

Participatory Budgeting Practices and Process Considerations



Administration and Oversight Committee

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Policy and Research Division

Table of Contents

Background	3
Participatory Budgeting Concepts and Models	3
Participatory Budgeting Process: Options for Consideration	6
A: Determine Project Goals and Desired Outcomes	6
B: Assessment of Current Structures or Processes	7
C: Staffing a Participatory Budgeting Process	8
D: Leveraging Third-Party Vendor / RFP Process.....	9
E: Identifying the Scope of Eligible Projects.....	10
F: Determining Funding Amount(s) and the Allocation Process	11
G: Supporting and Promoting Equitable Access and Outcomes	12
H: Measuring Success and Continuous Improvement	15
Conclusion	16
Policy and Research: Participatory Budgeting Overview Report (1/24/24)	17

Background

At the February 5th, 2024, meeting of the Minneapolis City Council Administration & Enterprise Oversight Committee, the Minneapolis City Council approved staff direction [2024-00119](#):

The Minneapolis City Council directs the Legislative Department Policy and Research Division to give a follow up report on participatory budgeting to the Budget Committee no later than April 30, 2024.

The Council directs the Policy and Research Division to present at least three specific proposals for participatory budgeting processes that could be piloted during the 2026 municipal budget process. These proposals should:

- 1) Prioritize residents of SREAP zip codes, youth, and residents not already involved in city boards and commissions.*
- 2) Use strategies for participation that have proven successful in other municipalities.*
- 3) Give the public direct input over 1-15% of the municipal budget.*
- 4) Identify any staffing or budgetary needs required for successful implementation.*
- 5) Include metrics of success and a plan to collect participation data in order to assess effectiveness.*

This staff direction followed a previous request ([2023-00903](#)) to Policy and Research for a high-level overview of participatory budgeting, with that [report](#) being delivered to the Budget Committee on January 22, 2024. To simplify access and provide additional context, the initial “Part-One” report has been incorporated into this report.

Participatory Budgeting Concepts and Models

Originating in 1989, the “Porto Alegre Model” is generally considered the first iteration of the modern participatory budgeting (PB) process. In PAR’s introductory report “[Participatory Budgeting Overview](#)”, it identified some fundamental principles of a participatory budgeting structure:

- 1) A dedicated pool of funding is identified for the specific purpose of participatory budgeting.*
- 2) An engagement strategy is created and implemented as the primary vehicle for participation.*
- 3) The process stages and timelines are made clear, as well as the mechanisms for how potential projects will be assessed by government officials and/or staff.*

Continuing to build upon these high-level concepts, participatory budgeting can be broken into more specific categories. Published in the Polish Sociological Review, the authors of “[Models of Participatory Budgeting. Analysis of Participatory Budgeting Procedures in Poland](#)” highlight five (5) different categories of PB models:

Porto Alegre Adapted for Europe

The first model assumes that the rules of PB developed by a council composed of delegates elected from among the citizens are the basis for participation in the Porto Alegre (PA) model. The whole process of PB is oriented towards single active citizens. They participate in open meetings at the neighborhood level via self-selection, and their delegates (e.g., members of organizations and associations of residents) participate in the meetings at the municipality level. The deliberation is focused on the projects involving public investments, which the participants develop. The final list of projects is a ranking developed using the criteria of distributive justice and formalized rules (e.g., a division into small projects and big projects, district, and municipality projects). This list is a participatory budget proposal discussed at the municipal level and then incorporated into the city budget. The decision-making power de facto belongs to the citizens. After the approval of the participatory budget proposal, the control and monitoring body is established. This council is composed of delegates elected from among the citizens.

Proximity participation

In the second model, the rules of PB developed by the local administration are the basis for the participation in the proximity participation (PP) model. Similarly, to PA, the whole process of PBs in the proximity participation model is oriented towards single active citizens. They participate in open meetings at the neighborhood level via self-selection and their delegates participate in the meetings at the municipality level. The deliberation is focused on micro-local public investments (generally, smaller ones than in PA) or general strategic goals, e.g., the participants play the role of an audience who listens and expresses their preferences. Nevertheless, there are no rankings of investments or actions, and the process has an informal character. This PB model has a purely consultative function, which is based on selective listening. Notably, local administration can sum up the deliberation and cherry-pick those ideas and proposals which support their interests. Moreover, a control and monitoring body is also constituted of local authorities.

Consultation on Public Finance

Similarly, to the PP, the rules of PB developed by the local administration are the basis for participation in the Consultation of Public Finance (CF) model. The participants in this model are ordinary citizens randomly selected (e.g., from the civil registry). Nevertheless, others who are interested may also participate. Similarly, to PA and PP, the participants take part in open meetings at the neighborhood level, and their delegates meet at the municipality level. They focus on the overall budget (e.g., staff cuts, tax increases) or on offers of services (e.g., libraries, waste management, public swimming pools). Similarly, to the PP model, the participants play the role of an audience who listens to the local administration and expresses its preferences combining various possibilities. Although the services are not ranked, the priorities might be ranked. The whole process has a rather informal character. CF also has a purely consultative nature and is based on

“selective listening,” similarly to the PP model, while the role of a control and monitoring body is within the responsibility of the local administration.

Community-Participatory Budgeting

The rules of PB developed by a committee composed of representatives of the municipality, NGOs, state organizations, and the private sector are the basis for participation in the CB model. The whole process of PB is citizen-oriented. Citizens participate in various kinds of meetings at the neighborhood level via targeted selection, and their delegates meet at the municipality level. The deliberation is focused on specific community projects, and the resources under discussion only partially come from the municipality. The money can also be provided by international organizations, NGOs, private companies, or the state government. The participants express and develop their preferences. Projects are ranked using formal rules (without using additional criteria of distributive justice). The final decision making has a character of co-governing partnership, which implies that the citizens and the representatives of the private, governmental, and non-profit sectors make decisions together. A control and monitoring body also has a joint nature. It is composed of local administration officers and donors.

Multi-Stakeholder participation

The rules of PB developed by a committee composed of representatives of the municipality, NGOs, and state organizations are the basis for participation in the multi-stakeholder participation (MP) model. Citizens organize the whole PB process in cooperation with the private sector and participate in closed meetings at the municipality level. This model has a lot in common with the CB. The deliberation is focused on specific projects financed by public/ private partnerships. The participants express and develop their preferences. Projects are ranked using formal rules (without using additional criteria of distributive justice). Eventually, a co-governing partnership is developed, which implies joint decision-making of local government, citizenry, and the representatives of the private sector, etc. The control and monitoring body has a joint character as well. It is composed of local administration officers and donors. According to Sintomer et al. (2012, 2008) and Raudla and Krenjova (2013), this model is the most relevant for Poland and other Central and Eastern European countries.

Understanding that PB is not a one size fits all proposition, it is important for cities looking to adopt a PB process to understand the options available and determine what approach is best suited to meet the intended goals and objectives.

