all racial and ethnic groups, can participate, prosper, and reach their full potential. Equity gives all people a just and fair shot in life despite historic patterns of racial and economic exclusion (www.policylink.org).

Purpose of this Tool: To facilitate conscious consideration of equity and examine how communities of color and low-income populations will be affected by a proposed action/decision of the City.

The “*What, Who, Why, and How*” questions of this tool are designed to lead to strategies to prevent or mitigate adverse impacts and unintended consequences on marginalized populations.

BEGIN ANALYSIS

Name of topic or issue being analyzed:

Business Improvement Grant Program Summary, Application and Procedure Guide

Main contact name(s) and contact information for this analysis:

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Community Members
Saran Ouk Led

1. WHAT

a. What is the policy, plan or proposal being analyzed, and what does it seek to accomplish?

This grant program encourages business owners to reinvest in their business by offering grants to assist with the capital costs associated with renovating the interior and exterior of retail spaces.

It seeks to provide 10-15 grants of \$50,000 or less to independent businesses that fit the eligibility requirements with priority given to businesses owned by people who identified as a historically disadvantaged.

b. What factors (including existing policies and structures) associated with this issue might be affecting communities of color and/or low-income populations differently?

The team identified process and City rules and regulations can affect all business owners. For new business owners and first time business owners this can be overwhelming. Recognizing the barriers and confusion that can be caused while navigating through multiple City agencies for approvals of a build out the team came up with the following suggestions:

- Ensure the review team has representatives from Building Inspection and/or Zoning
- Set up two review teams so that businesses that are in Urban Design Areas have a representative from that team in the early stages of the project

c. What do available data tell you about this issue? (See page 5 for guidance on data resources.)

While there is not specific Madison focused data, national data shows disparities between investment in businesses owned by people of color, specifically with businesses owned by African Americans.

d. What data are unavailable or missing?

Specific data of the Madison Market

- e. Which focus area(s) will the policy, plan or proposal primarily impact?
Please add any comments regarding the specific impacts on each area:

<input type="checkbox"/> Community/Civic Engagement	<input type="checkbox"/> Food Access & Affordability
<input type="checkbox"/> Criminal Justice	<input type="checkbox"/> Government Practices
<input type="checkbox"/> Early Childhood	<input type="checkbox"/> Health
X <input type="checkbox"/> Economic Development	<input type="checkbox"/> Housing
<input type="checkbox"/> Education	X <input type="checkbox"/> Planning & Development
<input type="checkbox"/> Employment	X <input type="checkbox"/> Service Equity
<input type="checkbox"/> Environment	<input type="checkbox"/> Transportation
<input type="checkbox"/> Other (please describe)	
Comments:	

2. WHO

- a. Who (individuals or groups) could be impacted by the issues related to this policy, plan or proposal?

Business owners of color, business owners, landlords and property owners

- b. Who would benefit?

Business owners of color and their landlords

- c. Who would be burdened?

Potential future renters if rents increase

- d. Are there potential disproportionate impacts on communities of color or low-income communities?

Potential future renters of color if rents increase

- e. Have stakeholders from different racial/ethnic and socioeconomic groups—especially those most affected—been informed, involved and represented in the development of this proposal or plan? Who is missing and how can they be engaged? (See page 6 for guidance on community engagement.)

Yes. We have done RESJI analysis with both the community and City Staff. We performed these analyses separate so that both groups could be as open and honest as possible.

- f. What input have you received from those who would be impacted and how did you gather this information? Specify sources of comments and other input.

We met multiple times with both groups both in person and on Zoom to discuss, reflect and discuss again.

3. WHY

- a. What are the root causes or factors creating any racial or social inequities associated with this issue? (Examples: Bias in process; Lack of access or barriers; Lack of inclusive engagement)

Historical inequities in investment in businesses owned by people of color.

- b. What are potential unintended consequences? What benefits or burdens may result? (Specifically consider social, economic, health and environmental impacts.)

The biggest unintended consequence identified is an increase in rent as a result of investment.

- c. What identified community needs are being met or ignored in this issue or decision?

There are many needs of business owners, especially owners of color. This program is very specific in the desire to support investment in retail and service businesses. Increased capital investments are always needed for business owners. By allowing the business owners to apply for soft costs we hope to mitigate some of this issue. It is important to note that this program is one of many programs the City of Madison is working on. Through the KIVA program, WBBIC, Madison Development Corporation and the Commercial Ownership Assistance Program additional capital resources are available to businesses with a focus on businesses of color.

