

**Participatory Budgeting  
in Vallejo  
Cycle 3 Rulebook**

## **About this Rulebook**

This is the third edition of this rulebook. It was originally developed by the Steering Committee for Participatory Budgeting (PB) in Vallejo in September 2012 and revised in July 2013 and January 2015, with assistance from City of Vallejo staff and the non-profit organization The Participatory Budgeting Project (PBP). While participatory budgeting is inspired by experiences elsewhere, we want the Vallejo process to reflect the special characteristics of our community. The City Council approved these guidelines and rules based on our understanding of local needs, issues, and interests.

This rulebook is only a starting point, and we intend for it to remain a work in progress. We expect to continue developing and improving the process as it unfolds. Hopefully you will even help!

## **What is Participatory Budgeting?**

Participatory Budgeting (PB) is a democratic process that was first developed in Brazil in 1989 and is now practiced in over 1,500 cities around the world. Though each PB initiative looks different, the process generally involves several months of public meetings, discussions, and voting, so that the public has time to make wise decisions.

## **Participatory Budgeting in Vallejo**

In 2012, the Vallejo City Council established the first city-wide PB process in the United States. Through PB, the community helps the City Council decide how to spend a portion of City Funding. In June 2015, as part of the Fiscal Year 2015-2016 budget process, the City Council will allocate funding for third cycle PB projects. Vallejo residents and stakeholders develop project proposals, residents vote on projects, and the list of the projects that receive the most votes are submitted to City Council for consideration.

Fifteen percent of the allocated Measure B funding shall be designated for programs and services that target at-need populations in Vallejo

(using the federal Community Development Block Grant (CDBG) social service guidelines and eligibility). This shall serve as a pilot concept for future Cycles of PB, where the annual CDBG program and service funding might be allocated through Vallejo's PB process.

## **Goals: What is this for?**

We hope to accomplish four main goals through PB Vallejo:

### **1. Improve our city**

- Improve the infrastructure of the City, assist in enhancing the public safety of citizens, and to improve the quality of life for residents through the creation of and payment for projects without the expenditure of Measure B funds for salary expenses.
- Build a new spirit of civic pride and raise the profile of Vallejo on the regional, state, and national levels.

### **2. Engage our community**

- Ensure that all members of our community have a voice.
- Engage those who are traditionally underrepresented in politics, who face obstacles to participating, or who feel disillusioned with the political process.
- Increase public involvement in civic life in Vallejo.

### **3. Transform our democracy**

- Empower Vallejoans with the skills and knowledge they need to shape our city's future.
- Build leadership from the bottom up and forge deeper ties between residents, neighborhoods, and communities.

### **4. Open up government**

- Increase transparency and accountability of local government to community stakeholders.
- Improve communication and collaboration between local government and the community.
- Support a framework within government for decision-making that promotes a more just and equitable city.

We ask everyone involved to work with us to achieve these goals.

## **Project Eligibility**

Projects are eligible for funding if they meet the following criteria:

- **Provide primary benefit for the public-at-large (or a subset group that is not delineated by exclusive or paid membership in a group, organization, or by participation in a specific activity).** Projects that only benefit private individuals are not eligible. Projects may not result in a ‘gift of public funds’ to individuals (See Cal. Const. Art. XVI § 6) and must serve a public use or purpose. Generally this means that the project results in a direct/primary concrete or quantifiable service or benefit to the public.
- **Provide a tangible, permanent benefit that allows for broad public access.** This includes a long-term plan to maximize benefit for the full utility of acquired assets (typically sustainable beyond the 12-16 month implementation timeline). This criterion may not always apply to program and service project proposals that otherwise meet existing CDBG guidelines.
- **Are designed to accomplish their goals and fulfill their purpose using funds from this year’s PB process.** Projects may not obligate the City to ongoing funding beyond the PB allocation. If other funding sources are needed to accomplish the project goals, those funds must be secured prior to submission for City review and vetting.
- **Are capital infrastructure, capital improvement, durable acquisition, or program and service projects.**
  - Capital Infrastructure/improvement and/or durable acquisition projects for public purposes, on public property within incorporated City limits, and implemented by the City of Vallejo and/or a public agency operating in Vallejo are eligible for Measure B funding. Public property is property held by a public agency.
  - Program and service projects implemented by a public agency and/or pre-qualified 501(c)3 non-profit organization are eligible for a designated portion (15%) of Measure B funding allocated through Vallejo’s PB process. All program and service project proposals must meet the existing City-implemented

