

**Participatory Budgeting  
in Vallejo  
Cycle 5 Rulebook**

## Participatory Budgeting in Vallejo

In 2012, the Vallejo City Council established the first city-wide Participatory Budgeting (PB) process in the United States. Through PB, Vallejo residents and stakeholders develop project proposals in collaboration with City staff, residents vote on projects, and the list of the projects that receive the most votes are submitted to City Council for consideration as part of the annual City budget.

Applying Community Development Block Grant (CDBG) rules and guidelines that target low- to moderate-income residents, a minimum of twenty percent (20%) of the allocated Measure B funding for PB projects shall be designated for program and service proposals receiving the most votes. A maximum of eighty percent (80%) of the allocated Measure B funding for PB projects shall be designated for capital infrastructure and durable projects.

## Goals

### **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.

## Project Eligibility

Projects are eligible for placement on the ballot 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 owned by the City of Vallejo within incorporated City limits, and implemented by the City of Vallejo and/or a public agency that manages City-owned property are eligible for funding.
- Program and service projects implemented by a public agency and/or pre-qualified 501(c)3 non-profit organization are eligible for a maximum of (20%) 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 propose either capital infrastructure/durables or programs and services, but not a combination.
- A minimum of 20% of available project funding is allocated for program & service projects; if/when the 20% maximum has been reached, remaining funding will fall to the next highest vote-getting capital Improvement/durable project(s).
- A maximum of 80% of Measure B funding may be allocated to capital infrastructure/durable projects.
- Regardless of the total amount of allocated funding, no more than a maximum of 30% may be allocated per capital infrastructure/durable project.

<b>PB ALLOCATION &amp; ELIGIBILITY</b>		
<b>Projects</b>	<b>Programs &amp; Services</b>	<b>Capital Infrastructure &amp; Durables</b>
<b>How Much</b>	Minimum 20% of PB Project Allocation (Estimated \$200,000*)	Maximum 80% of PB Project Allocation (Estimated \$800,000*)
<b>Funding Source</b>	Minimum 20% of Measure B	Maximum 80% of Measure B
<b>Where</b>	Public and/or Private Property within incorporated City limits	Public Property owned by City within incorporated City limits
<b>Implemented by:</b>	Public Agency and/or 501(c)3 nonprofit	City of Vallejo and/or Public Agency managing City-owned property
<b>Who Benefits:</b>	Incorporated City residents, at least 51% low- to moderate-income	All Vallejoans
<b>Min/Max per project</b>	3% min 7.5% max	3% min 30% max
<b>When</b>	Beginning in July 2018	Beginning in July 2018
<small>* Measure B funding amount determined by Vallejo City Council as part of the Annual Budget  +The eligibility allocation amounts are proposed by the Participatory Budgeting Steering Committee and are left to the discretion of the City Council</small>		