4. WHERE

- a. Are there impacts on geographic areas? (Select all that apply.)

<input checked="" type="checkbox"/> All Madison neighborhoods	<input type="checkbox"/> Park Edge/Park Ridge
<input type="checkbox"/> Allied Drive	<input type="checkbox"/> Southside
<input type="checkbox"/> Balsam/Russet	<input type="checkbox"/> East Madison (general)
<input type="checkbox"/> Brentwood/Northport Corridor	<input type="checkbox"/> North Madison (general)
<input type="checkbox"/> Darbo/Worthington	<input type="checkbox"/> West Madison (general)
<input type="checkbox"/> Hammersley/Theresa	<input type="checkbox"/> Downtown/Campus
<input type="checkbox"/> Leopold/Arbor Hills	<input type="checkbox"/> Dane County (outside Madison)
<input type="checkbox"/> Owl Creek	<input type="checkbox"/> Outside Dane County

Comments:

5. HOW: RECOMMENDATIONS SECTION

- a. Describe recommended strategies to address adverse impacts, prevent unintended negative consequences and advance racial equity (program, policy, partnership and/or budget/fiscal strategies):

Recommendations include:
-Targeted marketing of the program
-Connecting grantees with additional services
-Surveying and assessing the program
-Allowing for \$25,000 of the grant to be used for “softer” costs
-Allowing for the approvals to take place before work begins and for payments to be made before they are due to contractors (not a reimbursement so businesses owners do not have to pay costs upfront)
-Having two grant review teams – one team that would include a city representative that is knowledgeable about urban design and other city processes that can add additional complications to build-out plans

b. Is the proposal or plan:

- Y Realistic?
- Y Adequately funded?
- Y Adequately resourced with personnel?
- Y Adequately resourced with mechanisms (policy, systems) to ensure successful implementation and enforcement?
- X Adequately resourced with provisions to ensure ongoing data collection, public reporting, stakeholder participation and public accountability? THIS IS BEING WORKED ON

If you answered "no" to any of the above, what resources or actions are needed?

We are working to obtain Survey monkey for just OBR to allow for faster and more readily available surveying. We are still setting up a data collection system across multiple programs to better understand the needs of businesses owners in Madison.

c. Who is accountable for this decision?

City Council/Mayor for approval of the program

d. How will impacts be documented and evaluated? What are the success indicators and progress benchmarks?

Successful Outcomes

- Focus on Black Owned Businesses: stronger and additional black owned businesses. Stronger connection between City and other service providers and businesses owned by people of color
- Positive relationships between tenants and landlords
- Positive impact on neighborhoods that have seen less retail growth and investment
- Job creation/expansions
- future potential businesses opening in neighborhoods

Impacts will be documented with surveying, multi-year monitoring of property value and rents

e. How will those impacted by this issue be informed of progress and impacts over time?

Through communications with the specific group of grantees and general communications through the OBR newsletter

DATA RESOURCES FOR RACIAL EQUITY AND SOCIAL JUSTICE IMPACT ANALYSIS

City of Madison

- Neighborhood Indicators (UW Applied Population Lab and City of Madison):
<http://madison.apl.wisc.edu>
- Open Data Portal (City of Madison):
www.cityofmadison.com/data
- Madison Measures (City of Madison):
<https://www.cityofmadison.com/finance/documents/MadisonMeasures-2016.pdf>
- Census reporter (US Census Bureau):
<http://censusreporter.org/profiles/06000US5502548000-madison-city-dane-county-wi>

Dane County

- Geography of Opportunity: A Fair Housing Equity Assessment for Wisconsin's Capital Region (Capital Area Regional Planning Commission):
www.capitalarearpc.org
- Race to Equity report (Wisconsin Council on Children and Families):
<http://racetoequity.net>
- Healthy Dane (Public Health Madison & Dane County and area healthcare organizations):
www.healthydane.org
- Dane Demographics Brief (UW Applied Population Lab and UW-Extension):
www.apl.wisc.edu/publications/Dane_County_Demographics_Brief_2014.pdf

State of Wisconsin

- Wisconsin Quickfacts (US Census):
[U.S. Census Bureau QuickFacts: United States](https://www.census.gov/quickfacts/wisconsin)
- Demographics Services Center (WI Dept of Administration):
[DOA Demographic Services Center \(wi.gov\)](http://www.doa.wisconsin.gov/demographic-services-center)
- Applied Population Laboratory (UW-Madison):
www.apl.wisc.edu/data.php