CDBG guidelines and qualifications; the City must be able to document that all program recipients reside within incorporated City limits, and that at least 51% of program recipients are low- or moderate-income. Funding cannot cover administrative, overhead, or routine maintenance costs.

- Individual proposals may request funding from either capital infrastructure/durables or programs and services, but not a combination.

<b>PB ALLOCATION &amp; ELIGIBILITY</b>		
<b>Projects</b>	<b>Programs &amp; Services</b>	<b>Capital Infrastructure &amp; Durables</b>
<b>How Much</b>	Estimated \$150,000*	Estimated \$850,000*
<b>Funding Source</b>	15% of Measure B	85% of Measure B
<b>Where</b>	Public and/or Private Property within incorporated City limits	Public Property owned by City or Public Agency within incorporated City limits
<b>Implemented by:</b>	Public Agency and/or 501(c)3 nonprofit	City of Vallejo and/or Public Agency
<b>Who Benefits:</b>	Incorporated City residents, at least 51% low- to moderate-income	All Vallejoans
<b>Min/Max per project</b>	\$20,000 min \$50,000 max	\$30,000 min \$400,000 max
<b>When</b>	Beginning in February 2016	Beginning in February 2016
* Measure B funding amount determined by Vallejo City Council as part of the FY 2015-16 Budget		

**In addition to these criteria, the following rules apply to projects:**

- Projects may not result in the private benefit of individuals or confer value to a non-public entity. Examples of these types of ineligible projects could include purchasing assets for a non-public entity that generate net revenue for a private entity, non-profit organization, or individual(s) that exceeds the costs of the program in which that revenue was generated.
  - Future sustainability of a project must not be contingent on market- or demand-driven revenue streams. Examples of these types of ineligible projects could include start-ups or enterprise-driven non-profits.
  - Projects must not require a change in City or public agency policy in order to be implemented and achieve the goals outlined in the proposal. Examples of these types of ineligible projects could include studies, ordinance development, or campaigns.
  - Projects implemented by non-City public agencies must also include financial or value in-kind contributions from the agency, in addition to “PB funding.”
  - To comply with California Government Code § 1090, Budget Delegates who develop projects may not receive any financial benefit from funds disbursed.
    - City or agency staff may participate but may not work on proposals that involve their office or department.
    - City or agency staff may not initiate, be the main representative of or participate in projects where they will receive a personal benefit. However, if requested by the City Manager, or designee, an employee-upon approval of their manager-may give professional input on specific projects, subject only to time and other constraints.
  - For non-City implementing partners, funding may be used for skilled and/or limited-term labor, but cannot be used to cover administration, overhead, or to fund an ongoing position.
  - In most cases, funds will not be distributed up front and will be distributed as payment for service, on a reimbursement basis, and/or progress payment to a local certified contractor.
  - Projects may not promote religious views or beliefs.
- Projects must be fully eligible and approved by the City Manager, or designee, in consultation with the City Attorney, before being placed on the ballot. A fully eligible project must contain the following:
    - Sufficient details to understand the purpose and intent of the project.
    - Identification of Public Benefit(s)
    - Proposed Beneficiary(ies)
    - Total Budget, including the cost to fully implement the project to completion (i.e. bidding, staff, in-kind contribution, etc.), documented by a contractor bid, vendor quote, or other full-cost estimate
    - Timeframe for project completion
  - Proposals with a non-public agency as implementing partner, or with potential non-profit subcontractors, must be identified and pre-qualified on or before the First Stage Review.
    - Qualification guidelines for 501(c)3 nonprofit organizations seeking funding for a program and/or service will be developed and released by the City prior to the first Budget Assembly. Existing 501(c)3 contractors receiving CDBG funding and other 501(c)3 organizations that prequalify prior to the final Budget Assembly will be invited to present their experience, existing services, and qualifications to Budget Delegates during Department and Agency briefings at the commencement of the Budget Delegate Phase.
    - Non-City public agencies must submit a letter of interest on or before the First Stage Review in order to be considered during review and vetting.
  - Final project determination for ballot placement will be made by the City Manager, or designee, in consultation with the City Attorney.