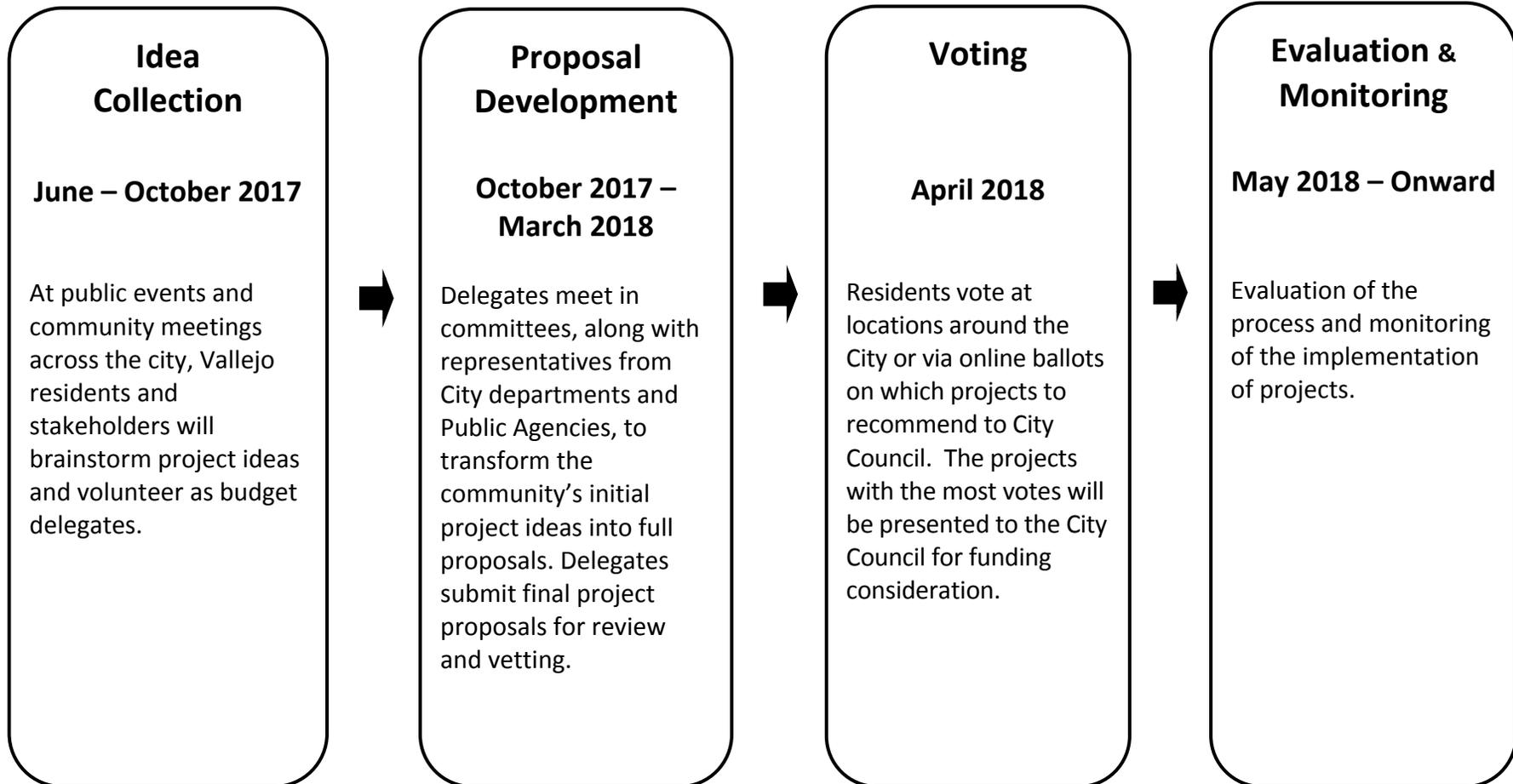
**In addition to these criteria, the following rules apply to projects:**

