

MEMORANDUM

To: Interested Parties

From: Community Voices Heard, Participatory Budgeting Project and Community Development Project at the Urban Justice Center

Subject: How the Next Mayor, City Council, Comptroller and Public Advocate can Expand and Support Participatory Budgeting (PB) in NYC

Date: December 2013

This memo outlines how the Mayor, City Council members and Speaker, Comptroller and Public Advocate can expand Participatory Budgeting (PB) as a powerful tool for civic engagement, community empowerment and government accountability.

PB is a democratic process in which community members directly decide how to spend part of a public budget. Through an annual cycle, residents exchange ideas, work together to turn ideas into project proposals, and vote to decide what proposals get funded. PB was first used in the Brazilian city of Porto Alegre in 1989 and has since spread to over 1,500 cities around the world. It has been proven to produce better decisions, stronger communities, and more public support for elected officials. PB is also a pathway to civic engagement for those who are traditionally disenfranchised: people that cannot vote in general elections including youth (aged 16 and up), undocumented immigrants and those convicted of felonies can vote in PB. PB also mobilizes communities that have not been active participants in government decisions, such as low-income communities and many communities of color.

This proposal builds off of a strong infrastructure of Participatory Budgeting in NYC—a process that was launched in 2011 by four pioneering council members, with support from a number of community-based organizations, and has since engaged 10 council members, hundreds of organizations and thousands of community members over the last 3 years. Twenty-one NYC Council members have already committed to participating in PB starting in Summer 2014. While PBNYC at the level of the New York City Council districts is an exciting model for democratic governance, most Participatory Budgets around the world utilize a larger citywide process, with many more resources and a centralized infrastructure to support the effort. As PB continues to grow in the years ahead, the city should ensure there is sufficient technical assistance, community engagement efforts, and mechanisms to evaluate the process as it grows.

This memo will explain how New York City government can build on its current success with PB to increase the impact and create a transformative model of democratic governance.

How the City Council Can Expand PB

In order to ensure that PB continues to be sustainable and impactful as the current district-level approach continues to grow from 9 to 21 districts and beyond, the Speaker and City Council should:

1. Create a Centralized Division in the City Council to Coordinate and Support PB.

A new division, housed within the City Council’s finance department could coordinate and support PB efforts within the City Council.

This office should:

- Facilitate interactions between PB participants and city agencies by helping to navigate project proposals through agency vetting processes and overseeing implementation of winning projects.
- Coordinate a City-Wide Steering Committee that includes civic organizations, community boards, and key city offices and agencies, to ensure that PB remains a collaborative community-government program.
- Coordinate and provide support for Council member offices in conducting PB events and meetings such as neighborhood assemblies and the PB vote.
- Coordinate city-wide publicity and information sharing related to PB, including traditional media outreach as well as engagement via the PBNYC website, social media, email lists, and other digital participation tools. This will reduce the administrative burden of PB through economies of scale.
- Provide centralized resources and in-kind support for common needs of district PB processes, such as printing, translation and interpretation, publicity, and facilitators. This will reduce costs through economies of scale.
- Engage in robust community outreach either directly or through support for local community partners, particularly those working in traditionally marginalized communities.
- Provide oversight and quality control of PB processes in each council district.

2. Provide City Council Matching Funds for District PB Processes.

In order to increase the number of New Yorkers that participate in PB, to ensure that the most disenfranchised communities are included in the process and to make more equitable the distribution of PB funds, the City Council should provide matching funds for those districts doing PB with the highest level of need.

- Matching funds should be available to help Council members and community groups conduct more robust outreach to engage as many people as possible in the PB process, particularly those that are traditionally excluded from political processes.
- The City Council should provide matching funds to those districts that have the highest level of need. This could be measured using various indicators and modeled after the *Urban Life Quality Index* in Belo Horizonte, Brazil.¹
- Some of these proposals would be modified pending changes to the way discretionary funding is provided to Council members under the new Council rules adopted in 2014.