## Timeline: What happens when?

PB has four main stages:



## Rules: How does it work?

### Idea Collection

- Budget Assemblies will seek to reflect Vallejo's diversity and include all segments of the community.
- The public will learn about the city budget and propose project ideas during the assemblies, including, but not limited to:
  - Two afternoon assemblies for youth,
  - One daytime assembly for seniors,
  - One Spanish-language assembly with interpretation in English,
  - One assembly focused on the Filipino community with interpretation in Tagalog
  - One assembly focused on the African-American community
  - Other assemblies will attempt to target areas where a fewer number of residents voted in the second cycle.
- The public will have the ability to submit project ideas online, through mail-in and email submission, and through community meetings. Anyone is welcome to attend the assemblies and propose project ideas.

### Proposal Development

- All budget delegates must attend a delegate orientation session and project proposal workshop.
- At the delegate orientation sessions, each delegate will join a committee to discuss and develop project proposals for a certain issue area or demographic group. Delegates may not join more than one committee.
  - Issue committees may include but are not limited to: Transportation, Public Health, Public Safety, Education, Parks & Recreation, Environment, Art & Culture, Housing
  - Demographic committees may be formed to ensure maximum participation from people who might not otherwise participate, including: Youth, Seniors, Spanish-Speakers, and members of the Filipino and African American communities. At least four

delegates must sign up before a demographic committee can be formed.

- Any residents of Vallejo, its unincorporated areas, or stakeholders in Vallejo - people who physically work in Vallejo, own a business in Vallejo, attend school in Vallejo, or are parents of children who attend school in Vallejo - may participate.
- The Steering Committee and Budget Delegates will strive to minimize the total number of projects (i.e. combining projects that address a similar public need, vetting projects that do not meet the eligibility criteria and rules, and prioritizing projects based on greatest need and benefit). A fully eligible project must also undergo a three-stage review and vetting process, with exact dates to be determined by the City Manager's designee(s) and the Steering Committee prior to the start of the Delegate phase.
  - **First Stage Review:** Budget Delegates shall submit to the City a summary (approximately 500 words) for each project proposal, not to exceed 60 total project proposals (46 capital infrastructure/durable and 14 program and service). City staff and a subcommittee of the Steering Committee will provide general feedback on eligibility issues and concerns, but will make no binding determinations.

In order to be eligible for possible funding at the conclusion of the cycle, implementing partners and/or any 501(c)3 non-profit organizations (including potential non-profit subcontractors) who may seek to implement project proposals must submit a prequalification application and letter of interest to the City on or before the First Stage Review. All public agencies who may be implementing partners must submit a letter of interest for each proposed project on or before the First Stage Review.

Project proposals or non-City implementing partners that do not undergo this First Stage Review are ineligible for continued development or funding in the current cycle.

- **Second Stage Vetting:** Budget Delegates shall submit to the Steering Committee (or a subcommittee) a maximum of 40 fully-eligible project proposals (30 capital infrastructure/durable and 10 program and service). The

Steering Committee will conduct an initial eligibility screening and forward the proposals, along with the Steering Committee's recommendations, to the City for full vetting. City staff will provide extensive feedback and revision requests to both the Budget Delegates and the Steering Committee.

Where needed, City staff, designated Steering Committee members and the Budget Delegates shall meet and discuss the eligibility determination in an attempt to gain mutual understanding and seek avenues to alter the project proposal for a more favorable outcome. Ultimately, the City Manager, in consultation with the City Attorney, shall make final determinations on whether project proposals are eligible for the Third Stage Review of the PB ballot.

