

# REPORT OF THE CHIEF LEGISLATIVE ANALYST

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DATE: April 8, 2021

TO: Honorable Members of the Los Angeles City Council

FROM: Sharon M. Tso *KEK*  
Chief Legislative Analyst *SM*

Council File No.	19-1470
	20-0761
Assignment No.	20-02-0127

SUBJECT: City of Los Angeles Office of Racial Equity

## SUMMARY

On December 19, 2019, the City Council adopted Motion (Wesson, O'Farrell, Harris-Dawson-Koretz; C.F. 19-1470) which instructed this Office and the City Administrative Officer (CAO) to review offices of racial equity in other cities, report on the establishment of a City of Los Angeles Office of Racial Equity (ORE), and on the staffing and budget required to implement the duties and functions of the proposed ORE. Subsequently, on November 25, 2020, the City Council took several actions relative to the ORE and requested the City Attorney to prepare and present a draft ordinance to create the Civil, Human Rights, and Equity Department (CHRED). On February 16, 2021, the City Council adopted Motion (Martinez-Price; C.F. 20-0761) to reaffirm its intent to include the creation of the ORE under the purview of the CHRED by further requesting the City Attorney to include it in the draft ordinance. On March 16, 2021, the City Attorney transmitted the draft ordinance to the City Clerk and it is now pending before the Immigrant Affairs, Civil Rights, and Equity Committee.

In response to the Council's request, this report provides a preliminary overview of the CHRED ORE, a review of racial equity offices in other cities, additional duties and responsibilities for Council consideration, and input from community stakeholders. It is recommended that the Council instruct CHRED and the CAO to report on the staffing and budget necessary to implement the duties and functions of the proposed ORE, including the five functions identified in the original Motion, and to report on the components of racial equity programs in other cities that may be incorporated into the City's racial equity program.

This report also includes a recommendation to request proprietary departments such as the Department of Water and Power, Los Angeles World Airport, the Harbor Department, the Housing Authority of the City of Los Angeles (HACLA), and the Los Angeles Homeless Services Authority, to adopt similar racial equity plans consistent with those adopted by the City Council.

## RECOMMENDATIONS

That the City Council:

- 1) Instruct the Civil, Human Rights, and Equity Department (CHRED) to report to Council:
  - a. On the framework of the Office of Racial Equity (ORE) under the purview of the CHRED, an action plan for the incorporation of the following five functions identified in the original Motion:
    - Policy Analysis and Research
    - Data Monitoring, Tracking, and Evaluations
    - Civic Engagement
    - Technical Assistance and Training
    - Community Racial Equity Advisory Committee

- b. Review racial equity programs in other cities, and with the assistance of the Personnel Department, the Bureau of Contract Administration, the CLA, CAO, and any other necessary City department, report to Council on the feasibility of implementing components of other cities' racial equity programs into an internal City racial equity strategy giving consideration to what may be incorporated in the near term versus the longer term. Consideration may be focused on City employee hiring and promotion; contracting; staff training in diversity, inclusion, and racial bias; and the impact of implicit bias on the policy-making and budget process with respect to City programs and services, while also taking into account the impact of racial inequities on other underrepresented groups such as people with disabilities, members of the LGBTQIA<sup>1</sup> community, women, and transgender and non-binary individuals.
- 2) Instruct the City Administrative Officer, with the assistance of the CHRED, to report with a budget and staffing plan for the ORE.
  - 3) Request proprietary departments such as the Department of Water and Power, Los Angeles World Airport, the Port of Los Angeles, the Housing Authority of the City of Los Angeles, and the Los Angeles Homeless Services Authority, to adopt similar racial equity plans consistent with those adopted by the City Council.

### **FISCAL IMPACT**

There is no impact on the General Fund as a result of the recommendations in this report.

### **DISCUSSION**

On December 19, 2019, the City Council adopted Motion (Wesson, O'Farrell, Harris-Dawson-Koretz; C.F. 19-1470) which instructed the CLA and the City Administrative Officer (CAO) to:

1. Review offices of equity in other jurisdictions;
2. Report on the establishment of an Office of Racial Equity (ORE);
3. Consult with community partners leading racial equity work in Los Angeles, through the embRACE LA initiative; and
4. Provide an analysis of the staffing and budget required for the proposed ORE with a minimum of five functions as stated in the Motion.

