

As directed by the SAFAB members in the March meeting, items 4-7 are included in the language below for submission with the Agency Final Reports to the City Commission. Items 2 and 3 were added for clarity and understanding of the following items.

1. Language already approved by the board, see minutes and MEMO
2. Statement of support for homelessness efforts
3. Value of Advisory Boards
4. Funder grantee power dynamics
5. Transparency with board, public, and agencies
6. Clarity of process and timeline
7. Liaison preferences

Memorandum City of Lawrence Special Alcohol Funding Advisory Board

TO: Lawrence City Commission

FROM: Special Alcohol Funding Advisory Board

CC: Casey Toomay, Assistant City Manager

DATE: March 16, 2022

RE: 2021 Special Alcohol Funding Advisory Board Annual Report and additional comments from Special Alcohol Funding Advisory Board regarding transparency, equity, and public engagement.

Background In 2021 the City of Lawrence provided \$692,000 to eight (8) social service agencies in our community that provide education, treatment, intervention, prevention, and other related programs to address drug and alcohol abuse.

Agency Annual Reports One of the duties of the Board is to “evaluate the use of City Funds by recipients and report to the City Commission on such findings and determinations as the Board determines appropriate.” As such the Board requires every agency that receives funding to fill out an annual report. The report serves several purposes. It demonstrates the social service agency’s capacity to carry out their stated outcomes; demonstrates how funds were actually used in comparison to the request; and provides taxpayers with information about how public dollars were spent. All annual reports have been posted online at <https://lawrenceks.org/2021-budget-funding-applications/>.

City Guidance

"TRUST-WORTHY PROCESSES ARE THE FOUNDATION FOR THE DELIVERY OF CITY SERVICES."

-STRATEGIC PLAN FRAMEWORK, SECTION 3, PART B.

PER THE SPECIAL ALCOHOL FUND ADVISORY BOARD (SAFAB) BYLAWS, THE PURPOSE OF THIS ADVISORY BOARD IS TO ADVISE THE GOVERNING BODY OF THE CITY OF LAWRENCE, KANSAS, REGARDING ISSUES AFFECTING SPECIAL ALCOHOL FUND ALLOCATIONS.

Future Role of Special Alcohol Funding Advisory Board

For the past 20 years, with the exception of this year, Board duties were as stated, **“the board shall review requests and make recommendations to the City Commission on the use of Special Alcohol and Drug Abuse Funds, excluding the use of funds by City departments, using the criterial outlined in Charter Ordinance No. 33.”** For the 2022 budget, there was no grantmaking process, all Special Alcohol Funds were allocated for use by the City’s newly created housing division.

The SAFAB is submitting this statement to the Commission regarding Special Alcohol Tax fund use and the lack of transparency in process and distribution of **the \$1.139 million in refocused Outside Agency funding (\$800,000 from Special Alcohol and Drug Program Funds, \$339,000 General Fund dollars)** that was reprioritized from alcohol and substance abuse prevention activities to homelessness direct services in the approved 2022 budget. Attached is the annual submission to the commission of the Final Report from the 2021 **Special Alcohol and Drug Program** grantees. The board chooses this opportunity to share feedback **based on our role as outlined in Special Alcohol Funding Advisory Board Ordinance No. 9726** (Section 3, C, “Evaluate the use of city funds by recipients...”) **regarding the process and funding for which we were appointed to advise.**

Agency Annual Reports

The Board reviewed the 2021 annual reports at their March 18, 2022 meeting. In general, the Board was satisfied with the annual reports and wishes to acknowledge and commend the efforts of these agencies through the incredible challenges of 2021. The board acknowledges that there will not be a grant opportunity in 2022 and appreciates completion of reports despite the lack of funding opportunities in the immediate future.

While this letter is a statement of dissatisfaction, it in no way intends to indicate a lack of support for the City’s investment in homelessness and housing solutions. This investment by the city is long overdue making it all the more important to use an informed, equitable, and transparent process for fund distribution. Moreso, this Board believes that the elimination of these direct and prevention funds will be a disservice to the important and complex homelessness effort.

The impact of the 2022 funds will be diminished by lack of a timeline, evidence, and direction from **this board and content experts as the majority of the funding has already been allocated and anticipated partially to fund Bert Nash, SAFE Bar, LCS, etc.,** directly connected to the Homelessness Needs Assessment which is yet to be to be completed. Please note, in previous years, allocations for the first half of funding would already be distributed to grantees.