Project proposals deemed ineligible in the Second Stage Vetting may no longer be developed in the current cycle's process and cannot be submitted for Third Stage Review.

- **Third Stage Review:** Budget Delegates shall submit a maximum of 26 eligible and/or revised project proposals (20 capital infrastructure/durable and 6 program and service) that include final ballot language, poster photos, etc. to City staff for consideration on the ballot. City staff will concurrently notify the Steering Committee and the Budget Delegates of final ballot determinations.

The City Manager, in consultation with the City Attorney, shall determine final project proposal eligibility.

- The Steering Committee shall determine the number of available slots per committee for each of the three stages of review/vetting, as well as the ballot. The Steering Committee shall not make determinations about individual projects advancing to the ballot.
- After the City has reviewed the final project proposals, they may not be altered or combined, except under extraordinary circumstances as determined by the City Manager, or designee.

## Project Expos & Voting

- There will be at least three Project Expos, including one with Spanish interpretation available, to take place during the PB vote. Budget delegates will present final project proposals to the community. The Steering Committee will determine the final number of Project Expos.
- Participants will abide by Campaign Guidelines as determined by the Steering Committee and the City Manager, or designee.
- The PB ballot shall not contain more than 26 project proposals clearly separated into two sections:
  - A maximum of 6 Program & Service project proposals
  - A maximum of 20 Capital Infrastructure/Durable project proposals
- Each voter may cast one vote per project proposal. Voters may cast votes for up to 25% of the total number of Program & Service project proposals, and up to 25% of the total number of Capital Infrastructure/Durable project proposals (rounded to the nearest whole number). For example, on a ballot with 6 Program & Service proposals, and 20 Capital Infrastructure/Durable proposals, each voter may vote for up to two (2) Program and Service project proposals, and up to five (5) Capital Infrastructure/Durable project proposals.
- People are eligible to vote for projects if they:
  1. are at least 16 years old, *and*
  2. are residents of Vallejo or its unincorporated areas.
    - Budget delegates who have committed their time to the process and are under the minimum voting age as determined by the City Manager, or designee.
- In recognition of the underrepresentation of the 20- to 34-year-old age group in Cycles 1 and 2, a focus for Cycle 3 will be on increasing representation from this demographic voting bloc. The Steering Committee and City staff will research the logistics of implementing alternative voting methods, including, but not limited to, an online voting platform that allows Vallejo residents to be authenticated and vote remotely.

- Through these inclusive voter eligibility rules, the City of Vallejo aims to more deeply engage all Vallejo residents in the community and government.
- At the time of voting, voters must present proof that they satisfy the eligibility requirements. A comprehensive list of acceptable IDs will be publicized prior to the vote.
- Voting opportunities will take place on multiple days and in multiple locations. Each voter can vote on one occasion.
- No campaigning will be allowed at polling locations.
- The Steering Committee will determine the structure of the ballot with input from the City Manager, or designee.

### **Consideration of Project Funding by the City Council**

- Upon completion of the public voting process, the results of the balloting will be brought before the City Council for consideration. The City Council will have the discretion to approve which projects are funded, the amount of funding, and conditions (if any) placed upon the use of approved funds.
- If there is a tie, or if the available funds do not cover the cost of the next highest vote-getting project, subject to available resources and the discretion of the City or other agencies, the City Council will attempt to secure additional money to complete the project(s), partially fund the next highest vote-getting project, or split the remaining funding between any tied projects. If the project(s) cannot be completed with partial funds, the remaining funds will go to the project with the next most votes that can be fully funded, or into a reserve fund. If none of the above-mentioned methods for allocating remaining funds are possible, the balance of unused funding from the 15% of Measure B allocated for programs and services will revert over to the 85% for capital infrastructure/durables in the current cycle, or vice versa.

### **Monitoring of Funded Projects**

- After the vote, a monitoring committee of Steering Committee members and Budget Delegates will be established to monitor the implementation of funded projects.

### **Amendments**

- The Steering Committee may propose changes to the Rulebook with approval from a quorum of the Committee, and final approval by the City Council. The City Council may make changes to the Rulebook via a majority vote.