How the Mayor can Expand PB

As we transition to a new administration—one that wants to reach those who live in the “other New York”—now is a key moment to restore trust in Government by re-engaging all New Yorkers in civic affairs, particularly those that have been the most alienated from the city’s governing processes during the past 12 years of the Bloomberg Administration.

¹ For more information on the Urban Life Quality Index and best practices for PB in Belo Horizonte Brazil, Rosaria, Argentina and Vallejo California, see “Participatory Budgeting at the City Level: Case Studies and Best Practices,” Participatory Budgeting Project, November, 2013.

While PBNYC has been a success in the City Council, most Participatory Budgets around the world have a bigger scope, where more resources are invested in a citywide process, allowing a greater number of people to decide how to spend much larger pots of money. Since the mayor's budget is much larger than that of the City Council, by expanding PB into a citywide process, the Mayor can support larger projects while increasing civic engagement and engaging thousands more New Yorkers than any of his predecessors. This citywide process would complement and enhance the process already underway in the City Council and could be used to leverage other civic engagement efforts for those New Yorkers who most need their voices to be heard. In order to make this a reality in NYC, the Mayor should:

1. Connect PB in the City Council with Additional NYC Budget Funds.

- The Mayor should provide matching funds for City Council PB projects that align with the agency's mission. Projects that meet the highest need will be prioritized for matching funds.
- Channel spending ideas that are generated through PB but not eligible or appropriate for Council member funds to the appropriate city agencies.
- Create a "fast track" system that allows winning PB projects in the City Council process to be expedited through the city bureaucracy, to ensure that investments prioritized through PB hit the ground quickly.

2. Create a City-wide Participatory Budgeting Process for Larger Projects and Programs.

- Build on the existing district-based PB process by adding a broader thematic PB process, for projects that stretch across multiple districts. This is common in Latin American cities, enabling residents to develop and vote on proposals for city-wide or larger scale programs, such as job training programs, bus routes, and new parks. Idea collection and voting for thematic PB could be integrated with district-level processes.

3. Pilot Participatory Budgeting in a City Agency such as NYCHA or DYCD or the BOE.

- Public housing residents or youth or schools could participate in a process where they decide how a portion of the agency's budget is spent.
- This could be modeled after Toronto, where public housing residents decide 13% of the housing authority budget or Boston where the Center for Youth and Family, recently established a youth PB process.

4. Establish PB Coordinators in Each City Agency.

Each agency should have at least one PB Coordinator, who would serve both the City Council and new Citywide PB processes. These agency staff, which are common in city-wide PB processes, would be responsible for:

- Evaluating technical feasibility of project proposals;
- Estimating cost of feasible proposals;
- Providing updates about project implementation;
- Evaluating the agency's capital budget process and identifying changes to make it work better with PB. For example, the Parks Department could be advised to implement smaller capital projects and Department of Environmental Protection could be advised to allow Council members to allocate funds for green infrastructure.

- Coordinating with PB delegates, community members, council member and speaker staff. This includes attending public meetings to talk about PB with community members.

How the Comptroller can Support PB

Given the NYC Comptroller's mission is to advise the Mayor, City Council and the public of the City's financial condition and to make recommendations on financial transactions, the Comptroller and his staff of over 700 financial professions can and should take an active role in PB. To do this, the Comptroller should:

- Dedicate a small staff team to help review and vet PB projects coming from the City Council or new city-wide PB process before they go through the city agencies. The comptroller plays this role in San Francisco and it helps to ensure that community members know early on if their projects are not viable and makes the process of project development with city agencies smoother and more effective.

How the Public Advocate can Support PB

According to the Public Advocate's website, *"The job of the Public Advocate is, most fundamentally, that of a watchdog, ensuring that all New Yorkers receive the City services they deserve and have a voice in shaping the policies of their government."* Accordingly, the Public Advocate can play an important role in PB by:

- Dedicating staff members and resources to help mobilize and engage traditionally disenfranchised communities in the PB process. This could include outreach to community organizations as well as youth, immigrants and the formerly incarcerated; providing interpretation and translation, and performing other tasks related community engagement and mobilization.
- Helping to track winning projects and work with community members to advocate for the implementation of projects.