### **Background**

On May 8, 2019, the City Council established by ordinance the Civil and Human Rights Commission (Commission) and Executive Director.<sup>2</sup> The Commission, which includes seven members, was charged with specified administrative tasks, investigation, processing, adjudicating discrimination complaints, and other duties (C.F. 18-0086). On November 25, 2020, the City Council took additional actions, including a request to the City Attorney to draft an ordinance to establish the CHRED, add the word "equity" to the name of the department, change the name of the Commission to the Commission on Civil Rights, and place the Commission on Civil Rights, the Human Relations Commission, and the Commission on the Status of Women, under the purview of the CHRED (C.F. 20-0761).

In addition, as part of this action, the Council requested the City Attorney to work with CHRED, with the assistance of the CLA and the CAO, to further define the duties, responsibilities, goals and objectives of the CHRED; appropriated \$1,195,474 for salaries, contractual services, and equipment; resolved to approve

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<sup>1</sup> LGBTQIA+ = Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual.

<sup>2</sup> The Civil and Human Rights Commission was established by Ordinances (No. 186084 and 186134) which required amendments to the Los Angeles Administrative Code and the Los Angeles Municipal Code.

and confirm four “as-needed” positions through June 30, 2021; resolved to approve and confirm 14 positions to support the work of the CHRED and its commissions through June 30, 2021; instructed the CLA, CAO and CHRED, to report on the ORE, including its placement under the purview of the CHRED; instructed the CLA, Office of Immigrant Affairs, and CHRED, to report on the potential placement of the Office of Immigrant Affairs under the purview of the CHRED; and exempted 1 Human Relations Advocate, 1 Chief Management Analyst, 1 Senior Project Coordinator and 1 Management Analyst from the Managed Hiring process (all other positions are subject to Managed Hiring). Department staff will be providing updates to Council periodically and once CHRED and the ORE are fully in operation.

On February 17, 2021, the City Council adopted a Motion (Martinez-Price) to amend the Council action of November 25, 2020 (C.F. 20-0761) relative to the creation of the CHRED to request the City Attorney to add the following new instruction to the requested ordinance:

1. (g) Establish the Office of Racial Equity under the purview of the Civil, Human Rights, and Equity Department.

Below is a preliminary overview of the CHRED ORE, a review of racial equity offices in other cities, additional duties and responsibilities for Council consideration, and input from community stakeholders.

I. Preliminary City of Los Angeles Office of Racial Equity Overview

CHRED has provided information with respect to the ORE and its focus on racial equity across communities within the City. CHRED reports that the ORE will be staffed with one Senior Project Coordinator, one Human Relations Advocate, and two Project Coordinators (See Attachment 1). According to CHRED, ORE will serve three primary roles: 1) ANALYZE public and private policies and practices; 2) ADVANCE anti-racist policy recommendations; and 3) ACTUALIZE anti-racist training and capacity building initiatives.

ANALYZE

As part of this component, the ORE will conduct qualitative and quantitative studies to review public and private policies and practices in relation to racial inequities affecting the various communities throughout the City. Some of the specific strategies include:

- Establishment of an implementation committee comprised of labor, legal, and philanthropic stakeholders.
- Policy equity lens to the legislative process in areas such as COVID-19, food deserts, and the digital divide.
- Community engagement.
- Partnerships with local universities and colleges.
- Private and public funding availability and collaboration.
- Develop a Racial Equity Policy Analysis Tool.

ADVANCE

As part of this component, the ORE will draft and present anti-racist policies and practices to create a more just and equitable City by pursuing the following:

- Convene stakeholders to develop initiatives that shape policies and practices.
- Collaborate with various commissions under the purview of CHRED.
- Present strategies and anti-racist policies and practices to City leadership.

