To: Honorable Mayor and Members of the City Council
From: Councilmember Ben Bartlett (Author), Sophie Hahn, Terry Taplin, and Mayor Jesse Arreguin (Co-Sponsors)
Subject: Budget Referral: Reparations in Berkeley—Funding for a Consultant to Facilitate Community Process to Design and Implement a Local Reparations Plan

RECOMMENDATION
Refer to the Fiscal Year 2022/2023 Budget Process, an allocation of $350,000 to fund a Consultant to develop policy recommendations for reparations in Berkeley. These recommendations will address the economic injury and intergenerational trauma experienced by Berkeley’s descendants of slavery and the ongoing harm caused to all African Americans by systems that uphold the legacy of segregation. The Consultant will design a process to develop short, medium, and long-term recommendations for reparation policies in Berkeley designed to promote the creation of generational wealth and boost economic mobility, and opportunity in Berkeley’s African American community.

1. Inform. The Consultant should hold a series of educational events, truth-telling symposiums, sessions, and community gatherings on Berkeley’s history. The Consultant should engage a myriad of Berkeley stakeholders, including residents who have experienced harm with economists and historians to provide context. Subject matter experts will employ financial and historical data to illuminate the generational wealth gap, describe barriers to economic mobility, and detail the systemic racism against Berkeley’s African American community.

2. Interact. The Consultant should aim to foster an interactive dialogue centered on the community’s historical experiences and legacy of racism. These group settings should be between persons of diverse vantage points and opinions. The Consultant’s facilitation of these emotive conversations should aspire to enable learning and deep listening, connection, and ultimately trust, healing, and the desire to repair the community.

3. Recommend. Draw from the community dialogues to issue short, medium, and long-term recommendations, for reparations policies. The policy recommendations should focus on creating significant, sustainable progress towards repairing the damage caused by public and private systemic racism; and mitigate racial disparities in wealth, education, employment, homeownership, health, criminal justice, and more. The recommendations should include a portfolio of policies aligned under the following framework:
   - i. Reckoning
   - ii. Acknowledgment
   - iii. Accountability
   - iv. Redress
FRAMEWORK DEFINITIONS

Reckoning
The reparations process requires a reckoning with the truth. Participants share statistical data that accurately illustrates the history being examined. This initial part of the framework might take the form of educational presentations from diverse speakers. Reckoning allows all Berkeley residents to understand the harm that has been caused in their City: not only what happened, but how it happened, and why it happened. Reckoning creates an opportunity for people to express their subjective, individual experiences with racial exclusion and abuse from all vantage points and perspectives.

Reckoning can take place on a number of topics, including but not limited to:

- Redlining
- Social Integration
- Food Deserts
- Healthcare iniquities
- Environmental Racism
- Policing
- Wealth Preservation
- Lack of Opportunity for Wealth Creation
- Housing

By localizing such topics, the audience within the City of Berkeley can better understand the issues close to home.

Truth is integral to the reparations process because it presents a common understanding of the history of African Americans in Berkeley.

Acknowledgment
Acknowledgment names the harm that has been surfaced in a public way by an official body. Acknowledgment may include an official declaration, a public apology that includes Acknowledgment of facts, or ways to commemorate those who have been harmed, such as cultural sites, monuments, or museums.

Accountability
Accountability shifts the conversation toward the future and demonstrates ownership and willingness to take responsibility for harmful actions. Accountability includes making a commitment to non-repetition and considers who must be at the table to hold the institution accountable to providing redress in an effective way.

Redress
Redress includes acts of restitution and compensation to those who have been harmed to create better outcomes in areas that may include but are not limited to wealth creation, housing, healthcare, and education.

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BACKGROUND

In 1868 General Sherman issued Special Field Orders No. 15. This Civil War-era order declared that each newly freed Black family would, at last, be compensated for being used to enrich the United States with generations of coerced labor. The order promised “not more than forty acres of tillable ground”, and became known as “40 acres and a mule”. This phrase stands as both a symbol of America’s broken promise and a quantifiable, economic deficit owed to foundational Black Americans. The value of that land today is more than $6.4 trillion.\(^2\)

From 1619 to 1865, more than 4,000,000 Africans and their descendants were enslaved in what became the United States. Constitutionally and statutorily sanctioned by the United States government, the institution of slavery constituted an immoral and inhumane deprivation of Africans’ life, liberty, citizenship rights, cultural heritage, and denial of compensation. Following the abolition of slavery, federal, state, and local laws and practices have sustained systems of oppression and exclusion that disadvantage African American persons.