Participatory Budgeting Process - Options for Consideration

Review of national examples and best practice recommendations from research in the field highlight multiple options that the City may elect to consider or pursue in support of a participatory budgeting process. While the following listing of options is not exhaustive, it does provide a range of examples for consideration. Additionally, since any PB process should be crafted to reflect the unique needs and structure of a specific city and residents, it is important to understand that options may be combined, modified, or adopted as deemed appropriate.

Additionally, as options or processes are being considered, it may be beneficial to identify and engage with stakeholder groups who can provide additional information and support. Stakeholder groups may include City officials and staff responsible for administration of specific programs or policies, residents serving on City established ABCs or neighborhood orgs, third-party groups advocating or supporting a PB process, and residents who may be impacted by a specific PB process being explored.

A: Determine Project Goals and Desired Outcomes

Cities can explore participatory budgeting processes for a range of reasons that may include the use of PB as a tool to address current ongoing challenges (resident engagement, increased transparency), as well as implementing a PB process that is restorative in nature and intended to address inequities related to access to services, engagement opportunities, and resource allocation.¹

Establishing the intended goals and outcomes a city hopes to achieve through participatory budgeting is a critical stage of the process since it helps guide the potential scopes of potential projects, target population(s), operational capacity, and necessary funding for both the programs operation and the available capital budget that will be used to fund selected projects.

At this stage decisions will begin shaping and defining the options available in subsequent areas of the PB process and policymakers must begin the following exercises:

- 1) Identify the Problem(s): What is the problem that we are trying to solve through the use of participatory budgeting?
 - a. Problem Statement(s): Establishing a problem statement is a beneficial exercise in order to help establish related goals and outcomes to a specific topic.²
- 2) Identify Desired Outcome(s): Establishing what outcomes the project hopes to accomplish allow for the creation of metrics that can find measurable ways to determine if outcomes are being accomplished.

¹ [Participatory Budgeting: A Growing Approach for Citizen Empowerment in Marginalized Communities and Promoting SDGs - Sanford Journal of Public Policy](#)

² [Participatory-Budgeting-research-by-mySociety-Jan-2018.pdf](#)

B: Assessment of Current Structures or Processes

The creation and operation of any new city program can be both time and cost intensive. By conducting an assessment and identifying any existing structures, process, groups, or programs that could be leveraged, or incorporated, in support of a larger PB process, the City may be able to reduce the initial demand and associated cost of a pilot program. Assessment of existing structures and potential utilization in support of one or more PB processes may provide insight into the following issues:

- 1) Use of Existing Resident Groups and Members: The operation and success of PB programs generally require a heavy reliance on residents to serve in roles as budget delegates, outreach coordinators, and various resident committees (exploratory, steering, engagement, etc.). Many cities, including Minneapolis, already operate a number of community driven appointed boards and commissions or “ABC groups”, as well as provide funding to neighborhood organizations.
 - a) Since Minneapolis currently has a high number of ABC groups, what opportunities may exist to leverage these groups or members in support of the PB Process? High-level examples would include members from various groups being selected to serve as PB advisory group members or using existing bodies to identify potential PB related projects in their respective areas of focus.
- 2) Recruitment and Engagement Process: The process of recruiting residents for participation on a PB effort, both as advisory members and participants, requires established engagement and recruitment strategies and mechanisms.
 - a) Engagement Mechanism: Can the City utilize existing strategies, including NCR’s [“Blueprint for Equitable Engagement”](#), to support a participatory budgeting process and what additional resources would be needed to expand the documents scope?
 - b) How can the experience and processes from ABC recruitment inform any strategies for PB related efforts?
- 3) Project Requests and Evaluation: Identification of existing mechanisms for the City to assess project scopes and/or receive resident input on project ideas may provide opportunities to learn and build from current models. For this item, examples were identified through one of the City’s PB-adjacent groups, the Capital Long-Range Improvement Committee ([CLIC](#)). With 33 resident members, CLIC is tasked with review and recommendation of capital improvement projects in the City of Minneapolis to elected officials. Due to the high relevancy of CLIC to related PB processes, the following examples provide established mechanisms that merit consideration of any additional processes moving forward:
 - a) Project Request Tracking and Format: Specific to capital improvements, CLIC and the City of Minneapolis maintain a library of [“Capital Budget Requests”](#) which includes project specific breakdowns for each request (Ex. [PV180 - Loring Greenway](#)).
 - b) Project Submission Evaluation: Tasked with evaluation of request submissions from City departments and partners, CLIC currently utilizes its own [“Proposal Evaluation Criteria”](#) to review and prioritize requests for recommend funding.

C: Staffing a Participatory Budgeting Process

Absent the decision to not pursue any further exploration of options for a PB process, it is necessary to identify the existence, or need, for any dedicated staff capacity to help manage and oversee the development of any future process. As outlined by the Participatory Budgeting Project, PB programs should be equipped with a minimum equivalent of two (2) full-time staff.³ Review of additional cities supported this recommendation and found that while some smaller cities, or programs, had been able to operate with a single dedicated FTE who also leveraged capacity from other supporting departments, larger cities and programs opted for multiple FTE in order to address the specific roles required for a programs creation and implementation.

An example of different approaches can be observed from Seattle, who operated a smaller scale PB process, “Your Voice, Your Choice” using a single “dedicated” FTE in their Department of Neighborhoods from 2016 to 2019⁴. In 2020, the Seattle City Council elected to establish a larger scale PB project, “The People’s Budget”⁵ run by the Seattle Civil Rights Department which utilized 3-4 dedicated FTE that were funded on a renewable basis until the project was completed.

Determining the best option(s) relating to staffing will depend largely on the scope of programs being pursued but include following considerations:

- 1) Request to City Administration to identify any potential staff capacity in support of any PB process.
 - a) As outlined in PAR’s initial PB overview report, City staff currently support a number of projects that may be considered participatory budgeting, or PB adjacent. Could revision to any of these programs to align further with PB principles increase the capacity of available FTE”?
- 2) Identify funding for dedicated participatory budgeting positions.
 - a) When funded to operate with a single FTE, the Seattle PB program carried an operations budget of \$126,713.
 - b) Richmond’s “People’s Budgeting” process operates on a two-year cycle with a year one operations allocation of \$350,000 and \$200,000 in year two.⁶
 - c) If new positions are established, the “home” department that will drive the PB process should also be identified.

³ https://www.participatorybudgeting.org/wp-content/uploads/2023/05/ScopingToolkit2017_v1.1-1.pdf#page=15

⁴ [History of Participatory Budgeting in Seattle - Neighborhoods | seattle.gov](#)

⁵ [The People's Budget Seattle](#)

⁶ [Richmond People's Budgeting Process](#)

D: Leveraging Third-Party Vendor / RFP Process

Although participatory budgeting practices have continued to grow globally, the scope and requirements of the various processes can still be extremely challenging for cities looking to develop new initiatives from the ground up. Further, there may also be times where an external party with expertise in the field can be beneficial to support revisions to existing structures or provide technical assistance on modifications to a program's operation.

Cities have frequently teamed with higher education institutions and specialized third-party vendor organizations to support pb program development or help with the administration of one or more aspects of a program's operation (ex. [Stanford Participatory Budgeting Platform](#), [The Participatory Budgeting Project](#)).