Value and Role of Advisory Boards

In order to adequately represent diverse community needs, city staff and officials must utilize the advice and counsel offered by qualified, volunteer advisory boards and commissions. The City of Lawrence engages 44 advisory boards, commissions, and committees whom serve as the primary vehicle for authentic, informed, high level public engagement. When using a "priority based" budgeting system, authentic engagement is all the more important and the Advisory Boards should not have been overlooked as a source of evidence based input. Advisory boards should be equally as important as a data analysis. Please note that this data is provided though organizations. Because of the survey’s language, respondents feedback was led by the language provided which didn’t speak to social services, alcohol and drug use prevention, or outside agency funding. Therefore, the lack of inclusion of this specific language in public feedback cannot be used as justification to remove these funds from their intended purpose stated in Ordinance No. 33. **Removed sentence**

Knowing that BIPOC (Black Indigenous People of Color) populations are disproportionately affected by homelessness and that the City funding has been reallocated to directly serve the highest need, the guidance determining the distribution of funds is unclear as it contradicts evidence based data provided by [KU Center for Public Partnerships and Research](#), reported by the [Lawrence Times](#).

Funder Grantee Power Dynamics

To align with the stated values around trustworthy processes (Resolution No 7344, sec. 3B) the city must acknowledge the importance of power dynamics in the funding process. If authentic feedback and engagement is truly desired, "dangling carrots" cannot be used to soften the delivery of tough news. Since August, the Commission and staff have repeatedly made ambiguous and inconsistent statements about the availability of these specific funds and also stated that social service funding 1) has not been cut 2) could still be available to agencies who align with the strategic plan goals 3) will possibly be available to prevention services. (See attached for 5 sources stating the potential availability of funds). By doing this, the City eliminated the option for agencies to advocate for themselves for fear of losing the opportunity of future funding. When a board member asked a previous grantee why they didn't speak up during the budget hearing, they validated this issue stating that they didn't want to lose the opportunity to receive future funding by speaking against city decisions. **Intentionally or not, the city and commission created an abusive power dynamic and disenfranchised the front-line social service providers in our community.** By silencing these front-line workers who represent many of the unheard voices in our city you created further inequity in conflict to the stated City values.

Transparency of Process and Timeline

The City Manager's budget was presented in July 2021. The process around the funding has not been clarified since. In August 2021, City staff stated that it was going to be a RFP process through this board, then it was going to be an RFP through the city, then half of the funds were distributed **without a public application process** while the remaining funding distribution is still undecided. The only clarity offered was on November 20th when it was declared that this board would have no role in overseeing the use of these funds due to loopholes and escape clauses in the governing **Ordinance 33, Section 2g**. Again, this is not a transparent, accessible, or equitable method of distributing community funds. This board has thrice requested that the city develop a process in service of the stated values. How will previous recipients who do homelessness work access these funds? How will vendors or agencies access the remaining homelessness funds? It is important that the City designs an ethical framework for fund distribution. This should be a standardized practice just like any other vendor process.

The first portion of these funds have been allocated and anticipated for agencies who are already contracted to provide city services. The purpose of this letter is to say that over the last 20 years the process was clear and inclusive. We are hoping that next year changes will be made for a more communicative process with the public and agencies allowing an equitable entry point for these funds. Additionally, this board believes that we can offer value in a future RFP vendor selection process as the reviewers and provide assessment of fund use.

Staff Liaison

Should the Assistant City Manager, in light of Danielle Buschkoetter's departure, choose to appoint a designee, this Committee requests a staff member with awareness towards dissemination of city funding, values transparency, and is not in association with these specific funds up to the last five years.

Actions

- Clarity of process and timeline

Create an equitable process so all homelessness service agencies, prevention, and direct service, can have access in a transparent ethical manner.

- Value of Advisory Boards

Reinstate prevention funds in 2023 budget as advised by the SAFAB and the intention of the alcohol fund use.

- Funder grantee power dynamics

These agencies deserve basic respect through honest updates, clear processes, and opportunities for feedback without retaliation.

- Transparency with board, public, and agencies

The SAFAB, the public, and the related agencies should all be given easy access to the full process and rationale. Pending recommendations of the Needs Assessment to be released in May, of the remaining \$379,000 Special Alcohol Funding (per City Commission Agenda Item Report, 2/15/22, p. 2), how will the agencies apply for these funds, along with other City funds, in a manner that respects their budget timelines?

Respectfully,

The Special Alcohol Tax Advisory Board

- Chris Kohart, Chair
- Amanda Enfield, Vice Chair
- Jeff Frye
- Tim Giblin
- Dorothy Hoyt-Reed
- Kimberly Johnson
- Daniel B. Smith