Federal

- US Census:
[Explore Census Data](https://www.census.gov/data.html)
- 2010 Census Gateway (US Census):
www.census.gov/2010census

CITY OF MADISON RACIAL EQUITY AND SOCIAL JUSTICE COMMUNITY ENGAGEMENT CONTINUUM

Adapted from *Community Engagement Guide: A tool to advance Equity & Social Justice in King County*

The continuum provides details, characteristics and strategies for five levels of community engagement. The continuum shows a range of actions from county-led information sharing that tends to be shorter-term to longer-term community-led activities. The continuum can be used for both simple and complex efforts. As a project develops, the level of community engagement may need to change to meet changing needs and objectives.

The level of engagement will depend on various factors, including program goals, time constraints, level of program and community readiness, and capacity and resources. There is no one right level of engagement, but considering the range of engagement and its implications on your work is a key step in promoting community participation and building community trust. Regardless of the level of engagement, the role of both the City of Madison and community partners as part of the engagement process should always be clearly defined.

Levels of Engagement				
<p>City Informs City of Madison initiates an effort, coordinates with departments and uses a variety of channels to inform community to take action</p>	<p>City Consults City of Madison gathers information from the community to inform city-led projects</p>	<p>City engages in dialogue City of Madison engages community members to shape city priorities and plans</p>	<p>City and community work together Community and City of Madison share in decision-making to co-create solutions together</p>	<p>Community directs action Community initiates and directs strategy and action with participation and technical assistance from the City of Madison</p>
Characteristics of Engagement				
<ul style="list-style-type: none"> • Primarily one-way channel of communication • One interaction • Term-limited to event • Addresses immediate need of City and community 	<ul style="list-style-type: none"> • Primarily one-way channel of communication • One to multiple interactions • Short to medium-term • Shapes and informs city projects 	<ul style="list-style-type: none"> • Two-way channel of communication • Multiple interactions • Medium to long-term • Advancement of solutions to complex problems 	<ul style="list-style-type: none"> • Two-way channel of communication • Multiple interactions • Medium to long-term • Advancement of solutions to complex problems 	<ul style="list-style-type: none"> • Two-way channel of communication • Multiple interactions • Medium to long-term • Advancement of solutions to complex problems
Strategies				
<p>Media releases, brochures, pamphlets, outreach to vulnerable populations, ethnic media contacts, translated information, staff outreach to residents, new and social media</p>	<p>Focus groups, interviews, community surveys</p>	<p>Forums, advisory boards, stakeholder involvement, coalitions, policy development and advocacy, including legislative briefings and testimony, workshops, community-wide events</p>	<p>Co-led community meetings, advisory boards, coalitions and partnerships, policy development and advocacy, including legislative briefings and testimony</p>	<p>Community-led planning efforts, community-hosted forums, collaborative partnerships, coalitions, policy development and advocacy, including legislative briefings and testimony</p>

NOTES

Burdens

- Undocumented immigrants/can the program be pinning communities against each other.
- AARPA requirements

Marketing to all business owners in all languages as available

- Will this raise rents? There is a strong possibility properties will become more valuable as additional investment is made in them. Offset these issues by looking for solid multi-year leases and prepare grant recipients (businesses leasing the property) for these possible outcomes. Also, by allowing up to 25k to be used for softer costs that are directly owned and requested for by the renter

Successful Outcomes

- Focus on Black Owned Businesses: stronger and additional black owned businesses. Stronger connection between City and other service providers and businesses owned by people of color
- Positive relationships between tenants and landlords
- Positive impact on neighborhoods that have seen less retail growth and investment
- Job creation/expansions
- future potential businesses opening in neighborhoods

Focus on

- Very targeted marketing of program, working with community partners and neighborhood associations
- Wrap around services as needed and available
- Multi-year business surveying to assess impacts

Building Improvement Grant Feedback from Community RESJI Analysis

Here are a few things we've changed already:

1. Removed the match requirement (previous program required business owners to have their own match)
2. Expanded this to city wide (previous program was only for selected areas in Madison)
3. Allowed for more items to be eligible such as furniture, fixtures, etc. (previous program restricted the use of funds for items that stayed in the building)
4. Decrease lease term from 5 years to 2 years

Questions to consider:

1. Eligibility: it is a bit unclear who can apply. Is it the property owner who leases space to independent businesses? Independent business owners who hold the lease? Or both?
2. Target area: is it possible to include a hyperlink or attachment with additional information about what area(s) this is describing specifically?
3. Step two: it would be helpful to include the due date or that this is an ongoing application. "First come, first served until..."
4. What types of business are eligible, which are not

Yes	No	Maybe
Retail	Office	
Restaurants	Insurance	
Massage	Consulting	
Salon	Mental Health	
Bars	Dental	

5. 2 year requirement

-What about those who already have a lease and are about to expire? Do we want another 2 year lease signed? (Maybe this can be an internal review)

RESJI Questions

1. Who (individuals or groups) could be impacted by the Building Improvement Grant program?
 - **Everyone. From restaurant, retailers, therapists (mental, massage, acupuncture, etc.), and also the forgotten “mom and pop” landlords who sometimes can’t put much money into tenant improvement funds to procure or keep a tenant.**
 - The program would positively impact business owners, landlords, employees, and neighborhood residents.
2. Who would benefit from the Building Improvement Grant program?
 - **Everyone, see #1**
 - Landlords, underrepresented business owners, employees, and even neighborhood residents would benefit from the program. This grant would provide a facelift to the facility, driving traffic to the business and neighborhood in general. I will explain briefly how each of the groups would benefit.
 - Landlords: the rehabilitation of the space would increase the property value, and the building would attract future potential tenants.
 - Business owners: improved space can lead to increased patronage and revenue.
 - Employees: they would work in an improved and conducive environment, reducing workplace injuries and contributing to workplace safety.
3. Who would be burdened?
 - **I don’t think anyone will be burdened, but maybe those who miss out on the grant as they may not be as “retail” or “service-retail” focused.**
 - We couldn't identify any group that the grant program would burden.
 - Small business, low income, people who don't get along with their landlords
4. Are there potential disproportionate impacts on communities of color or low-income communities?
 - **Some. But I think overall, small and local business, no matter the ethnic background of the owner(s), should be the ones that this grant should be focused on, and in that, “mom and pop” landlords as well as being a landlord is a job too (personal and professional opinion).**
 - Since the communities of color constitute diverse groups, there could be the tendency of one group benefiting more from this program than other groups. If there could be a ratio to ensure all groups in the targeted communities are represented.
 -
5. What are potential unintended consequences (social, economic, health, environmental or other)?
 - **I think a misuse of funds, or not allocating the funds in the way the applicant said they would. Some variances are okay as prices and ideas change, but some may just put money into other things that the money was not intended for.**
 - Economic consequences:
 - The program may increase property and income taxes for landlords and business owners.
 - Landlords may increase the rent disproportionately after the lease term.

- If a business owner decides to increase the cost of services, low-income clients could be alienated because they may not be able to afford the new charges.

6. Describe recommended strategies to address adverse impacts, prevent negative unintended consequences and advance racial equity (program, policy, partnership and/or budget/fiscal strategies):

- **not really sure. I personally think that the grant/funds should help small and local business overall. If the business community in Madison is strong, everyone does better. Even if the owner is not a minority, they could be employing those who have an ethnic background and that is still a great thing.**
- - If possible, the State can exempt business owners from paying higher taxes due to their improved earnings for at least two years.
- - A ratio to ensure members of historically disadvantaged groups enjoy the program's benefits.
-

What is the policy, plan or proposal being analyzed, and what does it seek to accomplish?

- Marginalized communities not pre-established – state more clearly that folks just opening – new or current business owners would qualify. No requirements for being in business so long
- Accomplishes what we are looking to do in helping businesses get in the space and helping with the dollars. Thoughts on guidelines. English as a second language.
- Much will be determined by how it is used and the application and how we accept and encourage applications.
- Part of being inclusive is being exclusive
- African Americans demonstrably need more investment as shown by national data

What factors (including existing policies and structures) associated with this issue might be affecting communities of color and/or low-income populations differently?

- Access to capital to go along with these funds, historical renting practices – landlords may not be all that excited to rent to, bias around who to rent to
- After meeting with OBR to meet Planning/Building Inspection to see if they meet the applications, bring plans, smaller stuff etc...would have to an architect without good plans, civil engineer or architect, and no guarantee, furniture etc...
- Find out what are the minimums, use the money for the plans, go through with Building Inspection on this, and what did we do in the past, state street as example – they have to go through all the processes with application fees etc... urban design districts
- Separating the two – façade parsing out – approvals separate for façade vs building permit separate process