Participatory budgeting partnerships range in size, scope, and cost. On the low end, there may be academic partnerships available to support community engagement research or data collection at minimal expense. As the desired support level, or project scope, increases, the cost will follow accordingly. In determining the potential use of any third-party support, the following considerations should be made:

- 1) Capacity: Does adequate capacity exist, or will it be created/funding, to support the program stages (design, creation, implementation, evaluation, etc.)?
 - a) If there is, or will be, adequate capacity, is there a sufficient knowledge base around the PB process?
- 2) Scope and Funding: If additional support is necessary, what is the scope and cost of that support?
 - a) In order to support the creation and operation of the \$27.5 million dollar "People's Budget" program, Seattle allocated \$2.5 million in funding for an RFP seeking groups to manage the program. Example: [City of Seattle PB RFP](#)
 - b) An additional example, the Participatory Budgeting Project identifies baseline cost ranges for its services as follows:⁷
 - a. Advise: \$20,000 - \$30,000
 - b. Design: \$50,000 - \$100,000
 - c. Implement: \$125,000 - 180,000

⁷ https://www.participatorybudgeting.org/wp-content/uploads/2023/05/ScopingToolkit2017_v1.1-1.pdf#page=28

E: Identifying the Scope of Eligible Projects

Determining the scope of eligible projects requires recognizing what is possible and what is impactful. PB processes frequently include capital/infrastructure projects, park improvements, and school initiatives.

As the City considers options related to funding levels, there are multiple considerations for review:

- 1) Opportunities and Challenges to Project Scope: Understanding any alignment or gaps in the types of projects residents would like to fund and what types of projects a city is able to fund allows for level setting at early stages in the PB process.
 - a) Local Limitations: Since Minneapolis schools and parks fall under other governing bodies, this limits the City's "traditional" options. Specific to capital projects, the City's Capital Long-Range Improvement Committee ([CLIC](#)) also serves as a resident driven entity that reviews proposed infrastructure projects and makes recommendations on funding priorities to City leadership.
 - b) Establishing the desired, and available, scope of projects that could be funded also guides the actual funding allocation process. If options are limited, necessary funding may be limited as well. Alternatively, if potential projects have a reasonably low cost-cap, more funding could allow for more options to be selected.

- 2) Example Project Scoping Frameworks:
 - a) Eau Claire, WI
 - (i) Funding must be used inside city limits and applies city-wide not per a given ward or aldermanic district.
 - (ii) Must be used for a public benefit and be accessible to the public.
 - (iii) Projects should be installed on public property, but certain cases may allow projects on private property.
 - (iv) Funding can go towards improving existing situations or new projects.
 - (v) Projects should be for tangible assets like equipment, vehicles, buildings, land improvements, and infrastructure.
 - (vi) The useful life of the asset must be at least one-year or more.
 - (vii) Asset ownership can be transferred to another public, non-profit, or private owner if there is clear public benefit and community accessibility.
 - (viii) Requests must be at or above a \$5,000 minimum.
 - a) Richmond, VA
 - (i) Funded projects must be implemented in one year.
 - (ii) Funded projects should not require a change in City Policy.
 - (iii) Projects cannot promote religious or political beliefs.
 - (iv) Projects must be on City property.
 - (v) Avoid funding school initiatives or on school property because the school district has its own capital budget.
 - (vi) All materials should be made as accessible as possible in terms of distribution and language.
 - (vii) No revenue, benefits, or fund to cover overhead, administration, or overhead costs for private individuals or entities.

F: Determining Funding Amount(s) and the Allocation Process

At the core of any participatory budgeting effort is the actual funding being allocated by the program itself. While the amount of funding can vary widely based on the scope, capacity, or goals of the program, it is critical to determine what is necessary to support a sustainable and impactful program. One of the key data points from resident engagement is often determining what amount of funding is adequate to garner interest from segments of the population who have been underrepresented or engaged by traditional processes.

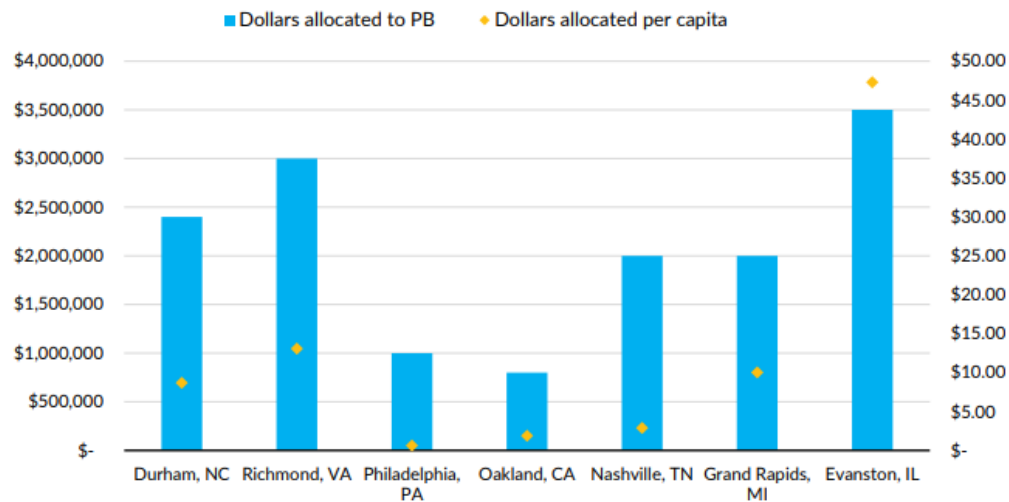
As the City considers options related to funding levels, there are multiple considerations for review:

- 1) Eligible Projects Cost Calculation and Funding Allocation Cycle(s)
 - a) Eligible Projects and “Cost-Cap”: Once eligible projects have been determined, it may become easier to establish a potential “cost cap” for idea submissions. This cap also allows a city to determine the total number or projects that may be awarded following the resident voting process.
 - b) Establish Funding Cycles or Stages: Especially for PB projects being launched or piloted, some cities have opted for a multi-year rollout approach that allows the program to build towards a final funding level goal.
 - (i) An example of this approach can be found in Richmond’s People’s Budgeting that established a baseline of 1% its annual budget and a proposal to build that investment over three two-year cycles. The first cycle is funded at \$3 million, the second at \$5 million, and the third cycle at \$7 million.⁸
- 2) Determining Funding Amount(s)
 - a) Resident Input: Identifying the amount of funding that must be allocated to a PB project is a critical tipping point for potential resident engagement. Community engagement and input can help inform and establish an appropriate funding range to maximize potential participation.
 - b) Allocation Modeling: Another method that is employed by some cities is the use of funding calculations on a per capita basis. This allows for a specific dollar amount to be allocated for a specific number of residents, most common is establishing a set funding amount per 100,000 residents. To demonstrate the various allocation ratios employed by various cities, a chart from the Urban Institutes “Best Practices for Inclusive Participatory Budgeting” article has been provided below:⁹

⁸ [October 2024 - Google Drive](#)

⁹ [Best Practices for Inclusive Participatory Budgeting.pdf](#)

FIGURE 1
Dollars Allocated to Participatory Budgeting



Sources: City budgets and participatory budgeting documents listed in this fact sheet.