These segregationist policies and practices are full-spectrum. The spectrum includes Jim Crow, voting restrictions, redlining, denial of remedies in civil court, inability to join labor unions, employment discrimination, criminal justice abuse, mass incarceration, denial of access to capital by lenders, denial of federal land grants, and housing loan guarantees, concentrated exposure to pollution, and inequitable access to education. These government-sanctioned conditions have perpetuated the economic, educational, social, and health hardships into modern times. In 2016, the net worth of a typical White family ($171,000) was nearly ten times greater than that of a Black family ($17,150).\(^3\)

The racial homeownership gap is tied to the racial wealth gap and the trend of rising economic inequality more generally. Since the Great Recession, the gap between Black and White homeownership rates in the United States has increased to its highest level in 50 years -- from 28.1 percentage points in 2010 to 30.1 percentage points in 2017.\(^4\)

The gap in the rate between Black and White families is wider today than it was when it was legal to refuse to sell someone a home because of the color of their skin.

The unemployment rate is also historically about twice as high for Black people as for White people amid even the best economic conditions.\(^5\) In addition, the wage gap between these groups was significantly wider in 2019 than at the start of the century.


Even among those who attain advanced degrees, Black people were paid 82.4 cents for every dollar earned by their White peers.\(^6\)

If the racial wealth divide is left unaddressed, the median Black household wealth will reach zero dollars ($0.00) by 2053\(^7\). Moreover, the Covid 19 pandemic has likely accelerated the evaporation of Black wealth.

Black people have been disproportionately forced to reside in, adjacent to, or near toxic and polluted sites that negatively impact their health and property value.\(^8\) This group is also more likely to reside in neighborhoods with food deserts—areas that lack access to foods that provide for a nutritionally adequate diet of whole grains, fresh fruits and vegetables, fresh meat, and high-quality dairy.\(^9\)

In addition to poor food and housing access, Black people historically and currently receive inadequate and often detrimental health The state of health iniquity in America is evidenced by the disproportionate morbidities and mortality rates, due to discriminatory and biased treatment by medical professionals, discriminatory medical practices, and the generational trauma of systemic racism.\(^10\) Currently, Black Americans face higher COVID-19 hospitalization and infection rates than any other racial group because of systemic racism. The compounding effect of existing inequities put Black communities at greater risk of infection and death than their counterparts. For example, Black people are more likely to have other preexisting conditions that put them at risk, have less access to affordable and quality health care, work in more vulnerable sectors, and/or rely on public transit as their main form of transportation.\(^11\)

In addition to experiencing significant economic and health disparities, Black people are also disproportionately impacted by the criminal justice system. In 2018, Black people represented 33% of the sentenced prison population, nearly triple their 12% share of the U.S. adult population.\(^12\) Black male offenders receive sentences on average 19.1 percent longer than White male offenders guilty of the same offense.\(^13\) According to a


2017 Police Violence Report, Black people were also more likely to be killed by police, more likely to be unarmed, and less likely to be threatening someone when killed.\textsuperscript{14} Many police reforms have been instituted here in Berkeley, but inequities persist. BPD police statistics show Black stops are exactly 50% of the total 608 stops at 304, with White stops at 143 for 23.52% of all stops. When adjusted to take into account the low number of Black people residing in Berkeley, Black stops are about 42.7 per 1,000 of their population, where White stops are about 2.9 per 1,000, a disparity of 14.5 to 1.\textsuperscript{15}

Racism and discrimination have not ended with the abolition of slavery and instead, have shifted and transformed through institutions, policies, and practices of federal, state, and local governments. The legacy of slavery remains with us today. To address the fundamental injustice, brutality, and inhumanity of slavery in the United States and the subsequent racial and economic discrimination against Black people, the Council should adopt a resolution that supports reparations for the Black community.

An early leader to prominently call for the United States to make reparations to African Americans was Randall Robinson, who authored \textit{The Debt: What America Owes to Blacks}. In his bestselling book, Robinson challenges the nation to provide compensation to African Americans as a way to repair the intergenerational wounds that slavery has created. He posits that because slavery was so instrumental to America, it is still deeply ingrained into the present-day American economy. Randall cites the history of Wall Street and how it became the center of the slave trade from 1711 to 1762. The slave trade was a foundational element of the New York Stock Exchange, which banks and insurance companies actively participated in. As a result, major financial institutions—such as Wells Fargo and J.P Morgan Chase—grew exponentially. As Randall reflected in his book, Americans do not fully understand the roots of the existing American economy\textsuperscript{16}. The complete truth about slavery being a critical component of the economy is often hidden in American education. In order to fully address the reparations needed, the psychological implications of slavery are just as important to understand as the economic implications, which leads us back to the call for America to make reparations to African Americans.