- 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

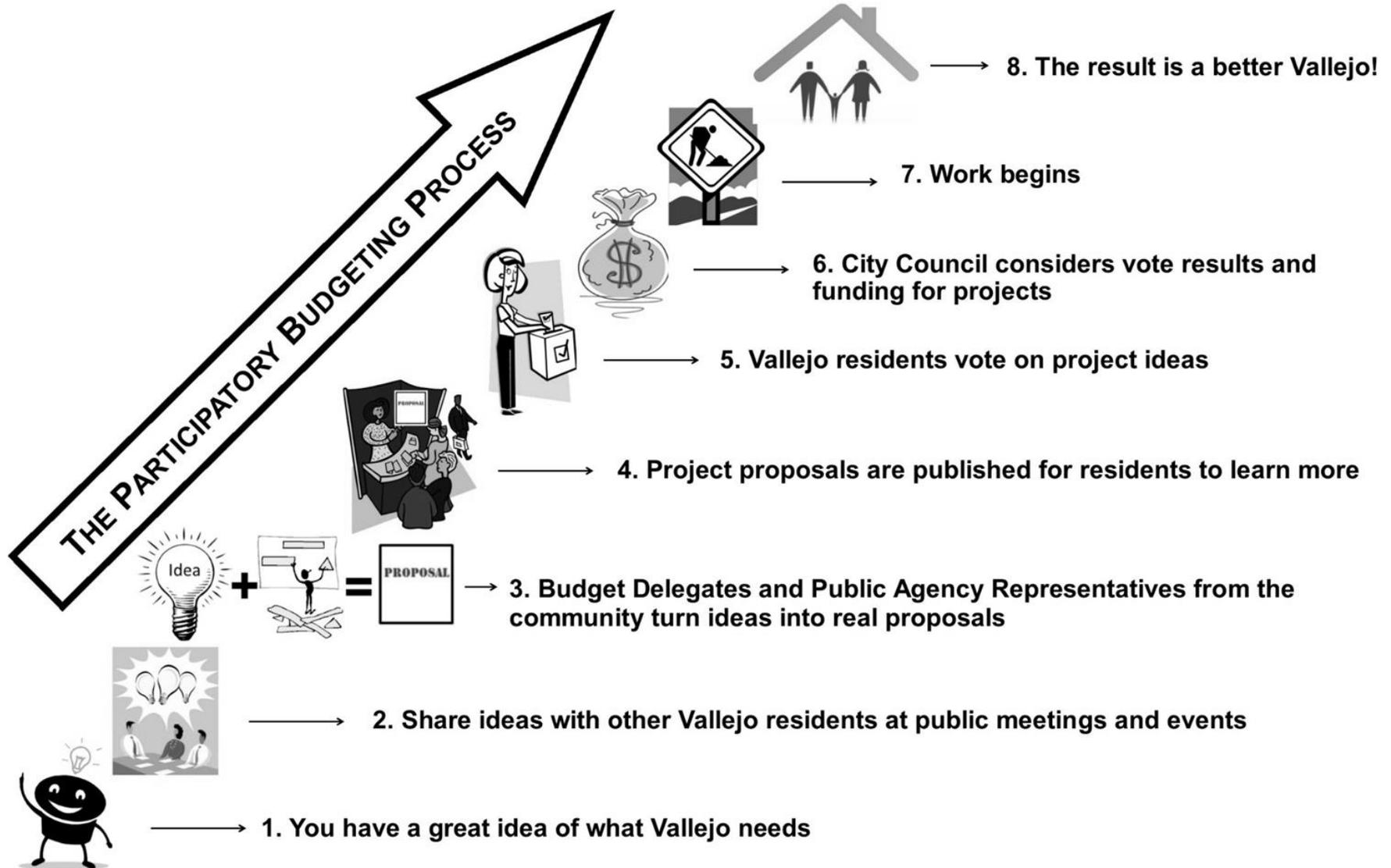
- ineligible projects could include start-ups or enterprise-driven non-profits.
- Projects must not require a change in City or public agency policy in order to be implemented and achieve the goals outlined in the proposal. Examples of these types of ineligible projects could include studies, ordinance 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 not initiate, be the main representative of or participate in projects where they will receive a personal benefit.
  - 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 estimated 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 Idea Collection Phase.
    - Non-City public agencies must submit a letter of interest regarding specific proposals 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 are public events where project ideas are collected and will seek to reflect Vallejo's diversity and include all segments of the community. Assemblies can occur at existing public events, festivals, schools, places of worship, or online, and are facilitated by City staff, Steering Committee members, and volunteers.
- Where possible and appropriate, City staff and the PB Steering Committee will provide Spanish translation of materials, which may include interpretation at public events.
- Project proposals from the previous PB Cycle ballot will be automatically added as ideas for the current cycle for consideration.

## Proposal Development

- All budget delegates and public agencies representatives must attend an orientation session and project proposal workshop.
- At the orientation sessions, volunteer delegates may join a committee to discuss and develop project proposals for a certain issue area. Delegates may not join more than one committee.
  - Committees may consist of volunteer delegates and representatives from relevant City and public agency staff.
  - Issue committees may include but are not limited to:
    - Parks, Recreation & Art
    - Public Infrastructure, Safety & Transportation
    - Education, Training & Social Services
  - Demographic subcommittees 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 subcommittee can be formed. Subcommittees will work

between issue committees to address the needs, concerns and unique circumstances of specific demographic groups.

- Any resident 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.
- Project proposals from the previous PB Cycle ballot will be provided to Delegates for consideration of placement on the current ballot, upon confirmation with the project partner, subject to evaluation by Delegates and vetting through the 3-stage Review process.
- The Steering Committee, Budget Delegates and Public Agency Representatives will strive to minimize the total number of projects by combining projects that address a similar public need, vetting projects that do not meet the eligibility criteria and rules, and/or 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 and Public Agency Representatives shall submit to the City a summary (approximately 500 words) for each project proposal, not to exceed 40 total project proposals. 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 and Public Agency Representatives shall submit to the Steering Committee (or a subcommittee) a maximum of 20 fully-eligible project proposals. 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 and Public Agency Representatives shall submit a maximum of 12 eligible and/or revised project proposals 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.