G: Supporting and Promoting Equitable Access and Outcomes

“Prioritize residents of SREAP zip codes, youth, and residents not already involved in city boards and commissions.”

In their article “Budgeting for Equity: How Can Participatory Budgeting Advance Equity in the United States?”, authors Madeleine Pape and Josh Lerner define equity in relation to PB as “1) *decision-making that is accessible to, inclusive of, and empowers the most disenfranchised members of a given community; and 2) spending decisions that allocate resources to communities with the greatest need.*” The authors also note how these definitions are reflected on PB projects they have supported through Explicit and Implicit Equity goal statements reflected in the table below.¹⁰

PB Process	Explicit Equity Goal	Implicit Equity Goal
PB Cambridge, 2014-15		Make democracy inclusive: Engage all community members, particularly those who are not the “usual suspects,” in the process to improve their city. Expand and diversify participation in the decision-making process.
PB Chicago, 2014-15	Equity: We aim for our process to be fair and just and to lead to a more equitable distribution of public dollars in the city of Chicago.	Inclusion: We aim to include the entire community - especially those who are often excluded from the political process, who face obstacles to participating, or who may feel disillusioned with politics ...
PB Long Beach, 2014-15	Empowerment: Empower District residents and stakeholders with	Inclusion: Increase and diversify participation in local government,

¹⁰ [\(PDF\) Budgeting for Equity: How Can Participatory Budgeting Advance Equity in the United States?](#)

	the skills and knowledge needed to collaborate with government, ensure equitable spending, and to shape our City’s future.	particularly by those who are traditionally underrepresented in politics, who face obstacles to participating, or who feel disillusioned with the political process.
PBNYC, 2014-15	Make public spending more equitable: Generate spending decisions that are fairer, so resources go where they are needed most.	Expand civic engagement: engage more people in politics and the community, especially young people, people of color, immigrants, low-income people, the formerly incarcerated, and other marginalized groups.
PB Vallejo, 2015		Engage our community: Engage those who are traditionally underrepresented in politics, who face obstacles to participating, or who feel disillusioned with the political process. Open up government: Support a framework within government for decision-making that promotes a more just and equitable city.
Youth Lead the Change, Boston, 2014		Allow all voices to be heard: include all community stakeholders in the democratic process. Build stronger, safer, and healthier communities: bring neighborhoods together, solve community problems, and develop projects that will improve the wellbeing of all members of the community.

In support of any specific effort(s) for a PB process to prioritize residents of Strategic and Racial Equity Action Plan ([SREAP](#)) identified zip codes, as well as more broad equity goals, the City can consider multiple options across two main categories:

- 1) Engagement: Increasing participation from underrepresented groups requires an assessment of the various stages for input and what efforts may provide increased engagement.
 - a. Resident Committees and Volunteers: The PB process contains multiple roles for residents to participate in guiding and supporting the effort in an official capacity. Work with stakeholders, including City staff and related [“Blueprint for Equitable Engagement”](#) work, to identify and address challenges to the City’s progress with representation on both its ABC and Neighborhood Organizations. Building on previous analysis ([2018 ABC Diversity Survey](#) and [2022 Neighborhood Organization Board Representation Survey](#)), determine where opportunities exist for improvements to be made through targeted engagement efforts, increases to outreach capacity, or additional financial resources.

- b. Process Engagement: Engaging underrepresented groups in the overall PB process (i.e., submitting ideas, voting, attended information sessions) requires a deliberate effort on the part of the City. Accessibility plays a key role in any strategy and minimizing barriers to engagement can include:
 - (i) Create an idea submission mechanism that is both virtual and physical. This means residents can submit ideas through a web portal, but also through physical “card” submissions. Multiple cities have seen success with the physical card option and have made cards and drop boxes accessible at locations including libraries, grocery stores, transit stations, etc.
 - (ii) Promote a voting process that is accessible and understandable. This can include a traditional virtual option, but also utilizing neighborhood engagement sessions to provide an overview of the options and allow residents to vote on location. Depending on capacity, cities have also employed a range of canvassing strategies to go directly to residents and provide the opportunity to vote on available options.
 - c. Eligibility: Determining who is eligible to vote on PB ideas is an opportunity to increase the programs reach to underrepresented residents by specifically including youth in the eligible population. Inclusion of youth, who may not be eligible to vote in traditional elections, provides a chance to leverage a population that has limited opportunities to weigh-in directly on government policies and programs.
- 2) Impact: Separate from the potential challenges of engagement, efforts in support of positively impacting underserved communities can use several restorative budgeting and investment strategies.
- a. Targeted Allocation of Funding: The equity lens of many PB processes establishes a dedicated, or require a specific percentage of total, level of funding to be used on projects in a specific area. These areas often have been identified using mapping tools that consider factors including social vulnerability, socio-economic status, historical underinvestment from CIP projects, etc. Some examples of these tools can be found here:
 - (i) U of MN Center for Urban & Regional Affairs: [Minneapolis Racial and Ethnic Diversity Index](#)
 - (ii) University of Richmond Social Vulnerability Mapping: [City of Minneapolis](#)
 - (iii) Center for Economic Inclusion: [Minneapolis 2023 Racial Equity Dividends Index Score Report](#)

H: Measuring Success and Continuous Improvement

To help track the progress towards established PB project goals and outcomes, evaluation and data collection methods are critical tools for determining any impact or the identification of areas that can be improved. Cities nationally have employed a range of evaluation processes that often are tailored to the needs of a specific program and community. However, there are multiple similarities and trends to the evaluation processes that can be reviewed for potential adoption into any new process(es) being implemented:

- 1) **Gathering Data; Multiple methods for gathering input and data on the operation of a PB process have been implemented by cities nationwide. Choosing the right methods to gather the data desired plays a key role in the ability evaluate program success.**
 - a) **Surveys:** The use of surveys at multiple stages of a PB process can gather valuable input from participants and support personnel on where things have worked well and where there are challenges. Additionally, the use of surveys incorporated directly into PB materials allows for input to be collected from participants directly following them completing a specific part of the process (i.e., engagement sessions, idea submission, voting process, etc.) while the information is still fresh in their mind.
 - b) **Interviews/Focus Groups:** Like surveys, interviews can be incorporated into the process but are intended to provide the potential for more detailed responses since the interviewer can ask a respondent to expand on any specific statement to gather additional detail(s).
 - c) **Collecting Participant Information:** Collecting information on participants allows a city to compare, map, analyze, and respond to what is learned. However, this is also a sensitive topic for many potential participants and cities should be very transparent with what is collected, how it is retained, and how the data will be used or shared.
- 2) **Tracking submissions and voting outcomes:** Keeping a record of submissions allows a city to measure engagement by area, including any correlation of a resident project submissions and the neighborhood where they reside.
- 3) **Continuous Review Process:** Establishing a process that ensures data and metrics can be reviewed and discussed requires establishing the respective groups involved and transparency in how success is measured and how input will be utilized. Ensuring transparency in this process also could help drive future participation for residents able to see how their input at various stages was received and able to impact the process.

