

To: San Francisco Board of Supervisors
From: The Budget Justice Coalition
Date: June 25, 2018

Dear Supervisors:

Here we are, in the midst of your annual review of our City's most important piece of legislation, the City budget.

And here we are again, lining the corridors of City Hall, knocking on your doors, and standing in long lines waiting to express our views as efficiently as possible before the mic cuts out.

Who are we? We are poor and marginalized communities and the nonprofits who work with them. The staff of our organizations – many of them barely making ends meet themselves - are on the front lines of service to San Franciscans who often lack the most basic amenities – a home, a meal, personal safety, an education, a decent paying job, good health.

This year, Budget Committee Chair Malia Cohen sought to improve the budget process, calling for a policy-based process "prioritizing transparency and accountability" that "will make the City's Budget more accessible for our residents, and give a stronger sense of our direction and opportunities as a City."

We applaud and share this statement of values to guide our budget process. We appreciate the policy hearings that the Budget and Finance Committee held in the spring to shape the prioritization process. We thank you for the open communication between the Board and the community to share information and to discuss budget priorities and process.

Additionally, we have recommendations that go deeper towards realizing those goals. We hope you'll act quickly to address these concerns over the final few days of Committee deliberations.

- Community engagement: Despite the stated goal to create a process that makes the budget more accessible, the Budget Committee chose to limit public comment to an unprecedented one minute, barely enough time to state one's name and briefly cite one or two priorities. From the community perspective, we feel this devalues – rather than prioritizes – public input. In essence, public comment becomes simply a box to check, rather than an integral part of full and open budget deliberation. The San Francisco Sunshine Ordinance requires public comment "up to" three minutes; some years ago, the Board began using two minutes when lines were long. Now, two minutes is the standard at the Board, and we fear a new one-minute precedent for long lines.

More accomplished public speakers can fit our comments into one minute – if we only mention one topic, omit any discussion of supporting data, and avoid addressing complex policy issues. Sadly, community residents who rehearsed their two-minute testimony in advance were the ones most likely to experience a silent microphone mid-

sentence. Most of all, we lost the heartfelt personal stories that help us all understand why these services are so important, and the effects of policy and budget decisions on the lives of San Franciscans.

- Transparency: The Board expressed the desire to hold all budget deliberations and addback decisions in public hearings, rather than in closed-door discussions. The draft addback list consists of vague "policy bucket" line items that lack substantive specificity about the purpose, strategy, timing and responsible City department. As a result, community members are having difficulty discerning the Board's intent regarding specific types of programs. This approach is the exact opposite of enhanced transparency. The concept seems to be discretion and flexibility for City departments, who already had the power and opportunity to influence the budget behind the scenes through the Mayor. City Departments don't need another advocate.

Another example of reduced transparency has occurred through the department review process. In prior years, the Budget and Legislative Analyst released their recommended cuts to the public, and the Budget Committee held public hearings with public comment to discuss those proposals. This year, the BLA negotiated proposed reductions with departments behind closed doors. The City neglected to release the resulting documents in advance of public comment – or even before the Budget Committee voted on them. Community members lost the opportunity for any public process to support or oppose any of those reductions.

- Accountability: Through the policy prioritization process, the Board has sought to ensure the accountability of every dollar we spend. However, fewer details in the Board's addback list means less accountability to the public. By deferring to departments, the Board abdicates the responsibility to guide them to address the priorities identified through the Budget Committee process. The Legislative branch offers an opportunity to connect with communities facing inequality, whose recommendations are often strategically specific to address inequities in geography, race, age, gender, sexual orientation, gender identity and so forth. Overly broad language also creates the potential for unnecessary delays in deploying the funds to address urgent community needs, further reducing the impact of the Board's process. Service providers already often experience lengthy RFP processes and late contract certification, leading to service interruption, staff layoffs, cash flow issues and borrowing costs. Until the City addresses its own accountability problems in the contracting process, the Board needs to do everything it can to allocate funding as quickly and efficiently as possible.

Ironically, entrenched powerful interests with money, access, and relationships often characterize those of us without money, access and relationships as being "special interest groups" – indeed, they accuse us of being unaccountable and self-interested. Our response: We do have a special interest in budget justice. In budget fairness. In budget transparency. Above all, a special interest in shared benefit for the good of all, not just for a few.

We are an extraordinarily wealthy City, but only some of our residents have reaped the benefits of our expanding tech sector. Income inequality continues to widen. Housing costs continue to spiral out of control. The middle class are the new poor, working class communities are under siege, and the poor are destitute. The impacts of poverty, inequality, and unaffordability fall hardest on the populations our nonprofits serve, and particularly in communities of color: families, seniors and people with disabilities, the unhoused, people in recovery, parolees seeking reintegration, foster youth, the unemployed and the working poor. Our homeless populations face disproportionately high rates of addiction, HIV/AIDS diagnoses, and exposure to race, gender, sexual orientation and gender identity based discrimination.

Our recommendations come from lengthy community processes with extensive input, and represent inequities that continue to widen and deepen. The Legislative branch offers the opportunity for all our communities to express needed changes, which is critical to correcting these inequities.

Respectfully, Supervisors, we urge you to honor your pledge of accountability to your constituents, to the people that you serve. We are here to help inform options to address the unmet needs that we see every day, to ensure resident voices can speak on their own behalf, and to advocate that you prioritize those needs in budget deliberations and decisions.

Finally, we again thank Chair Cohen and the rest of the Budget Committee for your intentions and efforts to improve on the budget process. As stakeholders and community representatives, we want to continue working with you over the coming weeks. We also hope to engage with the Board in a post-budget review of the process, including consideration of some of the other elements in the Budget Justice Coalition's December 2017 policy paper on budget process reforms.

Sincerely,

The Budget Justice Coalition