## Voting

- Budget delegates will present final project proposals to the community at public events and meetings, including a single Voting Expo. The Steering Committee will determine the location and timing of a Voting Expo.
- 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 12 project proposals.
- Each voter may cast one vote per project proposal. Voters may cast votes for up to 20% of the total number of proposals on the ballot (rounded up to the nearest whole number). For example, on a ballot with 12 proposals, each voter may vote for up to 3 projects.
- People are eligible to vote for projects if they:
  1. are at least 14 years old, *and*
    - Budget delegates who have committed their time to the process but are under the minimum voting age are also eligible
  2. are residents of Vallejo or its unincorporated areas.
- 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
  - Voting by mail
  - Voting in person at the City Manager’s Office
  - Voting at non-PB community events
- At the time of voting, voters must verify they satisfy the eligibility requirements, which will be publicized prior to the vote. A comprehensive verification process that protects the public’s privacy and choice will occur before final vote results are

announced. Ballots that do not satisfy the eligibility requirements will be eliminated.

- 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.
- City staff, the PB Steering Committee, and appropriate partners will conduct ballot “readability” tests of different ballot designs prior to the vote to minimize confusion among voters.

### **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 may 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.
- A minimum of 20% of available project funding is allocated for Program & Service projects; if/when the minimum 20% has been reached, remaining funding will fall to the next highest vote-getting Capital Improvement/Durable project(s).

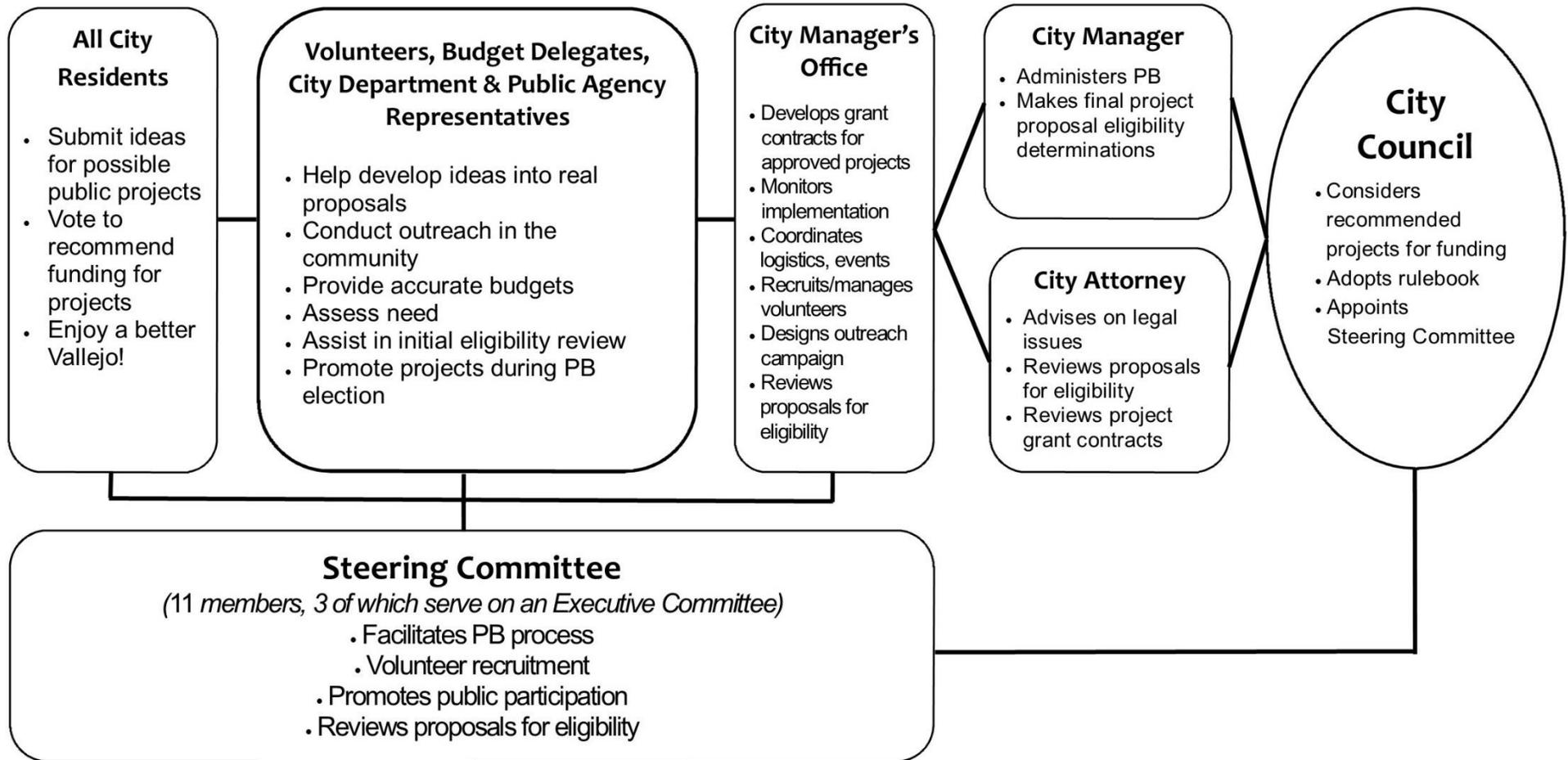
### **Monitoring of Funded Projects**

- After the vote, a monitoring subcommittee of Steering Committee members 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 to:

- 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 and Public Agency Representatives**

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

- Attend a Budget Delegate Orientation and a Project Proposal Workshop.
- Collaboratively discuss, categorize, and prioritize initial project ideas.
- With their issue committee, collaboratively 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/will not be resubmitted at different stages of review.
- Consult with Vallejo residents and stakeholders on project proposals.
- Help develop full project proposals that address needs and have a broad impact on the community.
- Responsible for developing all proposals within the issue committee.
- Prepare project posters and presentations.
- Mobilize Vallejo residents and stakeholders, conduct outreach.
- Monitor project implementation and evaluate the PB process

- Develop accurate and precise implementation budgets during development process

### **Facilitators**

Facilitators help residents participate effectively in committee 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), the PB Steering Committee, and delegates, helping to coordinate communication and resolve conflicts
- Connect delegates with information and resources, as well as liaise with City staff
- 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

### **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 and enforce Brown Act rules.
- 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.
- 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
- Provide a liaison to attend delegate meetings

### **Vallejo City Council**

- Establish the PB process
- Appoint the Steering Committee
- Appoint three (3) 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
- Report back to City Council on PB updates

### **Steering Committee**

A Steering Committee coordinates PB Vallejo. The committee is composed of up to 11 members, which could include a combination of civic organizational seats and at-large seats.

The City Council appoints all seats (primary, secondary, and alternates) to the Steering Committee. The City Council shall appoint three (3) alternate members to the PBSC who will not have member privileges unless they fill a vacancy that has become available. SC members will serve two (2) PB cycles. A cycle is defined as beginning before budget assemblies and ending after the vote.

PBSC members shall annually elect a Chairperson and two (2) executive committee members to serve on a 3-member Executive Committee. The Executive Committee's duties, roles and responsibilities include:

- Facilitate clear communication with staff and PBSC to achieve the four goals of PB
- Improve the agility and functionality of the PBSC
- Lead PBSC Subcommittees (either standing or ad-hoc, as defined by the PBSC)
- Conduct quarterly attendance and participation reviews of PBSC members and recommend steps to enforce the roles and responsibilities of all PBSC members

Steering Committee meetings will be held in compliance with the open meeting requirements of the Ralph M. Brown Act. Roles and responsibilities of the PBSC include:

- Design and oversee the PB process
- Distribute promotional materials
- Promote PB in their organizations and at community events
- Volunteer for assistance at 1/3 of public meetings, events, outreach efforts, voting sites, committee facilitation, and other PB-related events
- PBSC members with three unexcused absences of regular PBSC meetings in a 12-month period shall be disqualified from the PBSC and replaced by an alternate. (For organizational members, attendance of a secondary representative shall not be considered

an absence). PBSC members may have one excused absence in a 12-month period. A City Manager designee shall contact member civic organizations or at-large members with two unexcused regular meetings absences. Enforcing attendance rules shall be a responsibility of the Steering Committee leadership.

- Steering Committee members may be assigned as liaisons or facilitators 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. Steering Committee members may not advocate for specific projects.
- Recruit volunteers, organizations and community stakeholders to assist with the PB process
- Mobilize Vallejo residents and stakeholders to actively participate in the process
- 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 20 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 preparing voter-recommended project priorities for City Council 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.

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 provide name(s) and contact information of their representative(s) to the City Manager, or designee, via a letter pledging their interests. Organizational members have the option to nominate a secondary representative. If the civic organization's primary representative cannot attend, the named secondary representative must.

All members (primary or secondary) must submit the City of Vallejo's Conflict of Interest of Form 700. PBSC members who do not submit a Form 700 shall be disqualified from the PBSC and replaced by an alternate, as designated by City Council.

An updated list of individuals and organizations who serve on the Steering Committee for Cycle 5 can be reviewed on the City's [website](http://pbvallejo.org). (pbvallejo.org)