The development of specific metrics can only be determined once a city has established the potential goals and desired outcomes of a program itself. However, consideration of metrics and how goals can be broken down into measurable outcomes, should be a consideration from the early stages of planning. Additional guidance on establishing and measuring metrics can be found in the Participatory Budgeting Project's "[15 Key Metrics for Evaluating Participatory Budgeting: A Toolkit for Evaluators and Implementers](#)".

Conclusion

Despite the inherent complexities of many participatory budgeting processes, the continued adoption and expansion of these programs provides a rapidly expanding base of knowledge, best practices, and case studies. As with most projects, the need to assess the current landscape is one of the most valuable. Despite many successes, there is a growing list of examples where cities designed and built a program that was not aligned with resident goals or demand, resulting in either program failures or the need to rebuild and repair over several years.

Cities have also seen program success or awareness vary based on factors such as the managing department, a change in eligible programs, and even current events that may draw attention to an area of focus for a specific PB process. These factors highlight how a city's ability to highlight its current offerings to residents may serve as a valuable test-case for establishing genuine demand for the creation of a new PB related process. Once the demand for a PB related program has been established, transparency and level setting become critical components to ensure a shared understanding of what steps will be coming and help ensure expectations are grounded.

Finally, there is no single magic component that will make a PB process successful. Processes with robust engagement can fall victim to minimal funding and processes with generous funding have struggled from poorly defined objectives or inadequate engagement. Ultimately, the success of any process requires a deliberate approach that identifies goals and objectives early on and creates a sustainable process by ensuring adequate resourcing for the work required at each stage.



OFFICE OF THE CITY AUDITOR POLICY AND RESEARCH DIVISION

PARTICIPATORY BUDGETING OVERVIEW

PRESENTED TO BUDGET COMMITTEE JANUARY 22ND, 2024

Table of Contents

[Introduction.....3](#)

[Past Efforts and Current Examples.....3](#)

[Participatory Budgeting Landscape6](#)

[Equity Components of Participatory Budgeting12](#)

[Additional Considerations and Next Steps.....15](#)

Introduction

In 1989, Porto Alegre, Brazil adopted what is considered as the first modern iteration of participatory budgeting¹¹. The underlying concept was to create an avenue through the democratic process that allowed for residents to provide direct input on how a dedicated allocation of funding is spent. Over time, the participatory budgeting process has expanded across the globe, including at least 29 U.S. cities¹², and been modified and tailored to best serve respective resident populations. While these changes are wide-ranging, several core components generally remain a constant:

- 1) A dedicated pool of funding is identified for the specific purpose of participatory budgeting.
- 2) An engagement strategy is created and implemented as the primary vehicle for participation.
- 3) The process stages and timelines are made clear, as well as the mechanisms for how potential projects will be assessed by government officials and/or staff.

Past Efforts and Current Examples

The City of Minneapolis has explored participatory budgeting in multiple forms over the past decade. In the 2017 budget, Council directed a number of departments to develop a plan for a participatory budget program that may include the following¹³:

- A best practice report of other cities' existing participatory budgeting process and those cities' metrics for evaluation of success of the program.
- Recommendations for the participatory budgeting process including expected number of participants, methodologies of voting, and organizing structure.
- Methodologies for outreach to the City's 70 neighborhood organizations, cultural and community organizations, and under-represented groups and groups of residents who have not traditionally participated in City programs, including youth.
- Recommended range dollar amounts and components of the budget, preferably one-time capital or operating expenditures that could be delegated to a participatory budget process.
- Sample calendar of an annual participatory budgeting process.
- Identification of other public, non-profit, and private partners that may be willing to provide resources for the participatory budgeting process.
- Outline of City administrative dollars and potential funding sources for an annual participatory budgeting process

¹¹ [The journey of participatory budgeting: a systematic literature review and future research directions - Luca Bartocci, Giuseppe Grossi, Sara Giovanna Mauro, Carol Ebdon, 2023 \(sagepub.com\)](#)

¹² [Case Map for PBP Website \(carto.com\)](#)

¹³ [2017 City of Minneapolis Budget Book](#)

While it is unclear if a formal program was ever developed, the City did produce a [Participatory Budgeting Playbook](#) that provided an overview of participatory budgeting and recommendations related to what a program in Minneapolis would resemble¹⁴.

Additionally, the City currently operates a number of programs in capacities that are similar, or adjacent, to a formal participatory budgeting process and seek resident input on how specific funding is allocated.

The first of these programs is the Capital Long-Range Improvement Committee (CLIC). This 33-member committee includes two seats per Council Ward and seven at-large seats appointed by the Mayor. There are two programmatic working groups focused on transportation and human development, as well as an executive committee. CLIC is responsible for review of all capital budget requests (CBRs) and providing ranking recommendations that can inform the Mayor's proposed budget and the Council adopted budget. CBRs are contained in six-year plans and the most recent [report](#) for 2024-2029 contained [123 CBRs](#) that were reviewed and ranked by CLIC members¹⁵¹⁶.

In addition to CLIC, Neighborhood and Community Relations oversees four programmatic and funding areas that include direct allocation of funds to neighborhood organizations. As addressed in the 2024 budget, these areas included the following¹⁷:

- Citywide Neighborhood Network Fund
 - The Citywide Neighborhood Network fund uses an equal distribution of funding, with one allocation allotted to each neighborhood. NCR asks neighborhood organizations to participate in the board diversity survey.

- Equitable Engagement Fund
 - The Equitable Engagement Fund, the largest of the four Neighborhoods 2020 funding areas, uses a formula that considers three metrics to allocate funding:
 - Areas of concentrated poverty (50% of allocation): The Metropolitan Council defines areas of concentrated poverty (ACPs) as census tracts where 40% or more of the residents have family or individual incomes that are less than 185% of the federal poverty threshold. Some census tracts that meet this poverty threshold have a large share of college or graduate students, so we exclude these census tracts from our definition of areas of concentrated poverty. (Source: State of Minnesota Spatial Commons).
 - Cost-burdened households (30% of allocation): The cost-burdened household measure comes from the 2018 American Community Survey 5-year average data at the census tract level and is defined as households spending more than

¹⁴ [Community Voice \(minneapolismn.gov\)](#)

¹⁵ [CLIC-Report-2023.pdf \(minneapolismn.gov\)](#)

¹⁶ [2024-2029 Capital Projects Table of Contents Copy \(opengov.com\)](#)

¹⁷ [FY 2024 Neighborhood & Community Relations \(opengov.com\)](#)

30% of their income on rent or their mortgage. The funding formula partially allocates funds according to the number of cost-burdened households within a census tract. Cost-burdened renters are weighted twice as heavily as cost-burdened homeowners.