ACTUALIZE

As part of this component, the ORE will develop and deploy anti-racist training and capacity-building tools for private institutions to eliminate systemic racism within Los Angeles communities and engage in the following strategies:

- Host community meetings, events, and strategic outreach plans to deploy anti-racist training.
- Develop initiatives to advance upward mobility for communities who have historically been impacted by racial inequities in Los Angeles.
- Spearhead the Racial Equity and Newly Empowered Workplaces (RENEW) Task Force to root out structural racism in businesses. Through this Task Force, ORE will bring together entities from across the private sector to support and contribute to the City's racial equity plan. According to CHRED, members of the Task Force have signed a RENEW Pledge which commits their enterprise to clear goals and concrete steps to create more opportunities for Black and Latino workers, and improve the diversity, equity, and inclusivity of their operations and processes with respect to the communities they serve.

CHRED reports that it partners with community-based organizations, faith-based institutions, business groups, Neighborhood Councils, philanthropic leaders, and local universities and community colleges, along with City commissions to level the playing field through work in the following three core areas:

- Policy Equity Lens: ORE will apply a policy equity lens to meet the needs of underserved communities by supporting the legislative process related to the digital divide, food deserts, community policing, and COVID-19 equity. CHRED reports significant success with respect to COVID-19 equity, testing, vaccine information, and providing access to resources.
- Upward Mobility Programming: ORE will engage with community partners, academic institutions, and the business community to help more of our residents advance into the middle class and beyond. ORE plans to organize three community events related to upward mobility programs especially for underserved populations in the near future.
- Corporate Diversity Metrics: ORE advocates for the hiring, pay equity, promotion, and retention of people from underserved communities in various high-earning potential industries to promote diversity, equity, and inclusion. ORE will lead the RENEW Task Force to improve industry metrics as it relates to underrepresented employees and vendors.

## II. Equity-Related Offices in Other Jurisdictions

Pursuant to the Council request, our Office conducted a review of offices of equity in New York, NY; Portland, OR; and San Francisco, CA. Below is a summary of each municipality which includes duties and responsibilities, budget allocation if any, and placement.

- New York, NY  
In 2017, the City of New York enacted a law requiring the Department of Health and Mental Hygiene, the Administration for Children's Services, and the Department of Social Services to complete gender, racial, and income equity (as well as sexual orientation where relevant data is available) assessments of their actions, procedures, services and programs, employment, contracting practices, rulemaking, and budgeting, and to create action plans to address the findings of these assessments.<sup>3</sup>

The law also requires the establishment of an Equity Committee to seek input from New York city employees and city officials and develop recommendations to address disparities. The committee is required to have a minimum of five members. The mayor appoints four members, including the chair of the committee, and the Speaker (head of the City Council) appoints one member.

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<sup>3</sup> The New York City Council: Legislative Research Center

In addition, the City of New York enacted a law to require specified city agencies to provide all employees with training on implicit bias, discrimination, cultural competency, and structural inequity, with respect to gender, race and sexual orientation, and on how these factors impact the work of such agencies. The Director of Finance estimated that there would be a cost of \$400,000 resulting from the enactment of this legislation. This includes the cost of developing the training curriculum, centralizing training materials, paying trainer salaries, and reserving space for training sessions.

- Portland, OR

In 2011, the City of Portland passed an ordinance to establish the Office of Equity (OOE). The OOE is charged with working with all city bureaus to eliminate disparity in city policies, processes, decisions, and resource allocations; and with other governments, private businesses, non-government organizations, academia, and each community member to achieve measurable results reducing disparities within the city and throughout the community. The OOE was required to provide leadership and coordination in facilitating systemic training, change, and accountability to achieve equity in city government. The OOE focused on disparities in race, ethnicity, and disability, and creation of a city-wide and/or region-wide initiative to eliminate disparities and promote equity.

The OOE was established based on input from community organizations like the Urban League of Portland's State of Black Oregon and the Coalition for Communities of Color which provided data relative to Portland's racial and ethnic disparities. The Portland Commission on Disability also provided input with regard to the effect of these disparities on persons with disabilities. A committee composed of 30 members from community organizations and city staff advised public officials on the crafting of the adopted ordinance.

In 2011, Portland city officials allocated \$525,000 to establish the OOE with two full time positions. Per the Portland FY 2020-21 Adopted Budget, the OOE is now known as the Office of Equity and Human Rights which maintains a dashboard with demographic information that allows government officials, academics, and the general public to make decisions based on available data. The funding allocation for FY 2020-21 of \$2.36 million was paid with Intracity Transfers and Service Charges, Licenses, and Fees (General Fund). The number of authorized positions is 15.