To go forward with reparations, the process of truth sharing and some form of reconciliation should first be undertaken. Truth and Reconciliation as a model originated in the context of South Africa. The Truth process there brought together victims and perpetrators in a setting of open and honest dialogue. Reconciliation was a safe forum to air grievances and enter into the public record, as a form of both collective catharsis and, ultimately, accountability\textsuperscript{17}.


The goal for Truth, in a Berkeley context, is to establish a common understanding of the history of Black Americans in Berkeley. This can be accomplished through educational presentations localized for the Berkeley community.

The process of Reconciliation in Berkeley entails using a panel of experts to help format and begin the framework for community dialogue. This community dialogue will be done through workshops to bring about community policy on reparations. It is important that the dialogue go beyond the City of Berkeley and promote reconciliation and repair for the harm done to Black Americans in other communities through the United States. In other words, the hope is that the dialogue and actions taken in Berkeley join the national conversation on Reparations, and serve as a model for other jurisdictions who wish to repair their communities.

Reparations in Action

**The United States of America**

- Alaska Native Claims Settlement Act
  - Recognition of aboriginal land rights in Alaska was a sharp departure from American Indian policy in other parts of the US. Observers believe this was more a result of slow economic development within Alaska than rejection of Indian policy
  - 1971, Given Around $1 billion + 44 million acres of land

- Tuskegee victims of study of untreated syphilis
  - 1974 - A $10 million out-of-court settlement was reached between the U.S. government and Tuskegee victims, Black men who had been unwitting subjects of a study of untreated syphilis, and who did not receive available treatments

- Japanese Internment
  - The U.S. government disbursed $1.6 billion to 82,219 Japanese-Americans who had been interned. The Civil Liberties Act of 1988 mandated education for the public on the injustices Japanese-Americans faced

- Rosewood Massacre
  - The state of Florida approved $2.1 million for the living survivors of a 1923 racial pogrom that resulted in multiple deaths and the decimation of the Black community in the town of Rosewood in 1994

- JPMorgan Chase & Ties to Slave Trade

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o In 2005, Banking corporation JPMorgan Chase issues an apology for their historical ties to the slave trade. The corporation set up a $5 million scholarship fund for Black students to attend college. The scholarship program, called Smart Start Louisiana, was likened to reparations by several commentators, including Rev. Jesse Jackson

- North Carolina & Survivors of State’s Eugenic Program
  o In 2014, the state of North Carolina set aside $10 million for reparations payments to living survivors of the state’s eugenics program, which forcibly sterilized approximately 7,600 people.^24

- US Government Settlement with 17 Native American Tribes
  o In 2016, the U.S. government reached a settlement of $492 million with 17 Native American tribes to resolve lawsuits alleging the federal government mismanaged tribal land, resources, and money.^25

- California & Survivors of State’s Eugenic Program.
  o In 2021, the California legislature enacted a law requesting $7.5 million of the budget be put towards providing reparations to survivors of the state’s former eugenics law, by which over 20,000 institutionalized women were forcibly sterilized.^26

- St. Petersburg, Florida’s City Council
  o In 2021, the City Council of St. Petersburg approved the creation of a reparations program and the implementation of an equity officer in response to a study that identified structural racism in the state. The program will establish affordable housing, educational opportunities, and other means of economic development that would contribute to an equal environment for Black residents.^27

- The City of Evanston, Chicago
  o Evanston created a reparations program in which victims of historical segregation were provided grants of up to $25,000 to help purchase or mortgage a house.^28

Globally

- Rwanda
  o Rwanda. Following the 1994 genocide in Rwanda, the government created a fund to provide financial compensation as well as support for education, agriculture, and healthcare.^29

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^25 “U.S. Government To Pay $492 Million To 17 American Indian Tribes” by Rebecca Hersher, NPR, September 27, 2016.