- Gentrification (20% of allocation): Gentrification is a measurement of change in census tracts over time (2000-2015), specifically comparing income, race, ownership status (renter or homeowner), rent cost, and education level. Neighborhood with census tracts that were vulnerable to gentrification received the maximum funding available per neighborhood for this category. Neighborhoods in census tracts identified as gentrified received half of the funding amount available.
- Partnership Engagement Fund
 - The Partnership Engagement Fund is intended to support collaboration and partnerships between community-based organizations (CBOs) and neighborhood organizations to increase diverse public participation through project development and implementation, engaging historically underrepresented residents meaningfully and effectively on policies and programs that impact them and in decision-making with a focus on furthering equity. This is a competitive pool of funding, applications can be submitted in various languages and in oral or written format, and community residents are available in the decision-making process.
- Collaboration and Shared Resources Fund
 - The goal of the Collaboration and Shared Resources Fund is to maintain the long-term feasibility of the place-based neighborhood network system and provide technical and financial assistance to neighborhood organizations that want to consolidate or share resources with each other. This is a competitive pool of funding.

As highlighted by the [20-21 Neighborhood Programs Annual Report](#), these funds comprise part of the larger Neighborhood Programs effort that includes racial equity work, neighborhood meetings, community events, and home improvement or purchasing programs¹⁸. While not necessarily considered to be formal participatory budget processes, these neighborhood programs provide opportunities for communities and neighborhoods to have direct input and/or access on funding that is intended to serve their respective neighborhoods.

¹⁸ [2020-2021 Neighborhood Programs Annual Report \(minneapolismn.gov\)](#)

Participatory Budgeting Landscape

In addition to existing academic research of participatory budgeting, one of the most effective methods of identifying any patterns or best practices is through the direct review of models that have been implemented both nationally and globally.

New York, NY

- History
 - Participatory Budgeting in New York “PBNYC” started with 4 council offices in 2011 to allow residents in their district to provide input on a percentage of discretionary funding for capital projects in their districts. Currently, 29 of 51 City Council members participate in PBNYC¹⁹.
 - “The People’s Money” launched in September 2022 by Mayor Adams and the Civic Engagement Commission as a separate citywide participatory budgeting process²⁰.
- Current Allocation
 - 2023-2024 PBNYC: At least \$1 million in participating Council Districts²¹
 - 2022-2023 The People’s Money: \$5 million
- Eligible Projects
 - PBNYC²²: Physical infrastructure projects costing over \$50,000 and with lifespan exceeding 5 years.
 - Eligible ideas must be for “capital” projects: physical infrastructure for public benefit, such as park improvements or new technology for schools. “Expense” projects, such as afterschool programs or expanding bus service, are not eligible.
 - The People’s Money²³:
 - The People's Money uses mayoral expense funding for ideas to fund projects to benefit NYC communities. Projects must be implemented within one year and must be expense funding, examples of which include:
 - Programming, including but not limited to events, fairs, workshops, trainings, and classes.
 - Expanding or enhancing direct or social services (e.g., after school programming, food distribution initiatives, etc.).
 - Community organizing or awareness and advocacy campaigns.
 - Research studies.

¹⁹ [The People's Money \(2023-2024\) - NYC Civic Engagement Commission \(CEC\)](#)

²⁰ [The People's Money \(2023-2024\) - NYC Civic Engagement Commission \(CEC\)](#)

²¹ [New York City Council Participatory Budgeting 2024 \(pbnyc.org\)](#)

²² [Guidelines - New York City Council Participatory Budgeting 2024 \(pbnyc.org\)](#)

²³ [1. Idea Generation - The People's Money \(2023-2024\) - NYC Civic Engagement Commission \(CEC\)](#)

- The People’s Money CANNOT fund:
 - Ideas for capital projects which involve the construction, reconstruction, acquisition, or installation of a physical public improvement, with a value of \$50,000 or more. This may include everything from buying garbage trucks to reconstructing bridges to building housing.
 - Ideas that break New York City laws, spread hate or unfair treatment.
 - Projects that add to a city agency’s headcount, such as hiring more police officers or sanitation workers.
- Eligible Participants
 - PBNYC & The People’s Money: All New Yorkers, ages 11 or up, regardless of immigration status, will have the opportunity to vote to fund projects in their borough and/or neighborhood. Residents will enter their zip codes to determine the ballot they receive²⁴
- Annual PBP Timeframe
 - PBNYC
 - October-November: Idea Collection and Volunteer Recruitment
 - November-February: Proposal Development
 - April: GOTV and Vote Week
 - May-June: Evaluation and Planning
 - The People’s Money²⁵
 - 09/19/2022 - 11/18/2022 Idea Generation
 - 11/19/2022 - 02/24/2023 Project Evaluation
 - 05/10/2023 - 06/25/2023 Citywide Voting
 - 06/26/2023 - 06/30/2024 Project Implementation
- Project Evaluation Mechanisms
 - PBNYC: Winning projects are included in New York City’s upcoming fiscal year budget. Staff and stakeholders evaluate the process and oversee the implementation of winning projects by agencies.
 - The People’s Money: resident committees reviewed and evaluated projects that come out of the idea generation phase. They then further developed ideas into proposals and selected the final project proposals to be placed on the ballots. Ballot creation and translation
 - Assembly Committees²⁶ Every Borough and TRIE neighborhood will have its own Committee.
 - The Borough/Neighborhood Assembly Committee members will be provided with a set of criteria developed by the CEC and the Participatory

²⁴ [How will Assembly Committee meetings work? - NYC Civic Engagement Commission \(CEC\)](#)

²⁵ [Participatory process phases - The People's Money \(2022-2023\) - NYC Civic Engagement Commission \(CEC\)](#)

²⁶ [How will Assembly Committee meetings work? - NYC Civic Engagement Commission \(CEC\)](#)

Budgeting Advisory Committee (PBAC) to ensure the projects address equity issues and meet the needs that residents have surfaced in Phase 1.

- Committees will hold up to 6 meetings between January and February for members to discuss the projects. They will also work with CEC staff to gather information needed to clarify the ideas put forward.
 - The organizations responsible for implementing the projects will be announced publicly by mid-October. The CEC will work closely with the implementing organizations over the course of the year to ensure they are supported, projects are effectively monitored, and are completed successfully.
- Submissions Received
 - PBNYC²⁷
 - 2023-2024 Cycle 2,318 Ideas
 - The People’s Money²⁸
 - 2022-2023 Cycle 2,023 ideas submitted
 - 2022-2023 Cycle Equity Neighborhoods 2,116 ideas submitted
 - Distribution Categories
 - PBNYC
 - Cycle 8 Examples²⁹
 - Street Tree Protection Package
 - Improved Lighting for NYCHA Parks
 - Gertrude Kelly Park Pathway Repairs
 - P.S. 51 Entrance Accessibility Upgrade
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 - Gertrude Kelly Park Pathway Repairs
 - P.S. 51 Entrance Accessibility Upgrade
 - The People’s Money³⁰
 - Bronx - \$265,000 of funding for each project
 - Financial Literacy Classes for Youth
 - Trauma-Informed Childcare Workshops
 - Youth Life Skills Workshops
 - Brooklyn - \$250,000 of funding for each project
 - Strengthen Mental Health Programs for 9-13 Year Olds
 - Parenting Education Program for Single and Teen Parents
 - Field Trips for Elementary and Middle Schoolers