In spring of 2015, Portland's mayor required the use of an equity tool for the city's budget process. Each bureau used the tool to assess the racial impacts of their proposed cuts or additions. Assessments were reviewed by OEHR and submitted to the budget work sessions (which include council members and a budget advisory team). The Portland City Budget Office then makes recommendations. After reviewing the racial equity assessments, several budget proposals were modified by the City Budget Office due to equity concerns.

Portland has incorporated the use of data and metrics into their "equity roadmap," bureau equity plans, and the workforce dashboard now on the city website, where demographic data about the racial makeup of each bureau and their contractors can be viewed, sorted by overall employees and by management level staff, and updated monthly. Twenty-seven percent of Portlanders are people of color, and 24% of city employees are people of color, which is not highly disproportionate, but management and upper level leadership have greater disparities. The Regional Equity Atlas produced by Coalition of Livable Future has been useful in tracking equity data.

- San Francisco, CA

On June 30, 2020, the City and County of San Francisco enacted an ordinance establishing the San Francisco Office of Racial Equity (SFORE) as a Division of the Human Rights Commission. The SFORE was authorized to enact a citywide Racial Equity Framework, to

direct departments to develop and implement mandated Racial Equity Action Plans, analyze the disparate impacts of pending ordinances, and implement other policy and reporting functions. In addition, the ordinance requires that city departments designate employees as racial equity leaders acting as a liaison to the SFOR and requires the Department of Human Resources to assess and prioritize racial equity with the city's workforce. Lastly, the SFOR centers racial equity within the City and County's budget process and is authorized to make recommendations on funding of departments should certain racial equity metrics not be met. To accomplish this, the City and County developed metrics and received training by which to measure progress with respect to racial disparities. If a department is found to be non-compliant, with regard to their respective Action Plans, or there is no evidence of progress, the Board of Supervisors has the discretion to withhold spending authority or freeze hiring for the following year. The ordinance requires that SFOR be staffed with a minimum of five positions.

According to the San Francisco Budget and Legislative Analyst, the Human Rights Commission included three new positions in FY 2019-20 and an additional position in FY 2020-21 to staff the Office of Racial Equity for initial start-up. The cost for the new positions was \$355,783 in FY 2020-21 and \$618,295 in FY 2021-22.<sup>4</sup> The Human Rights Commission anticipates funding for one additional position in FY 2021-22.

### III. Additional Duties and Responsibilities for Council Consideration

As prepared, the draft ordinance establishes the ORE under the purview of the CHRED, but provides no language relative to its duties, functions or responsibilities. As noted previously in this report, the General Manager of the CHRED has provided a preliminary overview of the ORE. However, based on our review of offices of racial equity in other cities, the Council could choose to add other responsibilities to the ORE work program. The City Council may consider requesting the City's ORE to report on racial equity efforts that focus on employee hiring and promotion; contracting; staff training in diversity, inclusion, and racial bias; and the impact of the policy-making and budget process on City programs and services. The ORE could coordinate with other City departments, such as the Personnel Department and the Bureau of Contract Administration to gather data and metrics, and to develop evaluation methods to monitor racial equity milestones.

In some of the municipalities reviewed, various offices of racial equity include equity in terms of disability and LGBTQIA<sup>5</sup> status. In defining its mission and vision of racial equity, the City Council may wish to consider incorporating other historically underrepresented groups that may experience discrimination, such as women, transgender and non-binary individuals, other LGBTQIA+ individuals, and people with disabilities.

Given the Council's demonstrated interest in addressing disparities within and outside the City, if the City Council wishes to pursue the recommendations to address the gender gap, the Council may wish to expand any further efforts to include a broader definition of gender identity, beyond men and women, that includes transgender, gender non-conforming, sexual orientation (where data is available), and add race, ethnicity and disability status, as categories included in those efforts.

The Council could also direct ORE to coordinate development of such policies, with the assistance of City departments, and ensure that these policies are integrated into the City's equity program. We note that incorporating these additional responsibilities to a newly created department may not be feasible at this time given the current scope and available resources. However, we have included a recommendation instructing the CHRED to report back on a strategy, timeline, and resources necessary to implement these added responsibilities.

