

ATTACHMENT B – Participatory Budgeting Information (from Lifeline Cycle 5 description)

Below is a summary of the general participatory budgeting process. Note that the concept is evolving and each effort has unique elements based on community needs.

- *What is it?* Participatory Budgeting (PB) is a process where residents directly engage with their local government to develop and recommend projects as part of a budget process.
- *How does it work?* The process typically involves 5 steps:
 - 1) Design of the process – A steering committee, made up of representatives of the community, creates the rules in partnership with government officials to ensure the process is inclusive and meets local needs.
 - 2) Brainstorm ideas – Through meetings and online tools, residents share and discuss ideas for projects.
 - 3) Develop proposals – Volunteers, sometimes called budget delegates, develop the ideas into feasible proposals, which are then vetted by experts.
 - 4) Vote – Residents vote to divide the available budget between the proposals.
 - 5) Fund Winning Projects – Government implements the winning projects (typically approved by a governing board). The government and residents track and monitor implementation.
- *How much money is enough to do PB? Funding is needed for projects and for administering the PB process.*
 - 1) Process funding - Most PB processes involve 1 – 15% of the overall project budget. Staff estimates process budget at \$75K to \$150K per project. For example, the City of Vallejo budgeted \$200K for a 15-month effort, and Oakland allotted \$100K for a 7-month effort. Both cities received funding from The California Endowment’s public health initiative.
 - 2) Project funding – Can be any amount but should be sufficient to provide participants with opportunity for decision-making on meaningful projects. For example, Oakland and Vallejo incorporated PB into their Community Development and Block Grant Programs funded by HUD. (Oakland - \$7M for infrastructure and \$1.5M for programs split 7 ways; Vallejo – over \$3M in 2013 from 1% sales tax.) In San Francisco, three districts were involved each allocating \$100K for both capital projects and programs eligible for funding. In San Jose, District 3 is continuing to implement PB in the 2016 – 2017 fiscal year with \$250K from the City’s budget.