### **Roles & Responsibilities: Who does what?**

There is a role for everyone in participatory budgeting, but different people have different roles and responsibilities, based partly on their stake in the community and their time commitment to the process. We encourage every community stakeholder to both participate and encourage others in the community to participate.

### **Vallejo Residents and Stakeholders**

Anyone can participate in the process, even if they only come to one meeting or only vote.

- Identify local problems and needs
- Propose project ideas
- Volunteer to serve as budget delegates
- Mobilize Vallejo residents and stakeholders to participate
- Vote on project proposals, *if a Vallejo resident*

### **Budget Delegates**

Budget delegates do the extra work necessary to turn community ideas into real projects.

- Attend a Budget Delegate Orientation and a Project Proposal Workshop.
- Discuss, categorize, and prioritize initial project ideas.



- Make initial determination on project proposal eligibility prior to development, with assistance from the Steering Committee and staff.
- Assess need and benefit when determining which eligible project proposals will not be resubmitted at different stages of review.
- Consult with Vallejo residents and stakeholders on project proposals.
- Develop full project proposals.
- Prepare project posters and presentations.
- Mobilize Vallejo residents and stakeholders to participate.
- Monitor project implementation.
- Evaluate the PB process.

## Facilitators

Facilitators help residents participate effectively in budget assemblies and delegate meetings. They are neutral parties that do not advocate for particular projects.

- Facilitate group discussions and meetings, and ensure that all participants are able to contribute
- Serve as the main point of contact between the City Manager, or designee, and delegates, helping to coordinate communication and resolve conflicts
- Connect delegates with information and resources
- Ensure that notes are taken at meetings and distributed afterward
- Support delegates in researching, assessing and developing proposals, based on criteria that include feasibility, need and benefit

## Workgroups

Steering Committee members, representatives of other organizations, and community stakeholders are welcome to help implement PB Vallejo by volunteering in a workgroups. These workgroups may include, but are not limited to:

- **Event Planning:** Help organize budget assemblies, delegate meetings, project expos and the vote, by securing venues, food, childcare, equipment, and other amenities.

- **Facilitation:** Help develop facilitation plans for assemblies and meetings, recruit and train facilitators, facilitate meetings, and develop meeting materials.
- **Outreach:** Help design and implement outreach plans, generate media attention, recruit and train outreach workers, and develop outreach materials.
- **Online Participation:** Help plan, oversee, and promote the PB Vallejo website and opportunities for online engagement, including researching a possible online voting method for Cycle 3.
- **Research & Evaluation:** Help identify research priorities and evaluate data gathered during the PB process.
- Additional workgroups may be formed on an as-needed basis as deemed necessary by the Steering Committee and the City Manager Designee(s).

## City Manager Designee

The City Manager Designee will be the main person(s) responsible for coordinating the PB process with input and assistance from the Steering Committee.

- Serve as a point of contact between the City and the PB Process
- Coordinate PB outreach efforts
- Serve as staff liaison to the PB Steering Committee. Will enforce rules of order.
- Recruit and coordinate volunteers
- Create qualifications check-list based on this Rule Book
- Create implementing partner eligibility check-list
- Create a pre-qualification application for non-public implementing entities that reflects Vallejo-specific CDBG eligibility and requirements.
- Categorize project ideas
- Reserve space for assemblies and meetings
- Arrange food, childcare, and interpretation for assemblies and meetings
- Present information on the City's budget and past spending, including monthly updates on the operating budget and PB expenses.

- Distribute promotional materials
- Serve as liaison between PB participants and City
- Present implementation analysis and plan for voter-recommended project proposals to the City Council for consideration
- Present updates to the City Council

### **City and Agency Staff**

- Assess feasibility and legality of project proposals
- Provide cost estimates for project proposals
- Offer feedback on project proposals

### **The Participatory Budgeting Project (PBP)**

The City of Vallejo has contracted PBP, a non-profit organization, to support the City in designing and implementing Vallejo’s PB process.