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<sup>4</sup> <https://sfgov.legistar.com/View.ashx?M=F&ID=7527087&GUID=61F7929F-6331-4E4C-904A-CA9C062972EB>

<sup>5</sup> LGBTQIA+ = Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual.

To ensure that all components of City government are aligned with the Council's racial equity policies, including those associated or doing business with the City, it is recommended that the City Council request proprietary departments and independent agencies such as the Department of Water and Power, Los Angeles World Airport, the Harbor Department, the Housing Authority of the City of Los Angeles, and the Los Angeles Homeless Services Authority, to adopt similar racial equity plans consistent with those adopted by the City Council.

#### IV. Community Stakeholder Input

The Council instructed staff to consult community partners leading racial equity work in Los Angeles through the embRACE LA Initiative. CHRED reports that to date, the department has held over 50 meetings to discuss equity and inclusion with community-based organizations and other external stakeholders including Community Coalition, Brotherhood Crusade, Community Build, Urban League, American Descendants of Slavery (ADOS), Community Response System of South LA, Western Justice Center Foundation, Advancement Project, UCLA Labor Center, the Black Worker Center, faith-based organizations, Neighborhood Councils, higher education institutions, and others. Collectively, these organizations requested that the ORE include in their mission the following topics: food deserts, digital equity, COVID-19 equity, racial equity training, job equity, and more inclusive translation services.

Additionally, the City Council received a letter from community organizations<sup>6</sup> listing their priorities for a proposed office of racial equity which includes the following four components:

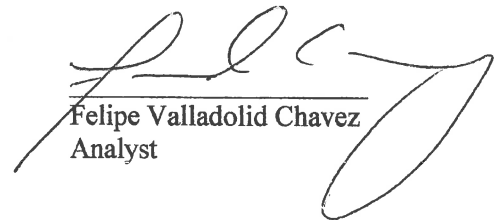
- CORE FUNCTIONS
  - a. Policy research and analysis on the racial equity impacts of existing and proposed City policies and practices.
  - b. Data collection and publicly available analysis of key racial equity indicators.
  - c. Civic engagement program that focuses on improving and increasing political participation by communities historically marginalized and excluded from government decision-making, especially low-income communities of color.
  - d. Technical assistance and training for City staff on racial equity concepts, policies, and practices.
  - e. Community Advisory Committee that informs and advises ORE and holds it accountable to communities most impacted by racial inequities.
- FUNDING
  - a. \$25 million to fund the ORE.
  - b. \$100 million (\$10 million per year over 10 years) for a Community Justice Fund that is managed by ORE to fund community-based organizations to create space and community for intergenerational community connection that challenges anti-Black racism, Indigenous erasure, and other forms of institutional discrimination, and promotes the affirmation of Black, Indigenous, and other people of color.
- PLACEMENT

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<sup>6</sup> A New Way of Life, Advancement Project California, Asian Pacific Policy & Planning Council, Boys and Girls Club LA Harbor, Brotherhood Crusade, Community Asset Development Re-Defining Education (CADRE), California Native Vote Project, Central American Resource Center, Champions in Service, Coalition for Humane Immigrant Rights, Coalition for Responsible Community Development, Community Coalition, Homeboy Industries, InnerCity Struggle, Koreatown Immigrant Worker Alliance, LA CAN, LA Conservative Corps, LA VOICE, Labor Community Strategy Center, National Council of Jewish Women – LA, Pacoima Beautiful, Revolve Impact, Southern California Grantmakers, The River Project, TransLatin@ Coalition, United American Indian Involvement, and Venice Community Housing Corporation.

- a. Establish ORE within the Department of Civil and Human Rights (DCHR) with the necessary staffing, funding, and delegated powers to effectively carry out its mission and functions.
  - b. In order to ensure that ORE is at equal standing of priority with the DCHR, change the name of the department to the Department of Racial Equity and Civil and Human Rights, to include race and equity, but not the exclusion of civil and human rights.
- PERSONNEL
    - a. Given the distinct purpose and functions of ORE and the civil and human rights branches in the DCHR, as well as the scale and capacity necessary for each to be fully executed, co-executive directors should be set in place for the department, each focused on one of the programmatic branches, and working together to run the department as a whole.
    - b. In hiring ORE's executive directors, include as requirements that the individuals have: 1) a passion for advancing racial equity and social justice solutions; 2) expertise in community building and engagement with diverse racial and ethnic communities; 3) a deep understanding of systemic and institutional racism and bias; and 4) experience and working understanding of the effective methods of organizational and institutional change.