^26 California passes landmark law to provide reparations to survivors of state-sponsored forced sterilization. (2021, July 13). Disability Rights Education & Defense Fund

^27 Wright, C. (2021, December). St. Petersburg City Council approves ‘reparations’ to address structural racism. Tampa Bay Times


The National Unity and Reconciliation Commission was established in Rwanda in 1999 and it was an approach that involved several elements:

- peace education
- leadership academy,
- Seminars
- national summits
- research

- Germany
  - In acknowledgment of The Holocaust, Germany’s reparation program consists of financial compensation to the Jewish community, care for refugees in Israel, and sponsors ongoing education and remembrance.

- South Africa
  - South Africa financially compensated those affected by the apartheid by promoting Black land ownership and permitting Black residents to participate in land economics and invest in national property.
  - In 2003 the government decided to start distributing reparations to those affected by the apartheid. By financially supporting the victims of the apartheid they are able to promote Black land ownership and permit Black residents to participate in land economics and invest in national property.

**CURRENT SITUATION**

Federal, state, and local policymakers have developed reparation proposals that aim to address the harms perpetuated by the institution of slavery and subsequent systems of oppression that have brutalized and disadvantaged Black people.

H.R.40, introduced by Congressperson Sheila Jackson Lee, calls for the creation of a commission to study and develop reparation proposals for African Americans on a federal level. Specifically, the commission will recommend appropriate remedies based on their research into how slavery from the Trans-Atlantic and domestic “trades,” along with the de jure and de facto discrimination faced by the African American community from the end of the Civil War to the present, has impacted their livelihoods. While originally introduced in 1989 by former Congressperson John Conyers, the idea is now becoming a mainstream conversation. In May 2019, Berkeley City Council adopted a resolution in support of H.R. 40.

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On a state level, California Assemblymember Shirley Weber introduced AB 3121 in February 2020. AB 3121 would establish a task force of 8 members to study and develop reparation proposals for African Americans who are descendants of people who were enslaved in the United States. If passed, the bill would require the task force to identify, compile, and synthesize the collection of evidentiary documentation of the institution of slavery that existed within the United States. With this analysis, the bill would recommend the form of compensation that should be awarded, the methods through which it should be awarded, and who should be eligible for this compensation. In addition, the bill would state that any authorized state-level reparations are not to be considered as a replacement for any reparations enacted at the federal level.

On a local level, Asheville City Council in North Carolina recently and unanimously passed a resolution that supports community reparations for the Black community in the City of Asheville. The resolution marks a move that officially recognizes the injustices of centuries and attempts to right the wrongs by formally apologizing to Black residents for the City’s role in slavery, discriminatory housing practices, and other racist policies throughout its history. It also directs the City Manager to establish a process within the next year to develop recommendations to boost economic mobility in the Black community. In addition, it sought to establish a new commission composed of businesses, local groups, and elected officials who will be empowered to make recommendations for reparations.

In Durham, North Carolina, the City’s Racial Equity Task Force created a plan with concrete goals and measures for the City to adopt, including a plan for Durham to work in conjunction with other local governments across the country to push for a national reparations response. In defining this aim, the task force wrote that any federal program must acknowledge who benefited from slavery, restitute the descendants of those who were enslaved, and offer closure by partnering with them to understand what fair compensation looks like.

While federal and state reparation proposals are moving through the legislatures, it is time that municipalities also address the injustices, brutality, racism, and discrimination that the Black community has faced in the past and the present. Berkeley City Council must join the conversation and take responsibility to adopt programs, policies, and practices that effectively bridge the generational wealth gap and boost economic mobility and opportunity in the Black community. The Council can take a step towards dismantling systemic oppression by creating a process for developing short, medium, and long-term solutions.

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ACTIONS/ALTERNATIVES CONSIDERED
Evanston City Council in Illinois approved a resolution to create a Reparations Committee, which would invest in housing assistance and relief initiatives as well as establish economic development programs and opportunities for Evanston’s Black community. In addition, the resolution instituted a process for depositing into a Reparations Fund up to $10 million in City tax revenues collected from the sale of recreational marijuana. The Council, or the commission that would be established through this resolution’s passage, could consider using Evanston’s method of funding reparations.

RATIONALE FOR RECOMMENDATION
An expert Consultant will allow the City to develop policies and invest in programs that boost opportunities for the Black community. It is time that cities and local governments join state and federal policymakers in addressing the injustices, brutality, racism, and discrimination that the Black community continues to face.

FISCAL IMPACTS OF RECOMMENDATION
Staff time to develop the structure, powers, and implementation process of the reparations commission, and create short, medium, and long-term recommendations that would boost opportunity for Berkeley’s Black community.

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