- Facilitate a Writing the Rules Workshop at the conclusion of the PB Cycle
- Support the City Manager Designee(s) responsible for coordinating the PB process.
- Provide ongoing technical assistance to the City
- Assist City staff with facilitation of process milestones Assist with evaluation of the PB process

### **Vallejo City Council**

- Establish the PB process
- Appoint the Steering Committee
- Appoint two alternates to the Steering Committee (one organization and one at-large) who will automatically fill vacant positions should they become available during the current PB cycle.
- Take action on the Rulebook
- Consider funding for the projects prioritized by voters

### **City Council Liaisons**

City Council will select two liaisons to the Steering Committee.

- Provide support to the Steering Committee
- Facilitate communication between the Steering Committee and City Council

### **Housing and Redevelopment Commission (HRC)**

- Be represented by one member on the Steering Committee
- Assist with determining project eligibility during Second Stage Vetting, including for Program and Service projects that are required to meet CDBG guidelines.

### **Steering Committee**

A Steering Committee coordinates PB Vallejo. The committee is composed of up to 21 members, including: a minimum of 12 civic organizations, one member of the Housing and Redevelopment Commission (HRC), and a maximum of 7 at-large. The City Council shall appoint two alternate members to the PBSC who will not have member privileges unless they fill a vacancy that has become available. Steering Committee meetings will be held in compliance with the open meeting requirements of the Ralph M. Brown Act.

- Design and oversee the PB process
- Distribute promotional materials
- Promote PB in their organizations and at community events
- Volunteer for at least 1/3 of assemblies, 1/3 of expos and 1/3 of voting sites, or recruit volunteers to meet these requirements
- Steering Committee members will be assigned as liaisons to Budget Delegate committees, but may not participate as budget delegates. Liaisons provide technical support to Budget Delegates during proposal development, provide informational updates on Delegate Committees’ progress to the Steering Committee, and connect Budget Delegates with resources.
- Recruit organizations and community stakeholders to workgroups
- Mobilize Vallejo residents and stakeholders to participate
- Facilitate budget assemblies and delegate meetings
- Assist City Manager Designee in arranging food, childcare, and interpretation for assemblies and meetings
- Categorize project ideas and conduct preliminary review of ideas for eligibility
- Make initial eligibility recommendations of 40 project proposals during Second Stage Vetting and submit proposals and recommendations to City staff

- Meet with City Manager, staff, and Budget Delegates if concerns arise over project proposal vetting determinations
- Assist City Manager Designee in presenting voter-recommended project priorities to the City Council for consideration
- Evaluate the PB process Recommend rulebook revisions to the City Council
- Monitor project implementation
- Set meeting agendas through individual or group requests via the Steering Committee leadership at least seven days prior to meetings.

The Steering Committee includes representatives of civic, business, cultural, educational, and community organizations, all nominated by City Council. The Steering Committee designed this Rulebook and oversees Vallejo's PB process.

Steering Committee meetings are held in compliance with the open meeting requirements of the Ralph M. Brown Act. Whenever possible, the Steering Committee will make decisions by consensus. If consensus is not reached, decisions will be made by a formal vote and approved only by a quorum.

SC civic organization members must nominate a primary representative and a secondary representative, and provide names and contact information to the City Manager, or designee, via a letter pledging their interests. If the civic organization's primary representative cannot attend, the named secondary representative must.

PBSC members (civic organization and at-large) who do not attend three regular PBSC meetings in a 12-month period shall be disqualified from the PBSC and replaced by an alternate. However, if a PBSC civic organization secondary representative has met the attendance requirement, the PBSC civic organization remains a qualified member of the PBSC. If the primary representative has not met the attendance requirement they will be disqualified and the civic organization must submit a new letter nominating primary and secondary

representatives to the PBSC. A City Manager designee shall contact member civic organizations if two regular meetings are missed by either an organizational representative or the organization as a whole. Enforcing attendance rules shall be a responsibility of the Steering Committee leadership.

SC members will serve two (2) PB cycles. A cycle is defined as beginning before budget assemblies and ending after the vote.

An updated list of individuals and organizations who serve on the Steering Committee for 2015 can be reviewed on the City's [website](#).