We note that that the City Council CHRED has reviewed the letter and will be reporting to Council as part of the broader staffing and budget structure of the ORE.

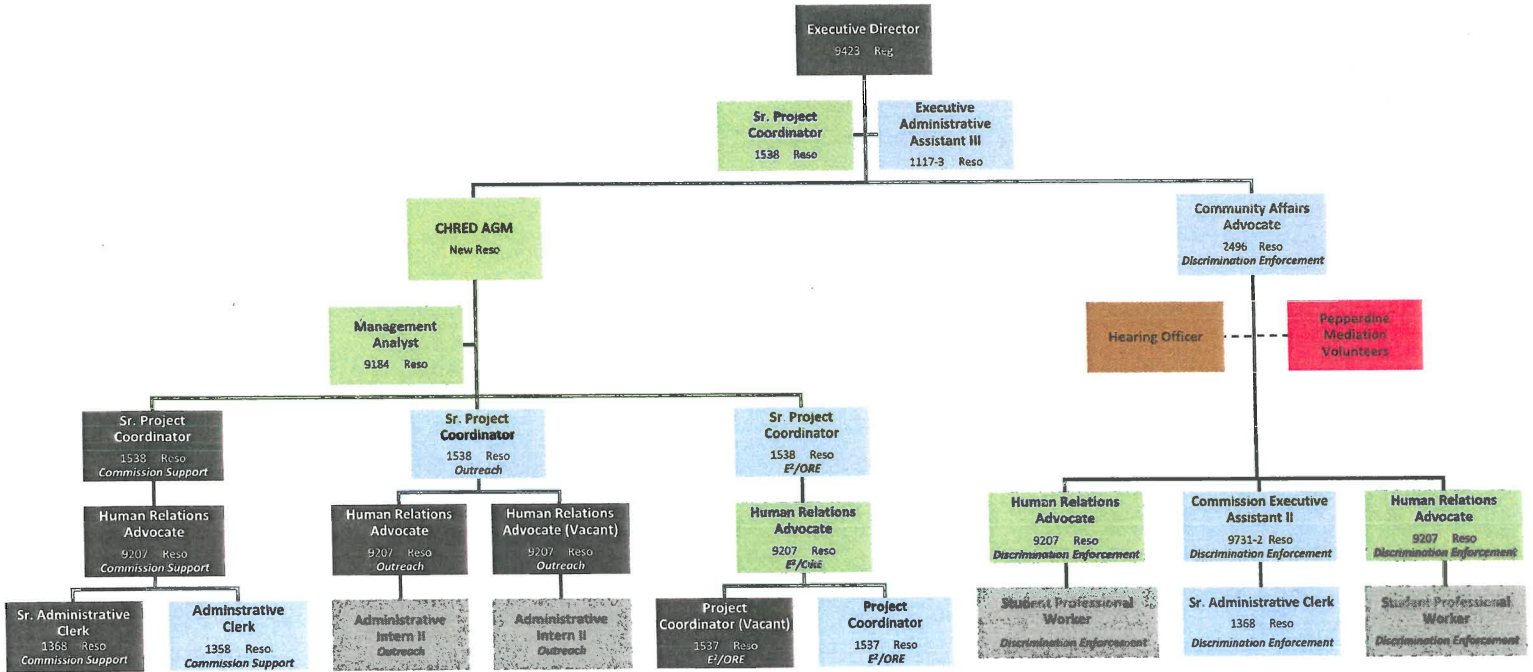


Felipe Valladolid Chavez  
Analyst

Attachment: CHRED Organizational Chart



# CHRED-ORGANIZATIONAL CHART



**LEGEND**

- Current CHRED Staff (GM + Previously HCID Positions)
- Council Approved Positions
- Council Approved Positions – Exempt from Managed Hiring
- Part-time/As-Needed Positions
- Privately Funded Positions and Contractual Services
- Volunteers