²⁷ [New York City Council Participatory Budgeting 2024 \(pbnyc.org\)](https://pbnyc.org)

²⁸ [1. Idea Generation - The People's Money \(2022-2023\) - NYC Civic Engagement Commission \(CEC\)](#)

²⁹ [Cycle 8 Results - Participatory Budgeting \(nyc.gov\)](#)

³⁰ [3. Voting - The People's Money \(2022-2023\) - NYC Civic Engagement Commission \(CEC\)](#)

- Delivery of Nutritious Meals for Homebound Seniors
- Manhattan - \$262,500 of funding for each project
 - Trade Skills and Vocational Resources for Students
 - Housing Resource Outreach
- Queens - \$280,000 of funding for each project
 - Healthy Lifestyle Guidance for Kids
 - Parent Support and Wellness Services
 - Young Entrepreneurs Program
- Staten Island - \$177,000 of funding
 - Staten Island Job Link

Durham, NC

- History
 - Adopted in 2018 and currently on its third participatory budget cycle, Durham is the second city in North Carolina to adopt a version of the PB process³¹.
- Current Allocation
 - Initial “Cycle 1” FY 2019-2020: \$2.4 million
- Eligible Projects³²
 - Cycle 3: One-time projects are projects with one-time expenditures that address a community need. Projects can be built on City, Durham Housing Authority, and private land, upon donation. “One-time projects” may include physical infrastructure, technological improvements, and community enhancements. “One-time projects” may have some sort of associated operating cost. However, they do not require the City to hire additional staff. Monetary donations will not be considered. Before projects are put before a public vote, they must be reviewed by the City Manager, City Staff, and the Participatory Budgeting Steering Committee to ensure they meet all legal requirements. Examples of “one-time projects” include park improvements, computers for a community center, bus shelters, and bike-lanes.
- Eligible Participants³³
 - All Durham residents 13 and older could vote at sites across the city as well as
 - online regardless of voter registration status or immigration status.
- Annual PBP Timeframe
 - Fall 2018 Phase One – Idea Collection
 - Spring 2019 Phase Two – Proposal Development
 - May 2019 Phase Three – Voting
 - Fall 2019 Phase Four – Implementation

³¹ [PB Durham Cycle 1](#)

³² [Participatory Budgeting | Durham, NC \(durhamnc.gov\)](#)

³³ [PB Durham Cycle 1](#)

- Project Evaluation Mechanisms
 - A 15-member Participatory Budgeting Steering Committee (PBSC) was appointed by the Durham City Council. This committee was comprised of individuals who are representative of the community in terms of gender, race, ethnicity, sexual preference, profession, age, and ability. Each member of the committee committed to serve a two-year term and assist in educating citizens regarding PB, getting citizens involved and excited about participating with the process, and guiding improvements to the process.
 - Budget Facilitators led volunteers over Budget Delegate Committees and ensured that budget delegates evaluated proposed projects based on community need, impact, and feasibility within the allotted proposal development phase.
 - City of Durham Internal Staff Committee This 14-member team represents the various City departments that were relevant to proposed ideas or project classification areas. These individuals worked primarily during the proposal development phase by assisting with cost estimates for project proposals, offering technical support, vetting projects with budget delegates that ensured increased effectiveness proposal development. City staff also ensured the timeliness and transparency of project evaluation.
 - Community Stakeholders & Partners Nine project sponsors provided input on the development of project proposals. These groups assembled committee meetings, increased awareness of the PB process and encourages their involvement. The community stakeholders also helped to evaluate the process.
- Submissions Received
 - 2018-2020 “Cycle 1”: 517
- Distribution Categories
 - Ward 1
 - LGBTQ Youth Center \$ 37,767.00
 - Technology for DPS \$ 134,784.00
 - Accessible Ramps \$ 56,650.00
 - Ward 1 STEM & Entrepreneurship Program \$ 99,121.00
 - Bus Shelters with Reclaimed Art & Solar Panels \$ 131,919
 - Street Trees 231 \$ 67,980
 - Historic Monuments (Fayetteville St.) \$ 89,702
 - ADA Equipment (Drew Granby) \$ 79,310
 - Ward 2
 - Technology for DPS \$ 134,787
 - Accessible Ramps \$ 56,650.00
 - Bus Shelters on Fayetteville \$ 158,620
 - DHA Lighting & Security Cameras \$ 113,300.00
 - LGBTQ Youth Center \$ 37,767
 - Bus Shelters with Reclaimed Art & Solar Panels \$ 131,919

- Ward 3
 - Ward 3: El Futuro \$ 96,168
 - Technology for DPS \$ 134,784
 - LGBTQ Youth Center \$ 37,767
 - Bus Shelters with Reclaimed Art & Solar Panels \$ 131,919
 - Accessible Ramps \$ 56,650.00
 - The Life Center \$ 145,991
 - DHA Lighting & Security Cameras \$ 57,783
 - Belmont Park Improvements \$ 124,630

Denver, CO

- History: Program development began with [Participatory Budgeting Project 2017 Briefing](#) and resulted in development of a [Community Guidebook](#) that was used to facilitate the initial program cycle.
- Current Allocation: \$2 million (currently \$1 million for 2023. Mayor commits \$1 million for 24 and 25³⁴)
- Eligible Projects: Neighborhood Improvement Projects / Infrastructure Funding
- Annual Timeframe: 7+ months
- Evaluation Mechanisms³⁵:
 - City staff feasibility review conducted (does it fit guidelines, is it feasible to build)
 - Budget delegates (Community Steering committee) assess and rank feasible projects based on established criteria³⁶
 - Top ideas are developed into formal budget proposals (23 formal proposals drafted across 4 ballot areas)
 - Participatory Budgeting Vetting Guide³⁷
 - Project Evaluation Matrix³⁸
- Submissions Received: 1,100
- Distribution Categories³⁹
 - \$1 million - Citywide Ballot
 - \$400,000 – Far Northeast Ballot
 - \$300,000 – East Central Ballot
 - \$300,000 – East Ballot

³⁴ [Mayor's Budget Letter to Council, 2023 \(denvergov.org\)](#)

³⁵ [Denver PB - Idea Collection FAQs | Denver PB: Idea Collection | Rise Together Denver](#)

³⁶ [Community Steering Committee FAQs | Denver PB: Community Steering Committee | Rise Together Denver](#)

³⁷ [Durham PB Vetting Guide .pdf \(d3n8a8pro7vhmx.cloudfront.net\)](#)

³⁸ [Durham PB Vetting Guide .pdf \(d3n8a8pro7vhmx.cloudfront.net\)](#)

³⁹ [Denver Participatory Budgeting | Rise Together Denver](#)

Burnsville, MN

- Program Development
 - May 16th, 2023
 - Introduction and comprehensive research presentation into participatory budgeting.
 - June 20th, 2023
 - Expert testimony on participatory budgeting
 - August 8th, 2023
 - Public comments and discussion on participatory budgeting
 - September 5th, 2023, Governance Meeting⁴⁰
 - Council consensus was to move forward with a pilot participatory budgeting program Depending on your direction, staff will provide a menu of options for further consideration, including:
 - Expectations and timeline
 - Roles and responsibilities
 - Impact of investment
 - Staff continue to engage the community and funding for the program would be determined as part of the 2025 budget process and he anticipated it would be approximately an 18-month process to develop.

Equity Components of Participatory Budgeting

The Participatory Budgeting Project notes that the participatory budgeting process “deepens democracy, builds stronger communities, and creates a more equitable distribution of public resources”⁴¹. Many cities implementing a participatory budgeting process have noted how they have pursued the use of an equitable lens on the process to ensure that funds can be distributed in a manner that is both accessible and impactful to marginalized communities. This is evident in both New York City’s “Equity Neighborhoods” component that goes beyond what is distributed to the larger boroughs themselves and in the city of Durham, North Carolina shifting its participatory budgeting “Cycle 3” to move away from the City Council Ward System to leverage an asset map that supports using an equity lens to determine priorities.

A toolkit for evaluating participatory budgeting developed by the non-profit Public Agenda in collaboration with the Participatory Budgeting Project. This toolkit identifies a number of factors that should be considered when trying to gather data to evaluate the effectiveness and success of a participatory budgeting program. A subset of this toolkit focuses on how to best measure program success regarding equity and is further divided into equity of access and equity of outcomes. The

⁴⁰ [City of Burnsville - Meeting Information \(civicweb.net\)](#)

⁴¹ [Learn About PB - Participatory Budgeting Project](#)

following toolkit examples serve as a framework to inform best practices adopted by a city or an independent evaluator to examine and measure equity and inclusion components of a participatory budget program⁴²:

- Number and percentage of participants who are of low socioeconomic status (SES) and/or people of color; and relative to demographics in the jurisdiction and in the most recent local election.
 - This metric indicates PB's potential to engage communities that are marginalized in the traditional political process.
 - Additional demographic questions: Some local evaluators have included additional demographic questions on their idea collection participant and voter surveys to assess participation of traditionally marginalized communities, including questions about their primary language use, country of origin, etc. (For example, these questions were included on idea collection participant and voter surveys in Cambridge 2014-15, Long Beach 2014-15, PBNYC 2014-15 and Chicago 2014-15.) The Additional Demographic Questions for PB Participant Surveys document in the Library of Additional Participatory Budgeting Research Instruments includes examples of these questions.
- Accessibility indicators for idea collection phase, project development phase and voting.
 - A list of variables that captures aspects of the process implementation that increase access during the idea collection phase, the project development phase, and the voting phase.
 - Additional accessibility measures: Some local evaluators have used additional accessibility measures in the past, such as whether or not idea collection events had language translation, childcare, food, transportation, etc. (For example, PBNYC 2014-15 used an idea collection event observation sheet that included these and other questions.) The Event Observation Sheets included in the Library of Additional Participatory Budgeting Research Instruments include these measures.
- Allocation of PB funds by project type (to be compared with the allocation of comparable funds prior to PB).
 - This metric describes how PB funds get allocated across types of projects. It is one step toward studying differences in the allocation of funds through PB compared with traditional methods of allocation and one step toward considering equity in the distribution of PB funds. The metric can also highlight differences between the distribution of ballot items across project types and the distribution of winning projects across project types (e.g., are winning projects representative of the distribution of projects that are on the ballot or not?).
 - Analyzing spatial equity: Another way to think about project diversity and equity is to consider where in the community projects are located and whether the location benefits some community members more than others. Such a spatial equity project

⁴² [01-Public-Agenda-PB-Metrics.pdf \(publicagenda.org\)](#)

would use geographers' and planners' tools to estimate characteristics of the population most likely to benefit from the project. That can then be compared with spatial analyses of projects funded prior to PB or with projects funded in matched comparison districts/cities/counties. Such data collection efforts are, however, beyond the scope of the key metrics.

While the toolkit focuses on measuring impact at the individual level, the City of Durham provides budget delegates with a "Project Evaluation Matrix" that is used to evaluate a projects impact at the neighborhood level using the criteria of impact, equity, and feasibility. Specific to evaluation of equity, the matrix outlines several components that can be used to determine "how do we know if a project advances equity?"⁴³:

- Similar projects have been implemented by the local government and its partner agencies.
- The project meets eligibility criteria for PB funding.
- The project cost is above \$50,000 or below \$800,000 based on the elements identified during community research and validation of cost with government and stakeholders.
- The related government department has stated that the project is feasible.
- There are little or no legal barriers to implement the project.
- The public agency or community organization that is participating has stated it is feasible and provided an agreement with local government.

What is demonstrated by the toolkit and matrix is that there are a range of approaches that can be employed at various stages of a program to measure equitable impact or outcomes. While the matrix is employed at a specific stage of the process, the toolkit reinforces that any measurement of a participatory budget programs impact requires a 360-degree evaluation of each stage in the program lifecycle. While meeting equitable engagement goals on the front end of a process is a positive step, the true impact can be minimized if you are unable to determine an equitable impact of outcomes from projects that were ultimately funded. Further, the toolkit reinforces the importance of understanding the correlation vs causation component so that outcomes aren't misinterpreted through confirmation bias. Once you have some measurement of the spatial equity impact of projects, you then can compare that data to projects completed outside of the participatory budget process or through comparing outcomes from similar cohort groups in other cities to determine if there is a causal relationship between the participatory budget process and the outcomes being measured.

⁴³ [Durham PROJECT EVALUATION MATRIX](#)

Additional Considerations and Next Steps

Consideration of developing a formal participatory budget process requires that a thorough review of both existing and potential resources that a city is willing to allocate to the process. A report from the Brennan Center for Justice notes that, while there can be significant upside, participatory budgeting programs can also face numerous barriers to both genuine success and perceived success including⁴⁴:

1. failing to fully empower residents by keeping too much control in the hands of city government;
2. not providing enough project funding to generate excitement among residents;
3. not providing funding to hire dedicated staff, thus requiring government staff to run PB on top of existing job responsibilities;
4. placing tight restrictions on the types of projects allowed by PB and enforcing these restrictions rigidly; and
5. encouraging residents to believe that PB would have a transformative effect, leading to disillusionment when outcomes were more modest.

This report is intended to serve as an opening step in any potential future participatory budgeting process or discussion. Should this subject continue moving forward, there are a number of options that could merit consideration.

- Conduct a more focused and narrow review of program specifics to compare external example(s) to existing City resources.
- Determine any potential for promoting or expanding any existing City programs that operate in capacities similar to participatory budgeting.
- Similar to the 2017 budget request, consider what a formal “proposal” for a participatory budget program would look like for the City.
- Conduct listening or engagement sessions to gauge resident enthusiasm for, and answer questions related to, participatory budgeting.

⁴⁴ [Making Participatory Budgeting Work: Experiences on the Front Lines | Brennan Center for Justice](#)



